Saudi Arabia-Iran relations 1929-2013

Al Saud, Turki Bin Khaled Bin Saad Bin Abdulaziz

Awarding institution:
King’s College London

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A Historical Study

of

Saudi Arabia – Iran Relations and Regional Order

1929–2014

by

Turki bin Khaled al-Saud

A Thesis submitted for the Degree of Doctorate of Philosophy

Middle Eastern and Mediterranean Studies Programme

King’s College

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I feel very fortunate to have met many great people, who have turned this long, challenging, and sometimes difficult journey into a wonderful and rewarding experience; many of whom I hope will continue to be lifelong friends. I am very grateful to the various scholars, colleagues and friends who have helped me throughout the different stages of my research and writings. Special thanks go to Professor Michael Kerr, my academic supervisor at King’s College, who provided me with valuable advice throughout my studies. I would also like to express my gratitude to Professor Rory Miller, whose advice and guidance during the first and second years of my PhD studies was helpful. I also extend my thanks to Saad Alhaqan for his unlimited assistance. I wish to thank the diplomats and other distinguished figures, for the many hours they spent patiently answering my questions about important figures, dates and events. This thesis could never have been written without their valuable help. I thank Ardeshir Zahedi for sharing his personal historical experiences, the details of which cannot be found in any books. I do not have the words to express sufficient thanks to Mrs Huijie Lin, my personal assistant, who has become a very dear friend. She has been extremely helpful, organising my interviews and travel itineraries during my research. I should also like to express my admiration for the staff at the King’s College Maughan Library, who have been very accommodating and supportive. Finally, I would like to thank Mrs Laura Klitsch and Dr Caroline Davis for proofreading my finished thesis. I am truly grateful to you all.
ABSTRACT

This research is a historical study of Saudi Arabia-Iran relations, covering the period from 1929 to 2014. These two countries are major players in the region, and as such have been engaged in both mutual confrontation and cooperation. The aim of this research is to study the events that have affected the bilateral relationship between Saudi Arabia and Iran from a historical perspective. This research also illustrates key aspects associated with their relations during the period of study. It further aims to provide a clear understanding of events over the course of almost a century, to explain how and why Saudi-Iranian relations developed as they did; specifically, the diverse triggers that resulted in amicability or resentment. The objective of this research is to uncover possible means to improve this important regional bilateral relationship, to sustain the stability and security of the wider region.

This thesis contains six chapters, which evaluate both countries’ regimes, policy-forming processes and the historical events implicated in shaping their bilateral relations. The first chapter covers the period 1929 to 1979, illustrating the bilateral relations between the two nations and their respective impact on the region. The research then reveals the main impact of the Iranian revolution on the Saudi-Iranian relationship to have been heightened mistrust between the two nations. The revolution marked an end to cooperative diplomatic relations, creating a bitter rivalry between the two nations for power and influence in the region. As a consequence of post-1979 Iran’s regular regime change, from religious fundamentalists to reformers, this period witnessed some dramatic changes to perceptions of the country on the world stage. Hence, Chapters 2-6 are devoted to the post-1979 era. Chapter 2 provides a history of the Iranian revolution and the Saudi response to
it, while Chapter 3 discusses the impact of the Iran-Iraq War and its impact on Saudi Iranian bilateral relations. After the end of the Iran-Iraq War, Iraqi forces invaded Kuwait, and Chapter 4 discusses the resultant events that brought Saudi Arabia and Iran together once more to contain a common threat, in the form of the Saddam regime. Chapter 5 details the impact on Saudi-Iranian relations when reformists governed Iran after 1990. The reformists pursued differing approaches to the wider world, leading to a period of rapprochement that brought the two countries closer together, contributing to improved relations, albeit within certain limits. Chapter 6 provides a historical account of the wide range of events and regional issues that affected Saudi-Iranian relations during the period 2001 to 2014.

The study concludes that, from 1929 to the present, Saudi Arabia has not changed its stance on Saudi-Iranian bilateral relations; however, the regime change in Iran, from secular to conservative, resulted in significant changes to Iran’s position, leading to adjustments in its policy concerning bilateral relations.
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## NOTE ON TRANSLATIONS

**Al-faqih:** An Islamic jurist

**Da’awa:** The call

**Emir al-Momeneen:** ‘Commander of the Faithful’

**Fatwa:** A religious edict, legal judgment or learned interpretation that a mufti, or one who is otherwise qualified, is able to give on Islamic issues

**Fait accompli:** An accomplished fact

**Faqih:** Islamic jurist

**G20:** The twenty most powerful world economies: composed of nineteen countries and the EU

**Hajjis:** Pilgrims

**Hukumat-i Islami:** Islamic Government

**Farooq:** One who distinguishes between right and wrong

**Imam:** An Islamic leadership position

**Ifta’a:** Supreme Religious Council

**Khadij al-Haramayn:** The custodian of the two Holy Mosques

**Khoms:** Shia religious taxes

**Majlis:** Place or seating, used in the context of a council

**Majlis al-Shura:** Consultative council

**Mufti:** A Sunni Islamic scholar and expert in Islamic law qualified to give authoritative opinions, known as fatwas

**Occult:** A hidden Imam
<table>
<thead>
<tr>
<th>Term</th>
<th>Description</th>
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<tr>
<td><strong>Sunna:</strong></td>
<td>The Prophet’s teachings and practices</td>
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<tr>
<td><strong>Shahadah:</strong></td>
<td>The creed</td>
</tr>
<tr>
<td><strong>Shiite:</strong></td>
<td>Followers of Imam Ali</td>
</tr>
<tr>
<td><strong>Rawafids refers to Shias:</strong></td>
<td>Rejecters of Mohammed’s successors</td>
</tr>
<tr>
<td><strong>Sunnah:</strong></td>
<td>The teachings and traditions of the Prophet (PBUH)</td>
</tr>
<tr>
<td><strong>Sunnis:</strong></td>
<td>Followers of the Prophet’s teachings and practices</td>
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<tr>
<td><strong>Taqiyya:</strong></td>
<td>Dissimulation</td>
</tr>
<tr>
<td><strong>Tosegara:</strong></td>
<td>Development</td>
</tr>
<tr>
<td><strong>Ulemas:</strong></td>
<td>Religious scholars</td>
</tr>
<tr>
<td><strong>Ulema:</strong></td>
<td>The role of religious leaders</td>
</tr>
<tr>
<td><strong>Vali-e faqih:</strong></td>
<td>Rule by jurisprudence</td>
</tr>
<tr>
<td><strong>Wilayat:</strong></td>
<td>Guardianship</td>
</tr>
<tr>
<td><strong>Vilayat al-fakieh or Wilayat al-Faqih:</strong></td>
<td>Guardianship of the jurist</td>
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<tr>
<td><strong>Wilaya:</strong></td>
<td>Supremacy</td>
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### ABBREVIATIONS

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
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<tbody>
<tr>
<td>AWACS</td>
<td>Airborne Warning and Control System</td>
</tr>
<tr>
<td>AQAP</td>
<td>Al-Qaeda in the Arabian Peninsula</td>
</tr>
<tr>
<td>AQI</td>
<td>Al-Qaeda in Iraq</td>
</tr>
<tr>
<td>CIA</td>
<td>Central Intelligence Agency</td>
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<tr>
<td>CFR</td>
<td>Council of Foreign Relations</td>
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<tr>
<td>CNN</td>
<td>Cable News Network</td>
</tr>
<tr>
<td>EU</td>
<td>European Union</td>
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<tr>
<td>FATF</td>
<td>Financial Action Task Force</td>
</tr>
<tr>
<td>IPAC</td>
<td>Iranian Pan American Oil Company</td>
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<tr>
<td>GDP</td>
<td>Gross Domestic Product</td>
</tr>
<tr>
<td>GNP</td>
<td>Gross National Product</td>
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<tr>
<td>G20</td>
<td>Group of the 20 major world economies</td>
</tr>
<tr>
<td>ICO</td>
<td>Islamic Conference Organisation</td>
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<tr>
<td>IAEA</td>
<td>International Atomic Energy Agency</td>
</tr>
<tr>
<td>JAM</td>
<td>Jaysh al-Mehdi</td>
</tr>
<tr>
<td>ILSA</td>
<td>Iran-Libya Sanctions Act</td>
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<tr>
<td>IRGC</td>
<td>Iran’s Revolutionary Guards Corps</td>
</tr>
<tr>
<td>KRG</td>
<td>Kurdistan Regional Government</td>
</tr>
<tr>
<td>LNG</td>
<td>Liquefied natural gas</td>
</tr>
<tr>
<td>MENA</td>
<td>Middle East North Africa</td>
</tr>
<tr>
<td>MOIS</td>
<td>Iranian Ministry of Intelligence and Security</td>
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<tr>
<td>NIOC</td>
<td>National Iranian Oil Company</td>
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<tr>
<td>NPT</td>
<td>Nuclear Non-Proliferation Treaty</td>
</tr>
<tr>
<td>OIC</td>
<td>Organisation of Islamic Countries</td>
</tr>
<tr>
<td>OPEC</td>
<td>Organisation of Petroleum Exporting Countries</td>
</tr>
<tr>
<td>PDRY</td>
<td>People’s Democratic Republic of Yemen</td>
</tr>
<tr>
<td>SAIRI</td>
<td>Assembly of the Islamic Revolution in Iraq</td>
</tr>
<tr>
<td>SAVAK</td>
<td>Sāzemān-e Ettelāʾāt va Amniyat-e Keshvar (Organisation of Intelligence and National Security)</td>
</tr>
<tr>
<td>SCIRI</td>
<td>Supreme Council for the Iran Revolution in Iraq</td>
</tr>
<tr>
<td>SNSC</td>
<td>Iran’s Supreme National Security Council</td>
</tr>
<tr>
<td>UAE</td>
<td>United Arab Emirates</td>
</tr>
<tr>
<td>USIP</td>
<td>United States Institute of Peace</td>
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<tr>
<td>USSR</td>
<td>Union of Soviet Socialist Republics</td>
</tr>
<tr>
<td>UN</td>
<td>United Nations</td>
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<tr>
<td>UNIIIC</td>
<td>United Nations International Independent Investigation Commission</td>
</tr>
<tr>
<td>WMD</td>
<td>Weapon of Mass Destruction</td>
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<tr>
<td>WTO</td>
<td>World Trade Organisation</td>
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INTRODUCTION

Due to its strategic geo-political position and abundance of valuable natural resources, the Arabian-Gulf region is one of the most important world regions. Located in this region, both Saudi Arabia and Iran are major regional powers with a great influence on the wider Muslim world. The Kingdom of Saudi Arabia represents the Sunni sect, while Iran is champions of Shia Islam. These religious differences, coupled with geographical rivalry, have made diplomatic relations between the two nations extremely difficult. In addition, the period since 1979, following revolution in Iran, has witnessed some unstable domestic and international policies in the country. These policies, combined with the eventful era of the post USSR (unipolar) world and regional rivalries have complicated the development of stable and long-term diplomatic relations between the two neighbours.

As this research will show, the pre-1979 era of cordial diplomatic relations between Saudi Arabia and Iran resulted from the presence of similar government structures in both countries, along with complimentary foreign policy and domestic goals. Sectarian divisions were not emphasised between 1929 and 1979, and were not a focal point in bilateral discussions.  

1 David Long remarks specifically that “prior to the [Iranian] revolution, the primary political confrontation in the Gulf was neither Sunni-Shiite nor Arab-Persian but conservative-radical.”


2 Quoted by ibid. 628.
However, the 1979 revolution led to an about-turn in Saudi-Iranian relations. The success of the religious fundamentalists represented an attack on everything that had previously united the leadership of the two countries. For almost a decade following the 1979 revolution, the Saudi-Iranian relationship continuously deteriorated, ultimately resulting in a break in diplomatic relations in 1988. Subsequently, however, the post 1990 era saw some attempts from both sides to make a rapprochement. Unfortunately, the continuous regime change in Iran, and other regional events, such as Iraq’s invasion of Kuwait and the US led coalition’s response, the failed Palestine peace talks, and the Arab spring hampered efforts to bring the two countries closer together.

This thesis focuses on the changing relationship between the Kingdom of Saudi Arabia and Iran, from 1929 to 2014. This specific period was chosen to ensure the relationship is addressed comprehensively, and to overcome the limitations in former studies, which focused on either the pre-1979 (i.e. pre-Iranian revolution) era, or the post-1979 era. It was judged essential to present both periods, pre- and post-1979, in the context of the foreign policies adopted by the two countries and the key factors informing those policies, to provide a thorough analysis of the salient facts. By covering the entire period, it is possible to give the reader a more complete insight into how relations have altered; particularly in view of the contrast between the relative stability of Saudi Arabia’s internal political system, and Iran’s experience of revolution with the overthrow of the Pahlavi

3 Khalid Alaoifi, "Al‘qat Bain Alsaudia Wa Iran; Almuraja‘ah (Saudi Iran Relations: A Review of Literature," ed. King Saud University (Riyadh 2005).
Dynasty and the establishment of the Islamic Republic of Iran. Critically, by examining a relatively longer period, it is possible to attain a broader understanding of the two countries’ histories and their similarities and differences in key areas of diplomatic relations, and to lend balance to the thesis by considering the relatively harmonious bilateral relations that prevailed prior to the revolution.

Crucially, a review of the period 1929 to 2013 introduces the two most important players in the Middle East region in a world context, and poses the questions: What were the major differences between pre- and post-1979, and why? What are enduring themes witnessed during the Shah, the Khomeini, and the post-Khomeini periods in Iran? What drove the changes, if any (both internal and external) to the two countries during each period? How has the changing relationship been reflected in the wider region, and among the key players beyond its borders? Are there any lessons to be learned from the last eighty-five years, which might benefit the progression of amicable Saudi–Iranian relations? Is it possible to achieve an amicable relationship once more, despite current misunderstandings? If yes, how? If not, why not?

**Literature Review**

The Saudi-Iranian relationship as understood in this thesis dates back to shortly after the establishment of the al-Saud dynasty in 1928. From that time onwards, the Saudi–

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5 Richard Javad Heydarian, “Iran-Saudi Relations: Rising Tensions and Growing
Iranian relationship has been widely regarded as the most important in the Gulf region, and has been analysed in numerous publications. Some works have focused on specific time frames, such as Saeed Badeeb’s two books, *Saudi–Iranian Relations, 1932–1982* and *The Saudi-Egyptian Conflict over North Yemen, 1962–1970*; whereas, others have concentrated on a particular issue, such as H. Fürtig’s *Iran’s Rivalry with Saudi Arabia between the Gulf Wars*. Badeeb evaluates Saudi–Iranian relations in the context of political, religious, economic and military issues during prescribed periods. Many other authors have chosen to examine relations from either the Saudi or Iranian perspective, thereby producing an incomplete picture of events. However, Rouhollah Ramazani (1988) referenced the Gulf Cooperation Council (GCC), providing a large volume of documents and offering a comprehensive analysis, which are of value to this study.

With regard to Saudi Arabia, Anthony Cordesman (2003) advises that, because it is the more important political player in the region, on the regional and global stage, it is critical that we understand how it formulates its foreign policy, including its defence policy, as well as its bilateral relationships with other key players in the region and worldwide.

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This is a key aim of this thesis also. On the subject of Iran, Cordesman has been most concerned with its ambition to obtain nuclear weapons, arguing that Iran’s ambitions on the global stage are simultaneously unclear and unpredictable. In *Saudi Arabia the Twenty-First Century: The Military and International Security Dimensions*, he systematically assesses the details of Iran’s military capability with the goal of comprehending the Iranian threat to the region fully,11 something also considered in the latter part of this thesis.

Studies from the Iranian perspective include that by Rouhollah Ramazani12, whose work illustrates how the Pahlavi Regime, from Rezah Shah (1925–1941) to his son Mohammad Reza Shah (1941–1979), exercised pragmatism in its foreign policy, aligning regional interests with their own national interests. This thesis takes this work as a basis when establishing the role of pragmatism in bilateral relations, and the scope for alignment of views between Saudi Arabia and Iran. Groot also describes the period following Reza Khan’s 1921 coup, which is touched on in Chapter 1 of this work, explaining that it resulted from a combination of personal ambition, and domestic and international factors. During his reign, Reza attempted to resuscitate Iranian customs and traditions, and Groot concludes that the Iranian royal family conducted national business from such a perspective, according to the needs, of the family.13 Also covering the post-1979 period, Ramazani examines the Islamic Republic’s foreign policy of ‘neither east nor west’, and

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Khomeini’s insistence on the need to export the revolution. Furthermore, he demonstrates how this stemmed from the personal aspirations of Khomeini himself, and considers how the Khomeini ideology dominated the first decade of the Islamic Republic’s foreign policy, which was founded on a desire to establish a ‘Khomeini Islam’-led international order. To provide additional context, it is also beneficial to consult the work of Nikki Keddie and Rudolph Matthee (2002), which explores Iranian domestic politics from 1501 to the present day, considering recent Iranian political and social developments against a historical backdrop.

Rakel’s (2007) study of the period following the policy shift post-revolution contends that Ayatollah Khomeini played a substantial role in turning Iran from a rational nation in the eyes of the region and the world, into an irrational, isolated country, adhering to his own version of Shia doctrine. He explains that Khomeini not only changed Iran’s relationship with the US, but also its relationship with its Arab neighbours. To Khomeini, expanding his revolution throughout the Muslim world took precedence over Iran’s political stability and economic development. Sadri (1998) states that this attitude prompted Iran to withdraw from the Central Treaty Organisation (CENTO), joining the Non-Alignment Movement (NAM), in order to become fully independent of the Great

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Powers. He further explains that Iran’s pursuit of a non-alignment policy was mainly based on domestic condemnation of the former Shah’s policy as too dependent and ‘culturally anti-Iran and anti-Islam’. These works are of importance to this thesis, as the shifts in policy following 1979 form the core of the examination undertaken in Chapters 2, 3, and 4.

Joseph Tragert (2003) describes how, soon after the revolution, Iran strived to promote its own version of Islam worldwide, denying the legitimacy of other Islamic regimes. Iran did so in an attempt to spread the Khomeini ideology and gain more influence amongst Muslims. Trita Parsi (2007) analyses this policy in relation to Khomeini’s accusation that other Arab nations had ‘deserted Islam’ or represented a new form of ‘American Islam’. Parsi notes that statements from the Iranian supreme leader led to a rift between Iran and the other nations in the Arabian Gulf, as Iran sought to cast itself in the position of regional leader by exporting the revolution and its own brand of Islamic ideology. Examples of this ambition include Iran’s pursuit of regional leadership by supporting Shiites resident in Lebanon and other Gulf nations. Even the Hajj has been used as an opportunity for Iran to spread its revolutionary ideology. On this point, Joseph Kostiner (2009) observes that ‘politicising’ the Hajj was a ruse by Iran, intended to spread Khomeinist ideology.

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17 Abdullah Masood, Fahi‘m Alisiyat Alkhariyyah Irania (Understanding Iran’s Foreign Policy) (Riyadh: King Saud University, 2003).
18 Trita Parsi, Treacherous Alliance: The Secret Dealings of Israel, Iran and United States (Yale: Yale University Press, 2007).
19 Joseph Kostiner, Conflict and the Cooperation in the Gulf Region (Wiesbaden: VS Verlag für Sozialwissenschaften, 2009).
Additional works of interest referenced in the thesis, focus specifically on the area of interest raised in Chapter 3, i.e. Saudi–Iranian relations relative to the Iran–Iraq war and its impact on the region. Shahram Chubin (1994) addresses critical issues from the context of the Iranian viewpoint, portraying the impact of the Iran–Iraq war and the 1991 Kuwait invasion on Iran’s foreign policy.20 Chubin (2006) also discusses Iran’s aspirations to attain nuclear technology in reference to the possibility that it could be used to produce weapons, and the concerns this raises globally, because of perceptions of Iran as a revolutionary state, accused of sponsoring terrorism, and located in a very important geopolitical region. He also argues that connections between terrorism, proliferation, rogue nations and weapons of mass destruction (WMD) are high on the security agendas of the international community.21 Efraim Karsh (2009) discusses the reasons, strategies and aims behind the Iran–Iraq war, as well as the military lessons to be learnt from it; these will be presented in the context of Saudi-Iranian relations in Chapter 3 (see section 3.5).22

In summarising the course of the regional foreign policies of the countries in the Middle East, Fred Halliday (2005) describes how it has long been dominated by uncertainty and conflict.23 Acknowledging this, Fürtig also argues that the intermittent periods of peaceful coexistence show the apparent discord between the states in the region, of interest

here between Saudi Arabia and Iran, is neither inherent nor insurmountable, but rather situation specific. D. Hiro (2013) provides a comprehensive study of Iran’s comportment under and after the Shah. He also discusses Iran’s relationships with the West and the Soviet Union. Furthermore, evaluating the more recent post-1992 period, which is the subject of Chapters 5 and 6 of this thesis, Shireen Hunter concluded that three years after the supreme leader’s death, changes and reforms were ongoing, but Iran’s political future remained unknown.

In conclusion, a review of the sources available as a basis for this thesis found that although there is voluminous body of literature discussing the rivalry and Saud Iranian diplomatic relations, every book has a unique focus, which fails to provide a comprehensive history of the bilateral relations of the two giants in the Arabian-gulf and Muslim world. Furthermore, some of the literature combines perceptions of bilateral relations with a wider worldview, failing to highlight the position of the two countries accurately. Therefore, this research will attempt to add value to the literature by exploring the changes in Saudi-Iranian relations throughout the period 1929 to 2014. The key feature of this research will be its attempt to communicate the Saudi point of view, while also justifying and explaining the Iranian standpoint, with reference to the relative cordiality of the pre-1979 era and the rapprochement resulting from modernist/reformist governments

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24 Furtig, *Iran’s Rivalry with Saudi Arabia between the Gulf Wars*.
in Iran.

**Research Questions**

A research question is an answerable point of enquiry, formulated as a basis for research, and highlighting a specific concern or issue.\(^27\) Specifying research questions is one of the most important methodological steps taken by the researcher when preparing to conduct research. The questions formulated to guide this research are as follow:

1. What is the history of the Saudi-Iranian bilateral relations?
2. What are the underlying influences that have shaped Saudi-Iranian bilateral relations?
3. What were the major differences between Saudi-Iranian bilateral relations pre- and post-1979, and why?
4. What impact do Saudi-Iranian bilateral relations have on the Gulf region and the Muslim world?

To answer these questions a qualitative descriptive study will be conducted.

**Research Objectives**

Research is a quest for knowledge; alternatively it can be described as a fact-finding

mission. Historical research involves a logical and systematic search for new and useful information concerning a particular issue or event, or set of events. This study aims to provide a clear understanding of events over the course of almost a century; to explore how and why Saudi-Iranian relations developed as they did, and specifically, what aspects of their different approaches to pragmatism, and their worldviews pushed them towards either amicability or resentment. The primary objective of this research is to uncover historical facts about Saudi-Iranian bilateral diplomatic relationships, to inform future policymaking and improve this important regional bilateral relationship by learning lessons from the history, as a means to sustain the stability and security of the wider region. Hence, this is an exploratory and descriptive research, which attempts as far as possible to remain objective, unbiased and neutral.

**Research Methodology**

Research methodology is employed systematically to solve a research problem, and so the choice of methodology is important. In this research, a qualitative approach is followed, involving the subjective assessment of attitudes, opinions, behaviour and facts. In such a situation, research is a function of the researcher’s insights and impressions. As mentioned previously, this is a historical study focused on what happened in the past, with the aim of learning lessons from past successes and difficulties.

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Historical research involves systematic and objective study of past events, to draw conclusions about the past events,\textsuperscript{31–32} by learning what happened in the past and revealing the reasons behind events.\textsuperscript{33} This is achieved through studying primary historical data in the form of historical records and writings. The thesis also draws on textual analysis of a wide range of documents, including books, articles, reports and official and unofficial publications, with the aim of answering the first research question: What is the history of the Saudi-Iranian bilateral relations? By utilising archival research and media sources, information pertaining to key facts was gathered.

Despite the practical difficulties of this research, it was possible to locate a good body of material located in a range of libraries and archives. The thesis also benefits from the utilisation of both Arabic and English sources. These are primarily academic publications by known authors, published in academic journals, the media, and government documents; thus, the thesis utilises both secondary and primary sources.

During the research process, informal interviews were also conducted, either to verify historical facts, or to gain further insight into a known fact. Because these interviews were for fact-finding purpose only, they are only quoted where necessary to defend or extend and argument.

\textsuperscript{31} Abdullah, \textit{Research Methods in Social Science}. 43.
\textsuperscript{33} Abdullah, \textit{Research Methods in Social Science}. 43.
Thesis Structure

The outcomes of this research endeavour are presented in six chapters as follow:

As mentioned previously the pre-1979 era witnessed stable governments in both countries, with shared common socio-economic and political goals. This resulted in an era of stable and cordial bilateral relations, based on the concept of mutual respect. Chapter 1 summarises the historical background to Saudi Arabia and Iran, outlining the history of their diplomatic relations between 1929 and 1979. It sets the stage for identifying and understanding issues that raised mutual concern, while providing an in-depth examination of the short- and long-term policy strategies of both countries. It also discusses how the two nations rose to prominence both regionally influential and internationally. The general conclusion of this chapter is that Saudi Arabia and Iran enjoyed a reasonable degree of cooperation prior to 1979, and direct confrontations were constrained by systematic direct communication built up by leaders on both sides.

Chapter 2 explains how the 1979 revolution brought the era of friendship, cordial relations and mutual respect to an abrupt end. The 1979 revolution enacted deep rooted changes within the social political system in Iran, ushering in an erratic foreign policy, with regard to both regional and international issues. The post-1979 era discussed in this chapter was also an eventful period in the Arabian-Gulf region, and on the international stage; it say significant changes to global socio-politics, affecting all spheres of life. Furthermore, since 1979, Iran has witnessed different regimes, having been led by both religious
fundamentalists and reformists, causing a yo-yo effect within its socio-political system. This uncertainty in Iran has considerably complicated the course of bilateral relations in the post-1979 era, and so requires in depth analysis.

As mentioned previously this thesis tells the story of Saudi-Iranian bilateral relations, from a Saudi standpoint. Thus, it is undeniable that the Khomeini led revolution was a pivotal turning point in the ties between the two neighbouring countries. Chapter 2 attempts to document the events that shaped the Saudi Iranian diplomatic relations. Emphasis was given to socio political changes brought in the Iranian society, its wider implications and Saudi response to these changes from 1979 to 1989.

1980-88 is one of the darkest periods in the history of this region, and it saw an eight years long war between archrivals, Iran and Iraq. Although the war was ostensibly between Iran and Iraq, it severely affected countries throughout the whole region. Chapter 3 provides a description of what happened and explains how Saudi support for Iraq during the war influenced the Saudi–Iranian relations, as well as the ramification of the conflict for the wider region.

Chapter 4 focuses on Iraq’s invasion of Kuwait from 1990 to 1991 and details the role of this new conflict in the changing the dynamics of Saudi–Iranian relations. The war saw a move away from confrontation to collaboration, as both nations faced the same threat in the form of the Iraqi dictator Saddam Hussein. The chapter concludes that, although the Kuwait Invasion lasted less than a year, its impact in the form of remodelled Saudi–Iranian
relations, and altered relations between Iran and the other Arab states and the West, was enormous.

Chapter 5 depicts the Saudi–Iranian relationship during a period in which both nations reached a rapprochement, i.e. the 1990s. The chapter examines the three Iranian Presidencies and the foreign policies pursued during each, particularly toward Saudi Arabia. In particular, it considers the context of the key internal and external factors, which shaped those policies, and explains how Saudi Arabia responded to changes in Iranian foreign policy. It concludes that the main aim of both countries during this decade was the building of confidence and mutual trust, with emphasis on high-level visits and dialogue, notwithstanding enduring major security concerns.

Chapter 6 covers the period from 2001 to 2014, explaining how recent Saudi–Iranian relations have evolved in the context of Iranian nuclear development, terrorism, oil and economy-related issues. In particular reporting on the competition and limited collaboration in Lebanon, the Syrian civil war, and rivalry in the Gulf region and the Levant. It concludes that Saudi-Iranian relations have witnessed a sharp deterioration following the U.S. led invasion of Iraq in 2003, and the election of a new Iranian President, Mahmoud Ahmadinejad, in 2005. His re-election for a second term in office in 2009 has led to a further aggravation of conflict.

Although it could be argued that there is an imbalance in the thesis, as fewer than 40 pages are devoted to 1929 to 1979 and almost 200 pages to the shorter period from
1979-2014, this is not the case in terms of the policy implications central to the understandings sought in this work. Indeed, the 1929 to 1979 era saw a consistent government structure and set of socio-economic goals in both countries, giving rise to similar and enduring foreign policies and strong bilateral relations. In addition, at this time both countries adopted similar strategies and shared most international alliances. By contrast, the post-1979 era was an eventful era in which national and domestic changes, particularly in Iran, led to swift and drastic shifts in policy, set against a tumultuous regional backdrop; therefore, it is inevitable that this period accounts for a larger proportion of the discussion in this thesis.
CHAPTER 1

The Story of Saudi-Iranian Relations 1929-1979

1.1 INTRODUCTION

Saudi Arabia and Iran are the most influential countries in the Gulf region and the Muslim world. Both countries have long recorded histories and traditions, with Saudi Arabia bearing the pride of Arab nationalism, and Iran the glorious history of the Persian civilisation. Although the Arab peninsula has a long history, the current State of the Kingdom of Saudi Arabia was established relatively recently, in 1929. It is a well-documented fact that Saudi Arabia and Iran are not only the two most influential countries of the Muslim world, but also hold more than 50% of the world’s known supplies of crude oil, an essential ingredient of industrial development. Therefore, their harmony or rivalry directly or indirectly effects a large proportion of the world’s population. This research is a historical study of Saudi-Iranian bilateral relations since 1929, i.e. since the birth of the Kingdom of Saudi Arabia. It aims to examine the underlying factors, which influenced bilateral relations between the two neighbouring civilisations, to provide an understanding of how relations can best move forward positively in the present. This chapter attempts to provide details of the main themes and locations to set this important bilateral relationship in its historical context.

Saudi Arabia and Iran both pride themselves on their rich histories, as their societies and cultures have influenced the world, especially after Islam i.e. since around 600 AD. Saudi Arabia includes the larger portion of the Arabian Peninsula, and is the birthplace of Islam, and of the Prophet Mohammad, and his final resting place.\footnote{Christopher M. Blanchard, “Saudi Background and U S Relations,” (Washington DC: Congressional Research Service, CRS Report, 2009).} It is
considered a sacred land for this reason, and is the location of the sacred house of God, the Kab’ah in Mecca, and the Prophet’s sacred Mosque in Medina. Both sites are the focus of pilgrimages undertaken by the faithful, in accordance with one of the Five Pillars of Islam. Its Islamic heritage has extended far beyond the Arabian Peninsula; stretching across the Indian subcontinent, reaching China’s borders, and including the Iberian Peninsula and the Pyrenees, Sicily, North Africa, Central Asia and the Middle East.2 The Arabic language is of Central Semitic origin, and one of the most-spoken languages in the world. Indeed, in 1974 it was made the sixth official language of the United Nations.3 The Arabic language continues to be used in non-Arabic countries, because it is the language of Quran revealed by God; thus, Muslims worldwide use it as their liturgical language.4 Saudi Arabia is also referred to as the ‘Land of Tawheed’, which is a phrase affectionately said to define Saudi Arabia as a bastion of monotheism.

Nature has gifted Saudi Arabia with oil, a natural resource considered to be more precious than gold. The story of oil in Saudi Arabia dates to 1933, when King Abdulaziz al Saud granted Standard Oil Company of California (Socal), later renamed Chevron the right to prospect for Oil in the Kingdom. After the discovery of oil in 1938, and the first oil exports in 1939,5 things began to change; the profits from oil turned Saudi Arabia into a prosperous country. Before 1938, Saudi Arabia had been known for two things: its vast deserts and as the home of two of Islam’s holiest sites.

The Third Saudi State, the establishment of which determines the starting point for this study, was founded by Abdulaziz al Saud (known as ibn Saud), whose lineage dates to

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the first Saudi state in the 18 century. The First Saudi State was founded by Imam Mohammed bin Saud in 1744; Imam Mohammed bin Saud formed an alliance with the reformer Sheik Mohammed bin Abdul Wahab based on the tenets of Islam. The al Saud, therefore, were not only Kings, but also Imams; thus, the current generation are regarded as the guardians of the holy shrines of Mecca and Medina, a great responsibility to bear.6

Iran also boasts a rich history, with influence extending far and wide, to countries including India in the east and Greece in the West. It propagated a rich culture, which endured for centuries; the introduction of Islam by Arab conquerors and missionaries enriched it further. Iran’s strategic location made it a crossroads, not only for conquerors but also for trade and commerce, and Iran, or Persia as it was then known, flourished. Iran was ruled by successive dynasties, latterly the Pahlavi Dynasty, founded by Reza Khan, a former general of the Iranian Cossack Brigade,7 who assumed the throne on 1 October 1925 after overthrowing the Qajar Dynasty,8 which had ruled since the 18 century. It was in 1935, during his rule, that the country was renamed Iran. Reza Pahlavi initiated an ambitious programme of modernisation intended to turn Iran into a modern 20 century state. His son and successor, Mohammed Reza Pahlavi, continued the progress toward modernisation, as much like Saudi Arabia, the discovery of oil brought enormous wealth to the country. Due to its wealth and rediscovered sense of power, present-day Iran under its current quasi-theocratic governance (the monarchy having been overthrown in 1979) is

striving to re-establish itself as a powerhouse in the Gulf, with the aim of influencing the course of the entire Middle East.

Against this backdrop, it was inevitable that the destinies of the two countries would eventually come into conflict. Their pivotal role in the security and stability, or inversely the instability, of the region has created conditions generating competition and even tension between the two countries. Throughout their history, these patterns of cooperation or tension have been impacted, by not only the interactions of the two players, but also of those in neighbouring countries, and the super powers outside the region.

This chapter intends to answer the following questions: first, how could Saudi Arabia and Iran achieve friendly relations, considering their different backgrounds? Secondly, what do both nations stand to gain if they work together or foster close relations? What factors or circumstances would make them rivals rather than allies? Thirdly, what are the origins of their diplomatic relations and how did they develop? And, finally, how does each country benefit from any political or diplomatic arrangements made?

The scope and limitations applied when answering these questions will be the focus on Saudi Arabia’s relationship with Iran during the Pahlavi Dynasty (1929-79), prior to the 1979 Revolution that overthrew the Shah, triggering the emergence of the Islamic Republic of Iran. To enhance understanding, this chapter will examine the region’s relevant history, not only to discover the emergence of the two nations in reference to their rulers, but also to observe what has happened when their paths have run parallel, or when, as so often, they have crossed.
1.2 The Rise of the Saudi State in 1744 AD

In 1744, the ruler of Diriyah, Imam Mohammad bin Saud founded the first Saudi state on the Arabian Peninsula. From the heart of Arabia, from the Emirate of Diriyah (the capital of the First Saudi State, 1745) near Riyadh in Najd, the First Saudi State quickly spread to control most of present-day territory of Saudi Arabia. When the first Saudi state was founded, Emir Mohammed bin Saud took the title of Imam to underscore both his role as both a political and a religious leader. His influence expanded as he launched expeditions throughout the Arabian Peninsula. His aim was to achieve reform based on Islam, and to bring Arabs living on the Peninsula to the true faith. Thus, his military successes were driven by both theological convictions and political motives. In this dual capacity, he ruled, and was accepted by the Arabs in Arabia.

Mohammed bin Saud, the First Imam of the first Saudi State ruled until his death in 1765, when his son Abdulaziz succeeded him. He then ruled until his death in 1803. Abdulaziz captured Riyadh in 1773, and the rule of the first Saudi state started to spread quickly, so that within fifteen years he had extended its authority throughout the Nejd region. Under Abdulaziz’s son, Saud bin Abdulaziz bin Mohammad (1803 to 1814), the Saudi state expanded further, capturing and attaining jurisdiction over Taif and the holy cities of Mecca and Medina. In 1803, when Saud bin Abdulaziz bin Mohammad took Mecca with his men he performed the Hajj. The Saudi influence at that time also stretched from Nejd to al-Hasa in the east and south towards Najran. However, the Ottomans

succeeded in driving the Saudi forces out of Medina and Mecca in late 1812 and early 1813. In 1814, his son, Abdullah bin Saud bin Abdulaziz bin Mohammad succeeded him; however, he was to be the last ruler of the First Saudi State. By this time, the Ottoman Turks had begun to challenge Saudi rule, and they overthrew and killed Abdullah in 1818, ending the First Saudi state and largely destroying the capital, Diriyah. One of the oldest documented ancestors of the al Saud dynasty was Mani bin Rabiah al-Muraydi, who settled in Diriyah in AD 1446-47 with his clan, the Mrudah, at the invitation of a relative named Bin Dir. In 1821, the Second Saudi State emerged under Turki bin Abdullah bin Mohammad bin Saud (the grandson of the founder of the First Saudi State). He was able to re-establish his authority in Najd, having been fortunate enough to escape capture. He regrouped, rebuilding the army and driving out the Ottomans, making Riyadh his capital. Riyadh has been the Capital of Najd since that time, and is the present day Capital of Saudi Arabia. After securing Najd, Turki expanded the influence of his forces into the eastern province (Al Hasa) and its neighbouring towns. He sought to bring the region’s tribes into the true Islamic faith, and so like his grandfather’s, his military campaign was also a religious mission. He fought from 1826 until he conquered the eastern province in 1830. Imam Turki died in 1834. Faisal, Turki’s son then travelled quickly to Riyadh from Al Hasa city\(^{14}\) and in 1834, Turki’s son and rightful heir Faisal succeeded him. His period of victory was brief, as the Ottomans attacked with renewed force; he was captured and a puppet leader installed in his place. Faisal was eventually released, and he managed to restore his authority in 1843, ruling until 1865. His son and successor Abdulrahman (the last ruler of the Second

\(^{13}\) James Wynbrandt, *A Brief History of Saudi Arabia* (New York: Infobase Publishing, 2010), 143

\(^{14}\) Ibid. 150.
Saudi State) reigned for only a short time before the country fell to a man named Mohammed bin Abdulla al-Rashid, who challenged his authority and succeeded in overthrowing the Second Saudi Dynasty.\(^{15}\)

The third era of the Saud dynasty was begun by Abdulrahman’s son, Abdulaziz bin Abdulrahman bin Faisal bin Turki bin Abdullah bin Mohammad bin Saud (the founder of the current Saudi state), who would later be known simply as Ibn Saud. In 1902, he set out to reclaim what had rightfully belonged to his family. His opponents were the rival al-Rashid clan, the Sharifs, and the Ottoman Turks. The al-Rashids allied with the Ottomans to consolidate their power further. However, Bin Saud encountered a great opportunity in the form of the First World War, when the Allies conducted an extensive campaign against the Central Powers, of which the Ottoman Empire was a part. Abdulaziz was able to succeed in recapturing Riyadh in 1902, and continued on, to consolidate his power base and expand his sphere of influence. By 1927, he had succeeded in defeating all pretenders and reunited all parts of his country, establishing the Kingdom of Saudi Arabia in 1932, and taking the title of King. From then on, his descendants would be the rulers of Saudi Arabia.\(^{16}\)

1.3 THE PAHLAVI DYNASTY 1925-1979

While Abdulaziz al Saud was reunifying and re-establishing his Kingdom, the Shah in Iran was also establishing his dynasty. The history of the Pahlavi family or dynasty is somewhat shorter than that of the Saud dynasty in Saudi Arabia. Only two men, the father

\(^{15}\) Almazroah, *Kingdom of Saudi Arabia: A History* (Arabic), 53

Reza Shah Pahlavi (1925-1941), and the son Mohammed Reza Shah Pahlavi (1941-1979), sat on the throne before the family was driven out of Iran by a popular revolution in 1979, led by Islamic fundamentalists under Iran’s leading Shia cleric, Khomeini, the founder of Wilayat al-Faqih or Vilayat-e Faqih (Guardianship of the Jurist).

The Pahlavi Dynasty began in the 20 century under Reza Pahlavi, an officer in the Iranian Cossack Brigade. At that time, Iran was known as Persia; a name dated to Cyrus the Great in ancient times. By the time of Reza Pahlavi, Iran was under the rule of the Qajar Dynasty, a string of dynasties having ruled the region one after the other since the time of Islamic conquest. Before Reza Khan seized power in 1925, deposing Ahmad Shah Qajar with the backing of parliament, the region was a geographical chessboard for the world powers, all of whom vied for control, much to the consternation of the reigning Shah (or King), who at that time was Sultan Ahmed Shah Qajar (1909-1925). The Shah was powerless to control events, and Reza Pahlavi saw this as a sign that it was time to make a move. In 1921, troops under his command launched a coup and overthrew Ahmed Shah Qajar. After four years, by eliminating all opposition and driving the Qajars into exile, Reza Khan established the Pahlavi Dynasty in 1925, taking the title of Shah.

Reza Pahlavi’s origins were in the Urum tribe of the Caucasus, and thus he was not regarded as a pure Iranian. He grew up in a military family and his father had married into

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the prominent Ayrums family. The Western intellectual and technological developments he observed during his military career impressed Reza. He also witnessed the decadence that plagued the Qajar Dynasty with threats from Communist Russia, a fact that most likely to some extent resulted in his modernisation campaign. His modernisation mainly aimed to strengthen the country and consolidate his own power based, by implementing a series of reforms to encourage investments in Iran’s infrastructure and health services, to establish universities, enable women to enter society and permit unveiling. He also forbade the photographing of aspects of Iran that he considered backward or stereotypical, such as camels, and lifted restrictions on women’s clothing in favour of modern dress. The movement, as expected, met with opposition from the strict religious establishment. Despite opposition, headway was made in modernisation and the empowerment of Iranian women during this period. The unveiling issue and Women’s Awakening were linked to the Marriage Law passed in 1931, and the Second Congress of Eastern Women in Tehran in 1932. In 1935, Reza renamed Persia Iran.

As well as embracing modernisation, Reza Shah also made efforts to preserve and protect Iranian culture. He portrayed himself as a fierce and astute nationalist. For example, he did not allow British airliners to cross Iranian airspace and cancelled contracts held by British oil companies. In addition, he was suspected by the British of entering into a treaty with the Germans, allowing spies to enter Iran as ‘tourists’ during World War II. Further,

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29 Afkhami, *The Life and Times of the Shah*. 238-241
he was criticised for the selective nature of his moves toward liberalisation; critics claimed his autocratic rule mirrored that of the deposed Tsars of Russia. Ultimately, he was forced to abdicate, and his son was put in power when the allies invaded Iran in 1941; he died in exile in South Africa in 1944.31

The Shah’s son by his second wife, Mohammed Reza Pahlavi, was twenty-two years old at his accession. Mohammed engaged in no unwarranted political activity until he was wounded in a failed assassination attempt in 1949. This triggered him to become more involved in politics; appointing the nationalist Dr Mohammad Mossadegh as Prime Minister, and starting a process of nationalisation of Western-owned businesses.32 The Americans were concerned that this trend toward nationalisation would bring the country closer to the Soviet Union, and so planned two coups against Mossadegh, the second of which was successful.33

The Majles (Iranian parliament) nominated Shah Mohammad Reza’s opponent, Dr. Mohammad Mossadegh, as Prime Minister on 28 April 1951. Mossadegh nationalised the AIOC on 1 May 1951, ending its oil concession (which had not been due to expire until 1993) and expropriating its assets.34 Mossadegh’s reputation was built on an illustrious history in Iranian politics. When he was Deputy Secretary of the Ministry of Finance, he fought corruption, helping to bring about convictions. In 1919, he had gone to Switzerland in self-imposed exile to protest against an agreement between the Iranian government and Britain with which he disagreed. He returned to Iran after the Majles cancelled the

agreement. After his return, he travelled in Fars Provence, where locals greeted him warmly and offered him a position as their governor, which he accepted. However, just a few months later he resigned in protest at the 1920 coup, which led to the establishment of the Pahlavi Dynasty. This prompted him to withdraw from public and political life in 1928, remaining in his village in Ahmad-Abad for over a decade. In 1940, Reza Shah’s police entered Mossadegh’s residence and searched his house, taking him first to a prison in Tehran, before moving him to another prison northeast of Tehran. He was fully aware of the destiny of others who had confronted Reza Shah’s rule, and expected that he would be killed. However, in November 1940, Reza Shah ordered the release of Mossadegh from prison, and took him to Ahmad-Abad to live under house arrest until his death. However, he was released a year later when the British prompted the abdication of Reza Shah, and his son, Mohammad Reza took the throne.

Upon his return to politics, Mossadegh was chosen with overwhelming support to represent Tehran at the 14 Majles in 1944. In this role he fought for his country’s economic and political independence from foreigners, challenging the unfair oil agreement with the Anglo-Iranian Oil Company, a move for which he had extensive popular support. On 8 March 1951, Mossadegh proposed the nationalisation of Oil to the Majles mandated oil commission. The following day a rally was held to support the move, and the Majles approved it after only a few days. The following month Mossadegh was nominated as Prime Minister. Mohammed Reza Shah appeared to be a US client after the US-UK sponsored coup that toppled Prime Minister Mossadegh in 1953 and the US support for the Shah in following years were responsible for the Shah’s arbitrary rule,35 Mossadegh was

again placed under house arrest until his death on the 5 of March 1967.\textsuperscript{36} The coup may be the cause of the extremely anti-American attitude in Iran that prompted the 1979 revolution, which subsequently had an enormous impact on Saudi-Iranian relations.

There has been much debate regarding the fall of the Pahlavi Dynasty; Shapour Ghasemi, for example, argued that Reza Shah’s reforms from the 1960s onwards, including his closer ties with the West and a series of programmes known as the White Revolution, which brought land reform, women’s voting rights and diminishing illiteracy, led to the demise of the regime. Mohammed Reza Pahlavi had continued the modernisation efforts begun by his father, and also enjoyed support from the US, which provided various forms of aid, from military assistance to nuclear energy programmes.\textsuperscript{37} However, unlike his father, Mohammed Reza was an autocrat, and despite the liberalism and modernisation he promoted, he ruled Iran with an iron fist. His secret police, the SAVAK, suppressed all opponents, especially the conservatives, by promoting terror or forcing opponents into exile. However, severe criticisms were made by Ayatollah Ruhollah Khomeini, then living in exile in France; he censured the modernisation of Iran as equating to Westernisation.\textsuperscript{38} Arguably, therefore, ultimately his downfall was the American support for his regime. Mohammed Reza Pahlavi was deposed and exiled by the 1979 Revolution, and died a year later.\textsuperscript{39}

\textsuperscript{36} Ervand Abrahamian, \textit{Iran between Two Revolutions} (New jersey: Princeton University, 1982). 280.
\textsuperscript{37} Hussein Fardust and Ali Akbar Dareini, \textit{The Rise and Fall of the Pahlavi Dynasty} (New Delhi: Motila Banarsidass, 1999). 228.
\textsuperscript{38} Afkhami, \textit{The Life and Times of the Shah}. 38.
\textsuperscript{39} Ghasemi, \textit{Pahlavi Dynasty}. 38.
1.4 Saudi-Iranian Relations 1929-1979

In order to understand Saudi-Iranian relations between 1929 and 1979 clearly, and to discuss them coherently from a historical perspective, it is imperative to examine relations during the reigns of the four Saudi Arabian Kings and the two Shahs of Iran.

King Abdulaziz al Saud and Reza Shah Pahlavi 1929-1953

The Saudi-Iranian relationship during this period underwent several phases of development: relationship building in 1929; limited inter-relations in the 1930s and up to the mid-1940s; deterioration of the relationship between the mid-1940s and the early 1950s; and thereafter, closer ties and greater cooperation. It appears that the two countries mutually acknowledged each other as powerful neighbours on their borders, with whom they could not afford to compete directly. In addition, it is probable that the monarchs of both countries were largely preoccupied with internal pressures and the need to sustain their power domestically, rather than regional relations. Thus, while not close allies, it was important to the rulers of both Iran and Saudi Arabia that they avoid becoming rivals. Indeed the nations had not confronted each other directly since AD 645, when the Arabs conquered Persia.40 Thus, the prevailing relationship between the two neighbours was generally stable and amicable.

In situations where potential for disputes were perceived, both King Abdulaziz al Saud and Reza Pahlavi worked to consolidate their respective power bases as a prerequisite to establishing a closer relationship to benefit both sides. Diplomatic relations between

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Saudi Arabia and Iran were established in 1929, when emissaries from both countries signed a Friendship Treaty in Tehran on 24 August 1929. The 1929 Treaty made provisions for cooperation between the two nations to overcome issues identified as threats to peace, as explored below.

Divisive issues and areas of dispute had emerged in reference to certain territories soon after Reza Pahlavi came to power. One such issue was the case of Khuzestan also known as ‘Arabistan’. The region’s predominately Arabic-speaking population was subject to Sheikh Khazal al Kabi, who was trying to achieve recognition for Khuzestan as a sovereign nation. Iran considered it part of its territory and saw its aspiration to sovereign status as part of a broader plan to weaken Iran. On 20 April 1925, the Shah of Iran, Reza Pahlavi, sent troops into, and occupied Arabistan (Khuzestan). Another contentious issue was Iran’s claim on Bahrain, which arose out of similar concerns. The Bahrain issue remained unresolved until King Faisal met Shah Mohammed Reza in 1968, as will be discussed later. In 1925, Shah Reza had also begun to strengthen his naval fleet and was patrolling the area surrounding the three islands of Tunbs and Abu Musa. On 20 May 1927, in Jeddah, King Abdulaziz of Saudi Arabia recognised the authority of the governments of Bahrain, Kuwait, Qatar and Oman and their special treaties with Britain. The Shah saw

41 Badeeb, Saudi-Iranian Relations: 1932-1982, 35.
42 Ray Takeh, Iran Khajiyah (Hidden Iran) (Jedda: Obekan, 2010). 57
this as a direct threat to his country, and particularly as an obstacle to his claim on Bahrain. Thus, on 23 November 1927, Iran submitted a complaint to the League of Nations to express its opposition to the treaty. This case demonstrates the important role the Saudis played historically in the protection of the smaller Arab Gulf States.

Despite these challenges to smooth relations, King Abdulaziz al Saud and Reza Shah recognised that the two nations needed to forge a cooperative relationship and avoid confrontation. Signs of this were evident in 1925, even before Reza Shah overthrew the Qajar Dynasty and crowned himself Shah of the Pahlavi dynasty. Moreover, three major factors brought the two nations closer together: religion, a common need to stabilise their own political power base, and oil.

Firstly, it is important to consider religion. Muslims from both Saudi Arabia and Iran recognise Mecca and Medina as the holiest cities, and the focus of annual pilgrimages, in accordance with the Five Pillars of Islam. The practice of pilgrimage to these sites has endured for centuries. King Abdulaziz al Saud gave his word as a faithful Muslim to preserve the sites, and welcomed anyone who wished to do so to come and witness this. He understood the great importance of Mecca and Medina to all Muslims, and fully welcomed any visitation of the holy sites by other Muslim states. The Shah responded to the Saudi King’s warm words and sent his first delegation (including Mirza Ali Akbar

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49 Banani, *The Modernization of Iran, 1921-1941*.
52 Ibid. 111.
Khant Buhman and Habibollah Khan Hoveida) to Mecca. On 21 October 1925, Reza’s first delegation arrived in Jeddah to a warm welcome from King Abdulaziz. The delegation then visited Mecca and returned to Jeddah, which was at that time under siege by Saudi forces. The delegation spoke of the visit in positive terms, and acknowledged that the holy city was being well maintained by the Saudi King. In particular, they observed that it was in a much better state than it had been at the time of the Hashemites.

Later the same year a second delegation was sent to visit Medina, and when they arrived in Jeddah on 20 October 1925, they received the same courteous reception from the Saudi King. Clayton describes how the second delegation was more critical of the Saudis, and notes there were some accusations of damage to some venerated domed tombs. The damage was a consequence of the Saudis’ belief that the veneration of the tombs of saints and holy men was a desertion of the worship of God and God alone. However, the Shah himself did not criticise the Saudi King after either visit. In 1926, King Abdulaziz called the first Islamic conference, inviting the leaders of Muslim countries to attend during Hajj season. King Fouad of Egypt demurred, but the Shah attended. In 1928, the majority of the Iranian pilgrimages were orderly and disciplined, showing that the Shah had respectfully taken the Saudi King’s gesture in good faith. Hence, the first Islamic Conference in 1926 was successful in terms of meeting its goal of improving relations with other Muslim nations, including Iran.

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54 Clayton, *An Arabian Diary*. 120.
55 Ibid. 122-3.
The second factor that eroded any desire for external conflict, was King Abdulaziz bin Abdulrahman bin Faisal al Saud’s and Reza Shah’s need to insure a solid political base at home to underpin their respective regimes. This desire for an agreement to guarantee peace abroad was largely responsible for the friendship treaty of 1929. King Abdulaziz proposed a mutual defence pact with the Shah of Iran in 1929, who had decided to take a more independent trajectory regarding military development. A Saudi delegation was sent by King Abdulaziz and was warmly welcomed by Reza Shah on 12 August 1929. A few days later, on 24 August 1929, the Saudi-Iran Friendship Treaty was signed. The King sent a three-man delegation led by Abdullah al-Fadl, the Supervisor of Foreign Affairs, who was authorised by King Abdulaziz to sign the treaty on his behalf to conclude negotiations. The first Iranian diplomat to visit Saudi Arabia in 1927 was Habibollah Khan Hoveida; he led diplomatic talks with Saudi officials, with the goal of establishing diplomatic relations between the two nations. His son, Amir Abbas Hoveida, later became the prime minister of Iran for 13 years during Mohamad Reza Shah Pahlavi’s reign.

After the signing of the treaty, Habibollah Khan Hoveida was appointed as Iran’s first envoy to an office in Saudi Arabia in 1930, and an Iranian Embassy was established in Jeddah in March 1930. In May 1932, King Abdulaziz al Saud sent his son, Prince Faisal, who would later become King, to Iran on a six-day good will mission, during which he delivered a personal message from the King. At a meeting with Reza Shah, political issues,
and the frequency with which Iranian pilgrims would come to Mecca during the Hajj were discussed. Following this successful trip, diplomats from the two countries made frequent visits, albeit limited to the ministerial level.\(^6^4\) This clearly demonstrated the willingness of both countries to safeguard stable and consistent bilateral relations.

During WWII, both Saudi Arabia and Iran remained neutral and avoided allying themselves with any of the nations involved. Nevertheless, Iran’s actions did not uphold the veracity of its declaration of neutrality.\(^6^5\) Iran was suspected of having links with Hitler and Nazi Germany. Reza Shah thought highly of the ultra-nationalism of Hitler and his mode of governance, and maintained a connection with Berlin after Hitler came to power in 1933. After war broke out, half of Iran’s foreign trade continued to be with Germany. This increased suspicions that his neutrality would not endure,\(^6^6\) and explains Iran’s occupation by the Allies in 1941.\(^6^7\)

King Abdulaziz maintained normal diplomatic and commercial relations with Germany until 1941, but also gained the confidence of the Allies, ultimately ending the Kingdom’s neutrality by siding with them. Unlike the Shah, trade maintained the Saudi King’s neutral position toward both the Germans and the Allies, mainly this trade was in the form of oil supplies.\(^6^8\) In the 1940s, the Second World War dominated the political and military colour of the region. On 18 February 1943, Saudi-US military cooperation was

\(^{6^5}\) Takeh, Iran Khaﬁyah (Hidden Iran).
Meanwhile, Iran also established amicable relations with the US. Thus, the two neighbours drew closer, due to their shared foreign policies toward the West. In 1951, Mozaffar Alam was appointed as an Extraordinary Ambassador and Plenipotentiary to Saudi Arabia; he was a high-ranking Iranian dignitary, and served as acting foreign minister during the reign of Reza Pahlavi.  

The third factor informing cordial relations between the two countries was economics, in particular in relation to oil. It is worth mentioning here that prior to the oil era, economic ties between the two neighbours had mainly focused on the Hajj, and, in this context, in 1932 the Saudi King had established the Ministry of Finance to regulate and implement relevant policies. Changes started to affect the country’s economy after the Kingdom discovered oil in 1938. For the King, revenues from oil became an important source of wealth, as he no longer had to depend on receipts from pilgrimages to Mecca. Ever since this time, the Kingdom’s economy has been substantially linked to oil and its export. By 1950, Saudi Arabia had entered the ‘oil age’ proper, exporting oil and retaining a larger share of the profit yield. In Iran, in the pre-Shah years, the British had initiated oil exploitation, resulting in the establishment of the British-dominated, Anglo-Persian Oil Company. Not until 1951 did Iran nationalise its oil, forming the National Iranian Oil Company (NIOC). Oil production under the Shah in 1939/40 was 9.736 million long tons, compared to 1.1 million long tons in 1919/1920. These figures possibly reflect the Shah’s

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69 Ibid. 191.
73 Banani, The Modernization of Iran, 1921-1941. 141.
preference for cooperation with the Americans, like the Saudis. The development of both countries’ oil industries motivated conciliatory relations, proceeding from their shared common interests when formulating foreign policy. Notably, the Korean War which began in 1950, and the cancellation of the Anglo-Iranian Oil Company’s concession in 1951 when Iran nationalised its oil production, put pressure on Saudi Arabia to produce even more oil.74

During this period, Saudi-Iranian relations were marred by just a single incident; in December 1943, an Iranian pilgrim desecrated the holy shrine in Mecca by throwing excrement at the Kaaba (the most sacred point within the most sacred mosque) in Mecca.75 His arrest on 12 December, and subsequent sentencing to death according to Sharia law,76 was regarded as the most serious diplomatic event since the signing of the 1929 Friendship Treaty. It led to a freeze in diplomatic relations, and both nations recalled their envoys in March 1944.77 Iran entrusted its interests in Saudi Arabia to the Egyptian Embassy, and Lebanon represented Saudi interests in Iran. The break in relations continued until 15 October 1946, when King Abdulaziz sent a letter to Shah Mohammad Reza, calling for a renewal of ties. Adel Bek Ossayran, a well-known Lebanese Politician, delivered the letter. It showed the King’s desire to pursue peace and stability to serve both his Kingdom and the region. Shah Mohammad Reza made peace with the Saudi King, and diplomatic relations resumed early in 1947, when Saudi Arabia appointed an ambassador in Iran and the Iranians appointed an Ambassador in Saudi Arabia.78 Thereafter, the relationship

74 Ibid. 142.
76 Ibid.
77 Badeeb, Saudi-Iranian Relations: 1932-1982. 50.
78 Ibid. 51.
developed in a positive direction under the reigns of King Saud and Mohammad Reza Shah following King Abdulaziz’s death in November 1953.

King Saud and Shah Mohammed Reza Pahlavi 1953-1964

During this decade, the two countries cooperated by confronting common threats in defence of their shared interests, with the aim of achieving collaboration and consolidation in the Muslim world, and establishing the stable diplomatic ties that would be central to both countries’ foreign policies. This meant that Saudi-Iranian relations were amicable, despite disagreements on some issues.\(^79\) King Saud bin Abdulaziz succeeded his father in 1953, and Shah Mohammad Reza fled Iran, returning a week later to overthrow Prime Minister Mohammad Mossadegh on 19 August.\(^80\)

King Saud visited the Shah in Iran in August 1955. On this visit, the two monarchs recognised the potential threat from communism and agreed they should join the West in combating it. They also agreed that there should be efforts taken to resolve regional disputes between Islamic countries. On 12 March 1957, the Shah visited Saudi Arabia,\(^81\) and a joint communique was released at the end of the visit, marking an improvement in relations. Examples of this include collaboration on crucial political issues, such as the Lebanese crisis of 1958,\(^82\) and an alliance to resist the Egyptian President Gamal Abdel

\(^81\) Talat Parveen, *Iran’s Policy Towards the Gulf* (New Delhi: Ashok Kumar Mital, 2006). 5.
Nasser’s revolutionary attempts to expand his and the Soviets’ influence in the region, and in particular his military involvement in Yemen. Both monarchs also shared concerns about the situation in Iraq when in 1958 a revolution overthrew the Iraqi monarch.

The different diplomatic positions held by Saudi Arabia and Iran towards Israel were, however, a major obstacle to closer bonds. This was heightened in July 1960 when the Shah announced he had extended the de facto recognition to Israel, first granted in 1950. In April 1960, the Shah had hinted that he might exchange ambassadors with Israel as a precursor to confirming de facto recognition on 24 July. On 26 July 1960, Egypt’s President Nasser condemned the Shah by name and severed relations with Iran. Saudi Arabia found the delicacy of the situation difficult to navigate: on the one hand, Saudi-Iranian relations was one of the most important regional concerns, while on the other, Saudi Arabia’s relations with other Arab states were equally important. In response to Iran’s amity towards Israel, the United Arab Republic, a short lived political union between Egypt and Syria called for the other Arab states to cut off their diplomatic relations with Iran during the August 1960 Arab League in Beirut. Iran finally chose not to sacrifice its majority position by siding with the other Arab states, promising that it would neither

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87 Zabih, Foreign Relations of Iran: Developing State in a Zone of Great Power Conflict. 156.
88 Ibid.
recognise Israel nor exchange ambassadors.\textsuperscript{89} This pragmatism was characteristic of the Shah’s foreign policy.

Following the restoration of contact between Saudi Arabia and Iran, in 1962 Iran appointed Afrassial Navai as the eighth ambassador to Saudi Arabia.\textsuperscript{90} During the years of amicable diplomatic relations (1929-1979), Saudi Arabia appointed three ambassadors, and Iran appointed thirteen. When the Muslim World League was founded in 1962 in Mecca,\textsuperscript{91} it received the support of both the Saudi King and the Shah of Iran.\textsuperscript{92} Both nations recognised the need to not only rally to one another, but to unite the remainder of the Muslim world under a common Islamic banner, albeit in a moderate and peaceful way, that contrasted with the radical and military approach proposed by Nasser.

In fact, recognition of the common threat from Nasser was one of the major reason for the Saudi and Iranian leaders’ willingness to maintain and develop mutual relations. King Saud was especially concerned about Nasser’s adventurism, and Iran’s view on the importance of its relations with Saudi Arabia is evidenced in this speech given by the Prime Minister Ali Amini the Foreign Reports Bulletin on 11 April 1962: “The Arab countries seem to be getting more and more unstable with the exception of Saudi Arabia, which I have heard is in good shape. Nasser is fomenting all this disorder now that has virtually ruined his own country. I hear the conditions in Egypt are very bad. Iran must save itself from being infected by the disorders in the rest of the Middle East.”\textsuperscript{93}

\textsuperscript{89} Badeeb, Saudi-Iranian Relations: 1932-1982. 55-56.
\textsuperscript{90} Ibid. 56.
\textsuperscript{92} Badeeb, Saudi-Iranian Relations: 1932-1982. 89.
\textsuperscript{93} Quoted by ibid. 56.
Saudi-Iranian relations were cemented further by events in North Yemen. On 19 September 1962, Imam Ahmed bin Yahya Hamidaddin of Yemen, who was the King of the Mutawakkilite Kingdom of Yemen from 1948 to 1962 died and was succeeded by his son Imam Mohammad Al-Badr. However, just one week later, the Imamate was overthrown by a military coup and replaced by a republican regime. The coup was commanded by Colonel Abdullah al-Sallal and a pro-Nasser, group within the Yemeni military. Later, it was discovered that the coup had been encouraged by Egypt’s President Nasser, who had sent 8,000 armed Egyptian troops into the country within days of the Imam’s death. Subsequently, both Saudi Arabia and Iran withheld recognition of the new regime on the grounds of Nasser’s militarily involvement. Both King Saud and Mohammad Reza Shah offered political and military assistance to the former Imam of Yemen. On 20 November 1962, the Shah openly expressed his concern regarding the Egyptian military intervention in Yemen, commenting that Nasser had ambitions on both ‘Saudi Arabia and the Arabian Peninsula’s oil reserve’.

It is evident from the historical record that Saudi Arabia and Iran were similarly disturbed by Cairo’s intervene in North Yemen, and the issue appears to have brought the two countries closer. Saudi Arabia and Iran withheld recognition of the new regime and the two regional powers provided military assistance to the ex-Imam. In 1964, the Yemen civil war between the royalists (supporters of the Imam) and the republicans exploded.

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97 Ibid. 129.
Overall, this period is viewed as one of great cooperation and understanding between Saudi Arabia and Iran. In 1964, the Shah wanted to show his support to Saudi Arabia by pledging his air force to protect Saudi Arabia from any possible attacks from the radical Arab regimes, mainly Egypt, to safeguard the countries of the Gulf.

The Shah shared these same sentiments, and it was reported on 26 and 27 Oct 1964 that, “Iran no longer faces any real threat of aggression from the Soviet Union. The danger today comes from Egypt”. More cooperation between the two regional powers was observed during the reign of King Faisal, who became King of Saudi Arabia in 1964.

**King Faisal and Shah Mohammed Reza Pahlavi 1964-1975**

While the relationships during the decades preceding 1964 could be characterised as generally friendly and stable, with disputes put to one side, this decade was marked by more extreme highs and lows. The highest point came during the years 1968 to 1970, when remarkable diplomatic strides were made. However, soon afterwards, in the early 1970s, tensions grew, when the Shah occupied three disputed islands in an obvious attempt to inflate Iran’s military presence in the region.

In Saudi Arabia, there was a change of monarch in October 1964, but this had no palpable effect on the regime’s foreign policy towards Iran and the Shah; in fact initially ties were further strengthened by King Faisal and, indirectly, by Mohammad Reza Shah. The two monarchs appeared to overcome their respective difficulties almost

99 Zabih, *Foreign Relations of Iran: Developing State in a Zone of Great Power Conflict*. 156.
simultaneously. King Faisal navigated the constraints inherited from King Saud, with support from the majority of the royal family in 1964. Thus, in general, the 1960s and 1970s (up to 1979), were the most productive period of cordiality between the two powers. King Faisal’s foreign policy was characterised as ‘pan-Islamism, anti-Communism, and pro-Palestinian nationalism’. With his foreign educational background, the Shah continued his father’s modernisation programme, adopting a flexible policy towards the Palestine-Israel issue, being characterised by Badeeb as geopolitical. Notwithstanding limited competition in areas of dispute over Bahrain and the differing views on Israel, cooperation between two countries is identifiable in various areas: the military, OPEC, religion and anti-communism. Leader-level visits between Saudi Arabia and Iran testified to the amity of the relationship. Meanwhile, return visits strengthened the relationship, forging a solid foundation of respect and trust.

As early as March 1964, the Iranian foreign minister returned from a visit to Saudi Arabia and reported a positive impression of the then Prince Faisal. After another visit in April by the Iranian foreign minister to Saudi Arabia, King Faisal visited Iran on 13 December 1965. Nasser was still the main stimulus prompting King Faisal and Reza Shah to combine forces to confront threats to the region and maintain their countries’ peace and stability. The visit aimed to discuss the restriction of the spread of Nasser’s radicalism, and more importantly, to build mutual trust to stabilise the Middle East, in particular in the Gulf area. The discussion among the two leaders’ covered major interests on both sides,

103 Vassiliev, *King Faisal of Saudi Arabia: Personality, Faith and Times*.
104 Ibid.
105 Zabih, *Foreign Relations of Iran: Developing State in a Zone of Great Power Conflict*. 

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including intended cooperation over Yemen, the increased threat from, and potential influence of, Nasser and the Soviets, and the management of oil. The Shah supported his call for a meeting of Islamic states, with an agenda to oppose Nasser’s military actions in Yemen. The two nations issued a joint communique condemning Egypt’s interference in Yemen, in response to Nasser’s support of the insurrection that aimed to overthrow the monarch. The day after King Faisal’s visit, 14 December 1965, the Iran-Arab Friendship Association was established with Prime Minister Hoveida as Chairman and two branches, in Riyadh and Tehran. This outcome was intended to deliver substantial benefit to both countries, as they agreed to delimit the boundary issues in the Gulf region, and their relationship continued to improve.

In June 1966, the Shah expressed his unhappiness at the Mayor of New York’s discourteous attitude towards King Faisal when the King visited the US. King Faisal then sent his foreign minister, Omar al-Saggaf, to Iran on 21 June 1966, with the intention of settling the tension caused by the dispute over the Iran-Iraq border diplomatically. Both countries were also concerned about the troubles facing Jordan in June 1966, when PLO-Jordanian relations soured and the Egyptian propaganda machine started to accuse Jordan of weakening the PLO. In June 1966, the Jordanian King ordered action to enhance security and the PLO offices were closed (to be reopened in 1967). The Shah privately expressed

106 Vassiliev, King Faisal of Saudi Arabia: Personality, Faith and Times.
107 Zabih, Foreign Relations of Iran: Developing State in a Zone of Great Power Conflict.151.
108 Ibid.
109 “Eco of Iran,” Iran Almanac and Book of Facts1967. 266.
110 Ibid. 219.
111 Ibid.
his concerns about possible repercussions in Saudi Arabia. The Shah also condemned Israel and demanded its immediate withdrawal from occupied Palestinian territories in 1967.\textsuperscript{114} The deterioration in Jordanian-PLO relations and Amman’s gravitation towards Saudi Arabia’s emerging Islamic alliance affected Egyptian-Jordanian relations further and improved the standing of both King Faisal and the Shah of Iran.

King Faisal visited Iran in December 1967 for the second time, acknowledging the Iranians’ response to the situation in Israel. Meanwhile, the Shah had exiled Khomeini, the leader in Qom, a Shia Muslim city with a history of opposition to the Shah’s modernisation programme. At the meeting, the King expressed his concern to the Shah regarding the severity of his reaction to his opponents. Despite having crushed the Islamist revolt, the Shah showed respect for King Faisal, due to the latter’s responsibility for guarding the holy shrines, and the need to maintain cooperation in confronting the so-called Arab nationalists. At the forefront of the two leaders’ policymaking were fears of the threat from neighbouring Iraq, and the threat to Saudi Arabia from Egypt. The Shah also assured King Faisal that Iranian pilgrims would be subject to proper discipline when making their annual pilgrimages to Mecca.\textsuperscript{115}

The Radical Arab states responded to the advocacy of Islamic solidarity by holding a conference in Damascus in 1966. Syria attempted to wrest ideological leadership of Arab radicalism from Egypt. The response to Faisal’s Islamic Entente was witnessed in the Shah’s visit to Saudi Arabia in 1968. After Egypt was defeated in 1967 by Israel, Faisal forced Cairo to leave North Yemen, and Nasser ended his backing of opposition movements in the Arabian Peninsula, in a desperate bid for financial aid from Saudi Arabia.

\textsuperscript{114} “Eco of Iran.” 236.
\textsuperscript{115} Furtig, Iran’s Rivalry with Saudi Arabia between the Gulf Wars. 16-17.
After Nasser’s death in 1970, until 1978, Saudi-Egypt relations improved and the two countries became the most influential in the Arab world. Certainly, Faisal’s call for an Islamic Entente had provided an acceptable conservative ideological response to revolutionary Arab nationalism. Thus, the war in north Yemen can be seen as an important event in Arab politics; as the need to respond to Cairo’s involvement in North Yemen brought both Iran and Saudi Arabia closer. At this time, Saudi Arabia used its religious credentials to downplay the impact of Arab radicalism.

Resolution of the Bahraini issue was a challenging mission requiring a decade of endeavour on the part of both leaders, as well as commitment to a consideration of their wider interests in the form of peace and stability in the region. The dispute over Bahrain dated to the latter years of the reign of the Shah’s father, in 1927, and his formal submission of a claim to the League of Nations. In November 1957, Iranian officials claimed Bahrain as Iran’s fourteenth province, and one seat in the Iranian Parliament was designated for a representative of this province. Saudi Arabia and the other Arab states objected to the claim. The King Fahd Causeway, also termed the Saudi-Bahrain Causeway, was initially proposed in 1965 when Shaikh Khalifah bin Salman Al Khalifah, the Prime Minister of Bahrain, visited Saudi Arabia. King Faisal received Bahrain’s Amir on 15 January 1968 with honours generally reserved for heads of state. During all the high-level visits arranged during King Faisal’s reign, there was a single episode of contention in 1968, when the Shah, in protestation of the recent Saudi-Bahrain meeting, cancelled a state visit to Saudi Arabia in February.

Nevertheless, Iran continued to recognise that cooperation was crucial for the security of both countries and the region and the Shah initiated a rapprochement by sending a personal messenger to King Faisal requesting a meeting at Jeddah airport during a planned visit to Ethiopia. King Faisal agreed to meet with Shah Mohamad Reza for forty minutes on 3 June 1968. The meeting actually lasted five hours, and another official visit from Shah Mohammad Reza to Saudi Arabia was scheduled from the 9 to 14 November 1968, and duly took place as planned.117 During the six-day visit, the Shah prayed in Mecca and Medina. Mohammad Reza Shah’s act of prayer at both holy cities was a recognition of the Saudi King’s role in guarding the two holy cities of Islam. Both monarchs once again emphasised the need to consolidate Islamic ties among the Muslim states. At the official dinner, agreeable speeches were exchanged, and the Shah called King Faisal ‘Amir al-Muminin’ (the Prince of the believers). Both leaders had close, honest, and frank talks and shared an understanding of the will to resolve any misunderstandings, which benefited the interests of both sides and brought peace and harmony in the region.

In addition to the question of Bahrain, another issue that prompted conflicting sentiments between the two countries was a dispute relating to offshore oil in the mid-Gulf, dating to the early 1960s. Each country condemned the other for extracting oil from the disputed waters. On this issue, the Iranian minister of court requested a cessation of drilling to discuss a solution. Therefore, on 31 January 1968 King Faisal ordered his ambassador in Tehran to meet the foreign minister of Iran and give notice that the Iranian Pan American Oil Company (IPAC) was still drilling in the area, but that Saudi Arabia was willing to enter discussions with Iran if both parties ceased drilling immediately. King Faisal also suggested Iran should send a delegation to Saudi Arabia to discuss the issue. However, it

was reported that on the same day, an Iranian gunboat had driven out a drilling rig owned by Saudi ARAMCO from the Gulf waters, over which Iran also claimed sovereignty. Hence, an agreement was not reached.

On 29 July 1968, the Saudi Oil Minister met the Chairman of NIOC, Manuchehr Eqbal, who had been sent by the Shah. Although this was not a leader-to-leader meeting, it was remarked upon by the Shah that ‘the key to the Saudi-Iranian relationship lay in his hands’. Eqbal’s visit lasted until 2 August, and he entered into successful discussions with the Saudis; a return visit by the Saudis was scheduled for the following month. On 18 August 1968, Prince Saud al-Faisal and the Saudi Minister for Oil and Minerals, Ahmad Zaki Yamani, visited Tehran. The result of the two meetings was agreement on disputed water and the Median Line; this was a milestone, contributing to peace and stability in the region. On 20 August 1968, both parties signed the agreement, Manouchehr Eqbal (Chairman of the NIOC) on behalf of Shah Mohammad Reza, and Ahmed Zaki Yamani (Saudi Minister of Oil and Minerals) on behalf of King Faisal. In October 1968, a further agreement was reached, that the island of Farsi would go to Iran and the island of Arabi would go to Saudi Arabia.

The Shah’s 1968 visit to Saudi Arabia and the 1968 Median Line agreement were remarkable and historic diplomatic achievements. Badeeb commented that the Shah’s visit, and the agreement reached, produced two main outcomes: first, both countries agreed to

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support the Palestinian people’s rights and claims fully; second, it established a platform for ministerial-level visits.\textsuperscript{121} Indeed, the Shah’s visit also created a friendly atmosphere and led to the arrangement of another crucial meeting the following year.

On 22 September 1969, King Faisal and the Shah, together with the leaders of twenty-three other Muslim states’, met in Rabat, Morocco and founded the Organisation of Islamic Countries (OIC). The OIC established its centre in Jeddah, Saudi Arabia.\textsuperscript{122} This ostensibly cast Saudi Arabia in the role, not only as leader of the Arab world, but also the Muslim world.\textsuperscript{123} More significantly, the two nations tacitly agreed to put aside the Bahrain dispute, with the Iranians eventually relinquishing their claims to Bahrain in late 1970,\textsuperscript{124} in response to the UN finding that Bahrain should be a sovereign state.\textsuperscript{125} Bahrain officially became a new UN member under UN Resolution 296 in 1971.\textsuperscript{126}

However, soon after the Bahrain issue was resolved, as compensation for the compromise he had made over Bahrain, the Shah claimed three islands for Iran (Big Tunb, Little Tunb and Abu Musa) over which the UAE had also claimed sovereignty. On this matter, Saudi Arabia sided with the UAE. It is worth briefly noting here the process of the establishment of the UAE. The Trucial States represented a number of sheikhdoms in the Gulf region from 1820 to 1971. These sheikdoms sought to establish a federation with Qatar and Bahrain, and on 18 February 1968, when a conference was held in Dubai that

\textsuperscript{121} Badeeb, \textit{Saudi-Iranian Relations: 1932-1982}, 61.
\textsuperscript{123} Furtig, \textit{Iran’s Rivalry with Saudi Arabia between the Gulf Wars}, 16-17.
was attended by the rulers of Bahrain, Qatar and the Trucial States.\textsuperscript{127} On 18 October 1968, Sheikh Zayed of Abu Dhabi and Sheikh Rashid of Dubai met and considered the possibility of a federation between Abu Dhabi and Dubai. Bahrain and Qatar chose not to join the federation. Subsequently, on 2 December 1971, in Jumeirah, Dubai, the rulers of Abu Dhabi, Dubai, Sharjah, Ajman and Fujairah, and the Crown Prince of Umm, Al Quwain (representing his father) met and signed the ‘Interim Constitution regulating the establishment of the United Arab Emirates’.\textsuperscript{128} Ras al-Khaimah then joined on 11 February 1972.\textsuperscript{129} Prior to the three disputed islands being occupied by Iran, Abu Musa was governed by the emirate of Sharjah, and the Ras al-Khaimah government administered Big and Little Tunb.\textsuperscript{130} Saudi Arabia and Iran were on opposite sides in the dispute over the islands.

During this period, nationalist movements had also been growing within the region and Iran was concerned about possible coup attempts by extremists supported by Nasser, or Iraq under the Ba’ath Party. Meanwhile, Saudi Arabia was increasingly concerned about Iran’s ambitions to dominate the Gulf militarily. This explains Saudi Arabia’s opposition to Iran’s efforts to acquire the islands of Abu Musa and the two Tunbs. In April 1970, Iran’s Prime Minister and foreign minister Ardashir Zahedi visited Saudi Arabia, and the two nations agreed in principle to maintain a stable and peaceful Arabian-Persian Gulf region. At this meeting, Saudi Arabia advised Iran to moderate its claim over the islands, and suggested that if security (rather than sovereignty) were an issue, a joint Iranian-Arab

\textsuperscript{128} Ibid.
force could be stationed on the islands. On 17 October 1970, King Faisal met with the Iranian foreign minister in Geneva in a further attempt to resolve the disagreement, but without success.

On 30 November 1971, Iran occupied the three islands; this act was the biggest challenge to the Saudi-Iranian relationship during the early 1970s, and triggered a military spending race by both Saudi Arabia and Iran. In 1972, the Shah decided to purchase ‘750-800 British Chieftain tanks, 140 F-4 Phantom jets, 4 frigates, 3 destroyers and a large numbers of other arms such as the F-5 and C-130 transport planes’. In response, Saudi Arabia equipped itself between 1973 and 1974 with ‘more F-5Es and F-5Fs and upgraded its air defence programme with more sophisticated Hawk surface-to-air missiles’. The Kingdom also considered broader military cooperation with other neighbouring Arab Gulf States. In March 1973, the Saudi Defence Minister, Prince Sultan bin Abdulaziz, visited the Arab Gulf States, the Sultanate of Oman, Qatar and Bahrain, to discuss defence issues and the possibility of closer cooperation between Saudi Arabia and its neighbours.

King Faisal expressed alarm about the overt nature of the Shah’s intentions over the islands. The aggressive programme of modernisation of the Shah’s military concerned him equally, as a part of more extensive efforts to insinuate Iranian power throughout the region after 1971. The Shah had even instructed SAVAK, the state intelligence service, to operate in the Gulf sheikhdoms. With an increasing budget allocated to military

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improvement, he demanded an increase in the oil price at the height of the oil crisis in 1973.\textsuperscript{136}

Despite these tensions, the two countries continued to share common ground; in particular, they cooperated over Yemen and worked to combat communism and its threat to the region (as evidenced in two main areas, the Oman crisis, and intelligence cooperation). The King and the Shah took different actions against the Oman rebels, after the Dhofar rebellion in Oman (the rebels were supported by communist countries including the Soviet Union, China, Cuba and other communist states). Saudi Arabia provided financial aid to the Omani leadership in 1971,\textsuperscript{137} and the Shah sent arms and later troops to Oman in 1973.\textsuperscript{138} Iran’s direct military intervention was seen as a sign of its ambition to increase its military presence and influence in the region. The Soviet Union was the first communist country to halt logistical and financial aid and radical movements in the region, China then followed suit, as did other communist states in 1976 and 1977.\textsuperscript{139}

With regard to cooperation over Yemen, the two countries, although viewing the Soviet (and the wider) communist threat from different angles, both worked to counter it. Iran shared a 2670 km border with the then Soviet Union,\textsuperscript{140} so the Shah understandably felt more vulnerable to the Soviet military threat,\textsuperscript{141} whereas, Saudi Arabia was more concerned about the extent to which atheistic communism might challenge the Islamic

\textsuperscript{136} Saudi-Iranian Relations: 1932-1982.
\textsuperscript{137} Dilip Hiro, Inside the Middle East (New York: Routledge & Kegan paul Ltd, 1982). 91.
character of the region. Thus, the two countries worked independently to protect their interests against the perceived threat of Soviet communism.

Their actions coincided as they came together in 1974 to work as part of a multinational effort to promote cooperation between the security services of five countries: Saudi Arabia, Iran, France, Egypt and Morocco, to combat communism. It was agreed that they would build an anti-communist inter-security service group to track Soviet covert intelligence operations in the Gulf. The code name for this group was The Safari Club. It had no official headquarters, and its prime mover was the French Intelligence Agency under Comte Alexander De Marenches, a staunch anti-communist.\(^\text{142}\) His approach was more political than military, and his aim was to enlighten the world community, particularly Europe, of the dangers of communism.\(^\text{143}\) In order to achieve this, he needed the financial aid and logistical support that Saudi Arabia, Iran, Egypt and Morocco were in a position to provide. The Group maintained informal ties with the US,\(^\text{144}\) and the existence of such a group clearly proves the Saudis and the Iranians were cooperating closely before the 1979 revolution in Iran. Although the Safari Club was a success, its activities ceased after the Iranian Revolution of 1979.

In terms of the economic relationship between the nations, trade and commercial ties developed continuously throughout this period, contributing to improved communication. One of the most remarkable examples of Saudi-Iranian cooperation in the oil industry was the foundation of the Organization of Petroleum Exporting Countries

\(^{142}\) Bronson, \textit{Thicker Than Oil: America's Uneasy Partnership with Saudi Arabia}. 132
(OPEC), a ‘permanent, intergovernmental Organization, created at a conference on 10-14 September, 1960, by Iran, Saudi Arabia, Venezuela, Kuwait, and Iraq’. On 27 April 1970, the Iranian Minister of the Economy visited Saudi Arabia with a delegation aiming to boost commercial and trading ties. In return, on 25 May 1970 the Saudi Minister of Commerce and Industries visited Iran. Later, on 25 July 1970, Tehran organised an exhibition to promote its products to the Saudis, and Saudi businessmen visited Tehran. In December 1970, another delegation from Iran visited Saudi Arabia, and scheduled an Iranian exhibition in the Kingdom to boost mutual trade. Oil, and the two countries’ coordination and competition in this field, also played a substantial role in fortifying the relationship. The discovery of oil reserves in the region, and the fact that Saudi Arabia and Iran were the two largest oil-producing nations, meant that the coordination of oil policy within OPEC saw the countries joining forces to dictate the oil price in world markets, as this was expected to serve both nations’ interests.

The 1973 Arab-Israeli war lasted just a few days, when Egypt and Syria launched a War against Israel together, with each side almost immediately attracting support from the Soviet Union and the US respectively. King Faisal signalled his support for the Palestinians and the Arab states, by calling for and launching an oil embargo through OPEC, known as the 1973 Oil Embargo. All the states joined the embargo except Iran. The embargo was to protest the US supply of weapons to Israel. It lasted until March 1974. On 16 October 1973, OPEC announced an oil price increase of 70% to $5.11 per

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148 Ibid.
barrel; the price then rose substantially, to $12 per barrel.\(^{149}\) This brought disastrous consequences to developed countries that relied heavily on oil imports from the Middle East, including the US, whose energy security was severely challenged by the embargo.\(^{150}\) The embargo triggered a recession in the West that lasted until the early 1980s. The crisis eased in March 1974 after the First Egyptian-Israeli Disengagement Agreement.\(^{151}\) The Oil Embargo, and the 1973 Arab-Israeli war, had two important consequences: first, the US and the West had to rethink their energy supplies and their overt support for Israel (in fact the UK had taken a more neutral stance than the US during the war); second, Saudi Arabia’s role, especially in leading Arab states towards the West’s position, was strengthened, as the other two major regional players lost a degree of influence, i.e. Iran did not join the embargo, and Egypt did not achieve its war aims.

To summarise, Saudi Arabia and Iran maintained a stable relationship between 1964 and 1975, despite disagreements. Their unity was based principally on the US ‘two pillar’ policy, which made certain that both countries found it beneficial to cooperate with the US to develop their economies and consolidate their positions. A second unifying factor was the communist and revolutionary nationalist threats, from the Soviet Union and the Nasser regime respectively, which required the countries to work together to constrain the threats through military cooperation, religious solidarity and further economic development, primarily in the oil industry. However, the areas of cooperation, the Shah’s


ambition to be more militarily dominant in the Gulf region had been widely acknowledged since the early 1970s, and continued to be of concern to the Saudis.

King Khaled and Shah Mohammed Reza Pahlavi 1975-1979

The short four-year period when King Khaled, the fourth Saudi King’s (1975-1982) reign coincided with the rule of the Shah was characterised by good relations and sound progress on a number of political, religious and economic matters. The two rulers shared a common desire to maintain the peace and stability of the Gulf region, to combat the Soviet threat and Soviet influence in North Africa and the Yemen, to manage the ongoing conflict between Palestine and Israel, and to insure further consolidation of the Islamic states. However, as previously, there were also issues on which the two could not agree, such as the oil price.

King Khaled’s reign also witnessed many significant international developments including the Iranian revolution, the Soviet invasion of Afghanistan and the assassination of Anwar Sadat of Egypt, all of which had important consequences for both Saudi Arabia and Iran. In April 1976, Khaled made state visits to all the Gulf States to establish closer relations with his Arab neighbours in the Gulf. These early visits arguably laid the foundation for the later establishment of the Gulf Cooperation Council (GCC). Coinciding with Khaled’s visits, Iran called for a formal, collective security arrangement of the countries of the Gulf. This offer, although not immediately rejected, was received with

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great coolness by the Saudi government, as it was as suspicious of Iran’s aspirations as it was of Iraq’s.\textsuperscript{153}

During King Khaled’s reign, the fourth Saudi King (the brother of King Faisal), received the UN gold medal, the highest honour afforded a statesman, for his contribution to world peace, in January 1981.\textsuperscript{154} Like his brother, he saw the security and stability of the country and the region as the most important factor shaping foreign policy. Despite the sudden change of leader upon King Faisal’s death on 25 March 1975, there were no major changes in foreign policy in respect of Iran. The new leader assumed the understandings that had accumulated previously.

To express his deep sorrow and respect for King Faisal, and to ensure an enduring relationship of cooperation with his new counterpart, Mohammad Reza visited Saudi Arabia on 28 April 1975.\textsuperscript{155} During his reign, he visited Saudi Arabia just three times, meaning that his timing was highly significant in terms of demonstrating his priorities. The Shah understood the importance of the relationship; Saudi Arabia had become a much stronger economy and its role in the Muslim world and the region was even more important than previously, because of its leading role during the 1973 Oil Embargo.\textsuperscript{156} The Shah realised the necessity of maintaining good relations with Saudi Arabia in the mid-1970s as he faced increasing pressure and threats from his own people and Islamic clerics inside Iran. Ayatollah Khomeini, who had been exiled by the Shah’s father Reza Shah on 4 November 1964,\textsuperscript{157} used the discontent as an opportunity to call for the overthrow of the

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\textsuperscript{153} Ibid.
\textsuperscript{155} Safran, \textit{Saudi Arabia: The Ceaseless Quest for Security}. 266.
\textsuperscript{157} Willett, \textit{Ayatollah Khomeini}. 48.
\end{flushright}
Shah. With the threat from President Nasser gone with his death in 1970, Khomeini became the Shah’s greatest concern. When visiting he discussed the security pact with King Khaled, although Saudi Arabia did not commit to it, since further consultations with all parties involved were essential.\(^{158}\) Nonetheless, the successful outcomes of the Shah’s 1968 visit to Saudi Arabia were fortified. On his third visit to the Kingdom, the Shah once more agreed with King Khaled that the Palestine-Israel issue could only be resolved by the restoration of Palestinian rights on Palestinian national soil, and in delineated phases based on Security Council Resolutions 242 and 338, as laid down in the 1974 Rabat Arab Summit in Morocco, where twenty Arab leaders had met with representatives from the Palestinian Liberation Organisation.\(^{159}\) He also invited King Khaled to visit Iran.\(^{160}\)

After the Shah’s visit, the then Crown Prince Fahd and First Deputy Prime Minister Fahd bin Abdulaziz visited Tehran on 9 July 1975. On 11 January 1978, the Shah paid another visit to Saudi Arabia to discuss new issues that arose in late 1977 as a threat to the region’s security and the interests of the Arab states. The Soviet Union had been granted use of Aden airport and its port by the People’s Democratic Republic of Yemen (PDRY), for the delivery of arms to Ethiopia.\(^{161}\) However, Saudi Arabia and Iran proposed different solutions to counter the rising threat. Saudi Arabia recalled its ambassador from PDRY on November 1977,\(^ {162}\) and then sought to gather support from the Arab League and the US. Mohammad Reza Shah intended that this would be an opportunity to promote his joint defence proposals. In April 1978, the Saudi defence minister Sultan bin Abdulaziz visited

Iran and Iraq; however, no agreement was reached. Another issue raised in 1977, one that was perhaps minor compared with the PDRIY issue, was the visit of Egypt’s President Sadat to Israel in November. The visit raised serious concerns in the Muslim world, including Saudi Arabia and Iran. He was the first Arab State leader to visit Israel and the trip stunned the community, since it was seen as a break with the Arab policy of not dealing with the Jewish state (formally established in 1948). Although Egypt-Israeli ties were a consequence of Egypt-US relations in the 1970s following the demise of the Nasser regime, Arabs and Muslims did not welcome the obviously friendly gesture towards Israel, generating a renewed sense of uncertainty and instability in the region.

In relative terms, Iran’s regional importance to the US increased after King Faisal’s 1973 Oil Embargo, as Iran had not participated (in fact, Iran did not participate in the 1963 oil embargo either). Thus, although Saudi Arabia and Iran had relatively friendly relations between 1968 and 1979, some sources of tension emerged in the mid- to late-1970s. The Shah continued to build his military and security infrastructure, which placed pressure on Saudi Arabia, causing King Khaled to tighten the country’s relationship with other, smaller Gulf States. In addition, in 1976 and 1977 Saudi Arabia disagreed with Iran when it demanded a raise in the oil price through OPEC. In 1977, Saudi Arabia, together with the UAE, produced 10 million bpd of OPEC’s total of 30 million bpd, and Saudi Arabia aimed to raise its production from 8.5 million to 11.8 million bpd. The plan had two aims: first, to limit countries such as the Yemen from acquiring increased income resulting from any

165 Nael Shama, Egyptian Foreign Policy from Mubarak to Morsi: Against the National Interest (New York: Routledge, 2013), 177.
oil price rise; and second, to constrain the Shah’s ambitions to obtain nuclear power and further strengthen Iran’s military advancement. The Shah urgently required finance to fulfil his plans, while Yemen responded that it needed either a low oil price or peace and stability in the Middle East. Although the Shah dared not criticise Saudi Arabia, he sought to obtain US support to influence others within OPEC to increase the oil price. Saudi Arabia remained strong, exerting its power and determination to ensure the oil price would not rise as the Shah hoped.167

1.5 CONCLUSION

This chapter has explained how the Arab peninsula housed diverse tribes, albeit sharing a common religion, culture and language. King Abdulaziz united the majority of the tribes living on the Arab peninsula, and established the current state of Saudi Arabia in 1929. Soon after this Saudi Arabia and Iran took necessary steps to establish diplomatic relations, and the political direction of the relationship was determined by their similarities and differences on national and international issues. Both countries were governed by monarchies with the vision to improve the lives of their people and play an important role on the international stage as and when required. At the international level, both the countries enjoyed cordial relations with the US and were united in their desire to repel revolutionary threats from Soviet Russia and contain domestic religious fundamentalists. In general, bilateral relations were characterised by cooperation, with only limited

disagreements. Mutual high-level visits and direct dialogue between the two countries’ leaders were maintained following Prince Faisal’s first visit to Iran in 1932.

Although economic and military conflicts occurred during the period, the disagreements were ultimately manageable, because the two monarchs shared the same opinions and threat perception, i.e. fear of the danger of Nasser’s radicalism and Soviet communism. The two governments founded their diplomatic relations based on mutual respect, which enabled good relations to endure despite several challenges. The security and stability of the Kingdom and the region remained the top priority for Saudi Arabia, and therefore, cooperation with Iran was an important facet of its foreign policy. Cooperation with Iran on some occasions failed, such as when Iran chose not to participate in the OPEC embargo. However, in general the two key regional players benefitted from an established diplomatic relationship, and from working cooperatively throughout the course of the five decades from 1929 to 1979.

In 1979, at the end of the Shah era the rise of Shia Islamists brought an end to both direct cooperation and direct dialogue between the countries at leadership level. Post 1979, Iran witnessed a major shift in its domestic socio-political system, which also changed the dynamics of its foreign policy and the nature of its bilateral relations with Saudi Arabia. Since 1979, the political pendulum in Iran has swung between inward looking conservatives and more open reformists or modernists, resulting in large shifts in its foreign strategy and policy. The post-1979 era has also been rich in terms of events at both the regional level, such as the Iran-Iraq War and Iraq’s invasion of Kuwait, and the international level, such us demise of the USSR. For Saudi Arabia, each change has required a realignment of its foreign policies.
Thus, this eventful period requires considerable rigorous study, explaining why the remainder of the thesis is devoted to events post-1979. The following chapters take the form of a cause and consequence study, as they examine the history of Saudi-Iranian relations between 1979 and 2014, to enable the reader to understand the underlying influences shaping the dynamics and policies of these two important Gulf States.
CHAPTER 2
Revolutionary Iran’s View of Saudi Arabia, and the Saudi Response, during the Khomeini Era

2.1 INTRODUCTION

The last two decades of the last 20 century were eventful, and have left long lasting scars on the global community in general, and the populations of the Arabian-Persian Gulf region in particular. As discussed in the preceding chapters, this research is an attempt to study the events that affected Saudi-Iranian bilateral relations. The rise of Khomeini and the fall of the Shah markedly changed the socio-political landscape of the Gulf region. This chapter investigates the impact of the Khomeini era on Saudi-Iranian bilateral relations.

As discussed in the previous chapter, during the time of the rule of the Shahs of Iran, the Kingdom of Saudi Arabia and Iran enjoyed cordial relations, based on mutual respect and cooperation; in particular, the period from 1968 to 1979 was a time of fruitful cooperation. Prior to the revolution, Iran actively interacted with its Arab neighbours and played an important role in the affairs of the Gulf. During the Shah’s reign, Rezun comments that Iran was the Gulf region’s policeman; effectively avoiding conflicts with other Gulf States and cooperating with its neighbours, especially Saudi Arabia. Following the revolution in 1979, however, the transitional government of Prime Minister Mehdi Bazargan announced Iran would no longer act as regional enforcer.

The change of leadership in Iran was welcomed in some states, and hope was even expressed that some of the territorial disputes (such as the occupation of the three islands

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1 Furtig, Iran’s Rivalry with Saudi Arabia between the Gulf Wars. 12.
(Big Tunb, Little Tunb and Abu Musa) since November 1971) might be resolved.² However, hopes swiftly faded, as it emerged that Iran’s revolutionary government was ideologically opposed to many of the policies being pursued by the other Arab States of the gulf. This divergent ideological and political stance in Iran, meant that it rapidly came to be characterised as an adversary by Saudi Arabia.

This chapter studies the post-1979 changes to the socio-political systems in the gulf region, and the effects of these on the bilateral relations of Saudi Arabia and Iran. The altered nature of relations between the two countries will be examined from a historical perspective, and the chapter will be structured around three key areas: religious differences, socio-political differences, and mutual security concerns.

2.2 SAUDI ARABIA’S INITIAL RESPONSE TO THE IRANIAN REVOLUTION

Despite reservations, Saudi Arabia officially recognised the new Iranian government in 1979, and expressed its willingness to continue to maintain the good relations it had enjoyed under the Shah. Friendship with Iran was important, as Saudi Arabia had recently faced challenges and instability from Yemen and Oman to the south, and the Palestinian-Israeli conflict to the northwest, as well as from Egypt during the rule of President Nasser. The Iranian Revolution contributed toward what was already an environment of regional uncertainty, further complicating the international situation. This challenge to the regional status quo was unwelcome to the Saudi government; in particular, as previously mentioned, it preferred peaceful coexistence with its neighbouring countries, guided by its overwhelming sense of responsibility as the custodian of the cradle of Islam.

This characteristic Saudi Arabian desire for political stability in both domestic and foreign policy matters, has often been noted.³

The Saudi leadership’s extension of friendship to the new Iranian regime was motivated by its primary concern to ensure stability for its people.⁴ Thus, this act can be seen as consistent with Saudi Arabia’s pragmatic foreign policy, which has always been governed by a desire to promote good relations with neighbouring countries. King Khaled formally congratulated Khomeini following the success of the Iranian revolution, welcoming an Iranian republic resting on a firm Islamic foundation. Other officials in the Saudi government also extended their welcome to the new regime in Iran, including Prince Abdullah, who stated, ‘from now on Islam will be the basis of our common interests and relations’⁵. This statement was a reference to Iran’s newly adopted title of, the ‘Islamic Republic’, and represented clear intent to build a relationship with the republic on its own terms. Following fifty years of relative cooperation with the Shah’s of Iran, this welcome to their over throwers must have involved considerable compromise on the part of the Saudis, and indicates the extent to which they were prepared to go to guarantee domestic and regional stability. King Fahd, the then Crown Prince of Saudi Arabia had spent years establishing and maintaining good relations with the Shah, only to see his efforts suddenly negated by revolution.⁶ Moreover, despite the Saudi leadership’s attempts to maintain good relations on the surface, they were ideologically opposed to the revolutionary ideology being propagated by the new regime in Tehran.⁷ Therefore, as shall be explained in this

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⁶ Chubin and Tripp, Iran-Saudi Arabia Regional Order: Iran and Saudi Arabia in the Balance of Power in the Gulf. 9.
chapter, since 1979, maintaining a balance between religious difference and political stability has been a challenging process for Saudi Arabia.

The Iranian government did not receive the Saudi’s attempts at cordiality graciously, permitting much criticism and propaganda to be targeted towards Saudi Arabia as part of a concerted attempt to export the revolution more widely across the Arabian Peninsula. In the historical record, the Saudi response to the differences between the two countries is encapsulated by the words of Crown Prince Fahd. Acting with restraint and patience, he continued to offer the Iranian leadership an opportunity to create a positive accord with Saudi Arabia, by blaming irresponsible persons in Iran for criticising Saudi Arabia and spreading opinions not shared by the new Iranian leadership,\(^8\) rather than attacking the Iranian government or its people directly.\(^9\) Meanwhile, Iran spread anti-Saudi propaganda throughout the Islamic world\(^{10}\) in the form of books, videos, audiotapes, free newspapers and leaflets, many of which were distributed in mosques.\(^{11}\) The Saudi government continued to work to avoid direct confrontation with Iran’s leaders, motivated by the desire to avoid conflict.\(^{12}\)

However, despite Saudi Arabia’s enduring attempts at diplomacy during the early years of the revolutionary government, and bans on political protests in Saudi Arabia, tensions between the two countries rose significantly. Finally, in the 1981 Mecca incident, when Iranians chanted political slogans such as death to America, in reference to the close

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\(^8\) Furtig, *Iran’s Rivalry with Saudi Arabia between the Gulf Wars*, 30.
\(^12\) Badeeb, *Saudi-Iranian Relations: 1932-1982*. 90.
relations between Saudi Arabia and the US, there were violent clashes and one death.\textsuperscript{13} This incident proved a step too far, and provoked an unusually strong response from the Saudi Government.\textsuperscript{14} The acts of 1981 could be dated to 1971 when Khomeini ordered his Shiite followers to hand out political messages during the Hajj.\textsuperscript{15} It is likely that Iran may have used the Hajj that year as an opportunity to prompt a confrontation, because its land had been invaded a year previously by the Iraqis. However, previous to the incident the Saudis had not provided any financial aid to Iraq, and continued to remain neutral during the first two years of the war. After the incident, it also became apparent that Saudi Arabia had a role to play in addressing the threat posed by Iran’s determination to spread revolution as the GCC’s biggest state. Saudi Arabia needed to show leadership, as Iran’s actions were creating unrest among Shia minorities located in countries throughout the Gulf region, especially in Bahrain.

A key aim of the GCC under Saudi leadership was to minimise the actions and interference of powers external to the region, so that emergent solutions would not be perceived as impositions from outsiders, such as the US.\textsuperscript{16} At the first Ministry of Defence Conference of the GCC, held in Riyadh in February 1982, Prince Sultan, the Minister of Defence and Aviation, emphasised the need for stability in the Gulf and for cooperation between the GCC’s six members.\textsuperscript{17} Stability and security in the Gulf was the central focus

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\textsuperscript{14} Hiro, \textit{Iran under the Ayatollahs}. 337.
\textsuperscript{17} Hiro, \textit{Iran under the Ayatollahs}. 337.
\end{flushleft}
of the conference, which was rendered explicit by the evident cooperation between the GCC countries. By working closely with its neighbours, and through the Saudi people’s rejection of violence, Saudi Arabia was able to withstand the efforts of the Iranian government to undermine it, and the Kingdom remained stable.\(^{18}\) The un-Islamic disruption of the Hajj by Iranian extremists in Mecca, on repeated occasions during the 1980s, can be seen as not only an attempt to spread Iran’s revolutionary ideology, but also to make it appear that the Saudi authorities were incapable of managing the proper running of the Hajj and protecting Islam’s holy sites. These attempts to discredit the Saudi authorities backfired, and Iran was condemned for masterminding these events. It received criticism from governments around the world, some of whom termed Iran’s actions as desecration.\(^{19}\)

The actions of Saudi Arabia proceeded from a respect for international law and a desire for peace in the region; meanwhile, Iran’s lack of respect was evident in its willingness to exploit religious differences and to disrupt the region to export its revolution. Iran continuously acted to subvert the political authority of its neighbours, such that the interactions and tensions between Iran and Saudi Arabia in the Khomeini era were centred on three factors: religion, socio-political concerns, and security.

2.3 **Saudi Arabia and Iran – The Historical Religious Dimension**

Rivalry between the Arabs and Persians can be traced to the Arabic expansion, which began in 639, spreading out from the Arabian peninsula and expanding the reach of one of the greatest religions and civilizations in human history into Egypt, to the Atlantic

\(^{18}\) Furtig, *Iran’s Rivalry with Saudi Arabia between the Gulf Wars*, 38.

coast (forty-three years later), and Spain (by 711). From what is now Saudi Arabia, in just seventy years the Arab Islamic influence extended out across North Africa, establishing a new order. The conquest was regarded as comprehensive, in contrast with previous invasions, and the changes wrought invaded areas and countries proving lasting, not just in terms of religion but also in terms of language and culture.20

As mentioned in the introduction to this study, the Kingdom of Saudi Arabia is the birthplace of Islam, and the monarch holds the title, ‘the custodian of the two holy mosques’ (Khadim al-Haramayn).21 Muslims view Mecca as Islam’s most sacred shrine and the holiest place on the planet. The second holiest place is the Prophet Mohammed’s mosque in the heart of Medina. From Saudi Arabia, Islam extended far and wide, adopted from the Atlantic to the Far East. The Kingdom of Saudi Arabia emphasises its Islamic heritage with the iconic choice of its national flag: a green rectangle with white lettering at its centre, stating the Islamic creed or shahadah: ‘There is no God but Allah and Mohammed is the messenger of Allah’; beneath this is an unsheathed sword lying parallel to the shahadah. The Quran and Sunnah (the teachings and traditions of the Prophet) were adopted by Saudi Arabia as its constitution, and are its main legislative sources. Over 95 per cent of Saudis, and the vast majority of Muslims globally, are Sunnis (followers of the Prophet’s teachings and traditions).22 Saudi Arabia’s present-day commitment to Islam is reaffirms its historic one.23

23 Bowen, The History of Saudi Arabia. 69.
The Kingdom of Saudi Arabia, its leaders and its people take great pride in their responsibility to serve the two holy shrines. This responsibility includes attending to the needs of an estimated two to three million Hajjis (pilgrims), who arrive and leave within a very short space of time annually. In addition, the country’s leadership makes massive efforts to cope with the ever-expanding numbers of pilgrims and visitors to the holy shrines, making finances available. Dr David E. Long describes the Saudi responsibility during the annual Hajj season as follows, thus: “Nearly every agency of the Saudi government becomes involved, either in regulating the privately operated Hajj service industry, or in providing direct administrative services. Such a task would tax the most sophisticated government bureaucracy, and yet Saudi Arabia, where public administration is still in a developing stage, manages to get the job done each year.”

In 2012, a $16.5 billion plan to modernise Mecca’s transportation system was approved. The same year, an even larger expansion plan worth over $21 billion was announced to allow Mecca’s Grand Mosque to receive a greater number of worshippers. This shows the enormous responsibility involved in upholding the role of custodian of the two holy Islamic sites, and according to Looney ‘the Kingdom of Saudi Arabia is the nearest equivalent in the world today of the old Islamic ideal of a theocracy’. After his return from France in 1979, Khomeini consistently sought to undermine this characterisation and status.

Iran is the only country in the world where Shia Islam is the official state religion. When the Prophet Mohammed passed away, two major positions developed about whom the leader of the Muslim community should be. The Sunnis (followers of the Prophet’s

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27 Furtig, *Iran’s Rivalry with Saudi Arabia between the Gulf Wars*. 35.
traditions and teachings, from the Arabic word for tradition) agreed on the accession of Mohammed’s elected successors, who were known as Caliphs; i.e. Abu Baker, Omar, Othman and Ali, all of whom originated from the Holy Land in the Arabian Peninsula. However, this group was rejected by those who believed that any head of the community ought to be a direct descendant of Mohammed through his daughter Fatima and her husband Ali (although in fact Ali was among the elected Caliphs at the time, being the fourth Caliph in line and accepted by Sunnis). This historic disagreement is the source of the Shia’s sense of oppression, which the Khomeini ideology in Iran wielded to gain more influence amongst its neighbours. They are named Shiite or Rawafid (rejecters of Mohammad’s successors), from the Arabic word Shia meaning party.

Iran received Islam from the Holy Land on the Arabian Peninsula, part of which is in present-day Saudi Arabia. In 634, Omar bin al-Khattab, the second Arab Muslim caliph, succeeded Abu Baker. From Medina he issued orders to the commanders of the Arab Muslim armies to expand, and added a number of territories, including the remainder of mainland Iran. Omar accomplished the expansion of Islam with unprecedented speed, and the beginnings of the new Arabic Islamic influence were marked by two major victories. The Arab Muslims continued to expand north and east into the territory of the Iranian Tasmanians; and in 637, Arab forces defeated the Iranian army at Qadisiya, conquering the remainder of Iran by 645. At the time, the Iranians were divided between paganism and Zoroastrianism, both of which were in decline and subsequently replaced by

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Islam. After the advent of Islam in Iran, it came under the rule of the Sunni Caliphate, and all Iranians practised Sunni Islam. In fact, the Sunni creed dominated for the first nine centuries of Islamic Iran. Omar is viewed by the majority of Muslims as the Second caliph and is also known as Farooq (the one who distinguishes between right and wrong).^32^ However, the Shia minority view him as having performed a coup d’etat against Ali’s right to succession, despite his eighteen years of friendship with Mohammed and his role in bringing Islam to Iran. Thus, Khomeini’s ideology was built on contradictory foundations;^33^ because, although the Arabs of the Arabian Peninsula introduced Iran to Islam through Omar, Shia ideology rejects Omar’s authority to rule. In truth, Khomeini’s claim to be ‘defending Islam’,^34^ enabled him to disseminate his own ideology under the heading of Islam, something his followers continue. This will be explored in section three.

Unlike the Sunnis, the Shia clergy were unsuccessful in developing a consistent theory of state during the Middle Ages. The Sunnis deemed the reigning monarchs who came after the Caliphs lawful, providing that they did not go against Islamic norms. The Prophet stated, ‘Obey God, His Prophet, and those among you who have authority’. There was, however, ambivalence and division among the Shia clergy. They rejected the early dynasties, arguing that the Prophet’s true heirs should have been the Twelve Imams. This line began with Imam Ali, the Prophet’s first cousin, son-in-law, and, according to the Shia clergy, designated successor as Imam of the Muslim community. The Shia clergy admitted that full legitimacy could only be granted to the ‘Hidden Imam’, and a sharp divide arose amongst them concerning Shia principles. Some Shias thought they should decline government positions; avoid Friday prayers; take disputes to their own legal experts rather

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than to the state judges; practice taqiyya (dissimulation) when needed; and pay khoms (religious taxes), not to the government but to their clerical leaders or their deputies. Unlike the Sunnis (followers of Prophet Mohammad traditions and teachings) in Saudi Arabia and the majority of the Muslim World, where the practice of taxation and redistribution are mainly based on Zakat, which is one of the five pillars of Islam.

It is significant that, in the debates that went on intermittently for around eleven centuries, no Shia writer contended that monarchy was unacceptable, or that the leading cleric, the supreme religious leader, had the power to run the state. The majority shared the opinion that the clergy’s primary responsibilities, referred to by some as Wilayat al-Faqih (guardianship of the jurist) were to be split with the monarchy, and supreme religious leaders frequently reaffirmed their allegiance to monarchies in general and good monarchs in particular.35 The doctrine which was advanced by Khomeini, Wilayat al-Faqih (guardianship of the jurist), i.e. that the supreme religious leader should run the state, did not exist during the time of Prophet Mohammad, or after his death. Saudi Arabia and the majority of Muslims worldwide are committed to the fundamental origins of Islam and to the Prophet’s Sunnah. Thus, it can be seen that divergent religious views were a potential area of conflict between Saudi Arabia and Khomeini’s Iran. Although Saudi Arabia did not exploit these differences, Iran did, as will be shown. The many calls for Islamic unity made by Khomeini did not conceal the fact that his Islamic state was based on Shia doctrine, a sect that represents less than ten per cent of Muslims worldwide. The fact that it represented a minority doctrine impacted on Iran’s ability to export the revolution.

Following the revolution of 1979, and with Khomeini’s concept of the Wilayat al-Faqih (guardianship of the jurist), and the overthrow of the Shah it became apparent that a restructuring of the political system within Iran to bolster and protect the new Khomeini regime, would inevitably disrupt the diplomatic channels that had formerly served to cement Saudi–Iranian relations. Inevitably then, the aftermath of the revolution transformed the nature of the relationship between the two countries from one of friendly cooperation to one of mutual suspicion and latent rivalry. Additionally, the new Iranian regime’s avowed aim to export the revolution made workable diplomatic relations between Iran and its neighbouring states (most significantly Saudi Arabia because of its symbolic religious importance) increasingly difficult. Furthermore, Khomeini repeatedly made negative references to Saudi Arabia’s management of both Mecca and Medina, the two holy places are central to Islam and the Kingdom of Saudi Arabia’s history.

As mentioned above, the core of the Iranian state structure is that Khomeini, the supreme leader is its head, powered by the doctrine of Wilayat al-Faqih, which means that he is the marjaiyya (source to follow) and above the law, with the power to make final decisions on both domestic and international issues. All authority was ultimately derived from him, and, accordingly, he imparted religious legitimacy, claiming Iran was a true Islamic state. After the revolution, religious institutions in Iran acquired greater influence, and the government institutionalised its model of Islam. Acceptance of the unifying

37 Koch and Long, Gulf Security in the Twenty-First Century. 121
40 Roy Andersen, Robert F. Seibert, and Jon G. Wagner, Politics and Change in the Middle East: Sources of Conflict
leadership of the clergy spread across large sections of Iranian society; thereby, influencing and shaping the outcome of Iranian politics, both domestically and internationally.\textsuperscript{41} Under the Twelve Imams (Shiism), Khomeinism led people to believe that there had not been a legitimate Muslim government for many centuries. The belief was that legitimate governance could only return once the ‘Hidden Imam’ arrived. In his absence only clerics could lead.\textsuperscript{42} To some in Iran, Khomeini became the earthly representative of the Hidden Imam.\textsuperscript{43} This view necessarily led the Iranian leadership and its followers to view all other Arab governments as illegitimate. As such, the Iranian government rejected the legitimacy of the leaders of the other Gulf States, most damaging for Iranian-Saudi relations, the King of Saudi Arabia.\textsuperscript{44} This was the fundamental source of instability in the region after 1979, and it removed the opportunity to build or consolidate mutual trust between Iran and the majority of its Arab neighbours.

However, it is important to mention that within Iran, reformers and conservatives sometimes opposed one another in areas such as foreign policy and economic reform, although ultimately the supreme leader was the real decision maker. According to Amir Taheri, the former editor chief of Iranian newspaper Kyhan, “anyone inside Iran who did not stand behind the revolutionary banner of Ali Khameini, the new supreme leader was excluded from the political system”. Ali Khameini became supreme leader after the death of Khomeini. General Ahmadi Muqaddam, the Commander of the Military Forces of the

\textsuperscript{42} Hunter, \textit{Iran and the World: Continuity in a Revolutionary Decade}. 15–16.
\textsuperscript{43} Andersen, Seibert, and Wagner, \textit{Politics and Change in the Middle East: Sources of Conflict and Accommodation}. 148.
\textsuperscript{44} Furtig, \textit{Iran’s Rivalry with Saudi Arabia between the Gulf Wars}. 39.
Islamic Republic, stated the position of the country’s military intent: ‘Anyone who does not believe in our Wilayati (Guardianship) is an infidel and thus mahdur ad-dam, meaning his blood could be shed with impunity’. Absolute loyalty to the ‘Supreme leader’ Ali Khameini was ‘part of Islam’ as stated by Muhammad-Taqi Mesbah-Yazdi. Clearly, the regime does not meet the definition of a republic, as the Supreme leader has the final word on every issue and so acts autocratically. Khomeini himself said, ‘whatever I say on public affairs is an edict of the state.’ The system that Khomeini created in 1979, with the help of key actors, such as Rafsanjani, could be compared to the Taliban version of Islam in Afghanistan, which was called an ‘Islamic Emirate’, with Mullah Muhammad Omar as Commander of the Faithful. The leader claimed a ‘divine mandate’, to be the arbiter of affairs, whether public or private, packaged by an election of a president. The doctrine of Wilayat al-Faqih forms the central axis of contemporary Shi’a political thought. It supports a guardianship-based political system. Since 1979, the aim of the mullahs in Iran has been to control as many Muslims as possible worldwide.

Since 1979, none of Iran’s elections have been based on the principle of popular representation. According to Khomeinisim, presidential candidates must be strictly examined and approved before the election campaign, by a special twelve-member council of guardians. Such pre-qualification of the candidacy is explained as demonstrating loyalty to the concepts of Islamic jurists. Khomeinist revolutionary ideology claims the phrase, ‘God’s government on Earth is superior to man’s rule’, and the term ‘Islamic democracy’ are not contradictory. Islamic Sharia is a reflection God’s rule on Earth, as prescribed by the Quran, and the teaching of the Prophet Mohammad, and not by the rule of Wali-e Faqih

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(supreme leader and guardian) in Iran. Clauses from Iran’s 1979 constitution demonstrate the regime is governed by a Wali-e faqih, who represents the hidden Twelfth Imam; therefore, obedience to his decisions, made on the basis of his own understanding of Quranic principles, is compulsory, irrespective of majority agreement. In other words, the people’s will and their votes will be taken into account, only as long as they are in accord with the supreme leader.

2.4 SOCIO-POLITICAL SYSTEMS

The Saudi Arabian Socio-Political System

The Saudi Arabian system is a reflection of the Kingdom’s social structure, and its position in the heartland of the Arabian Peninsula and the cradle of Islam. Essentially, Saudi society is traditional and tribal. Family ties hold great importance at all levels of society. Indeed, Saudi society’s most salient feature is its highly homogenous and conservative Islamic nature, whereby customs are shared and preserved. In Saudi Arabia, nearly all-social relationships revolve around the extended family.47 The impact of Islam on the daily affairs and customs of all Saudi Arabian citizens is palpable. King Faisal has said, ‘We believe neither in socialism, nor in communism, nor in any doctrine outside Islam; we believe only in Islam’. He went on to say, ‘a constitution? What for? The Quran is the oldest and most efficient constitution in the world’. 48 Within this group of Arabic-speaking and ethnically related peninsular Arabs, Saudi Arabia has only one official language. Hence, Saudi Arabia has no linguistic diversity; the language originated from within its people and is a part of its Islamic Arabian heritage. David Long claims that ‘the

Saudis have nothing to fear from the fundamentalist credentials of the revolutionary Iranian regime in Iran’. He adds that ‘the uniquely strong family base of Saudi society is likely to mean continued political stability, based on social stability’. The French historian Felix Manjan, who witnessed the fall of the first Saudi state in the 18 century, predicted its return to power, despite the dispersal of the Saudi rulers and the chaos that prevailed in the area in 1816. His prediction was based on the fact that everyone living in the area held the same principles, even in the absence of their leaders.

Therefore, the reunification of the modern third Saudi state in 1927 on the Arabian Peninsula was more a reform of power, driven by internal needs, rather than a reaction to external tensions. The Saudi political system, in particular, owes its legitimacy to the religious authority of the Sharia. The endorsement of the Ulama (religious scholars), led by the Chairman of the Supreme Religious Council (Ifta’a) is sought by the Saudi government on crucial and sensitive foreign policy issues; for example, when seeking the assistance of international forces to liberate Kuwait. Furthermore, Saudi Arabia has never been subject to any kind of colonisation, unlike other nations to the west and east.

In the period 1973 to 1987, a significant factor affecting Saudi Arabia’s political influence was its oil wealth. It was fifth among foreign aid donor countries, allocating 3.42 per cent of its GNP to aid in 1987. In addition, the Majlis al-Shura (consultative council)

is part of the Saudi political structure. King Fahd, in a historic speech delivered in 1992, introduced three major laws: the Basic Law of Governance, the Provincial Council Law, and the *Majlis al-Shura* Law. Here, we shall concentrate on the subsequent development of the *Majlis al-Shura* (consultative council) in Saudi Arabia, which relies on the fundamental precepts of Islam, in combination with the opinions of the *Ulama* as given to the leader: in the Saudi case, the King. The *Shura*, which dates to the Prophet Mohammad’s time, is an important institution in Saudi Arabia. In 1926, during the process of the unification of the third Saudi state, King Abdul-Aziz approved a new Basic Law of Governance. The new laws included a special section for councils, including *Majlis Ash-Shura*. It was founded in 1927, and the *Majlis Al-Shura* continued to hold power throughout the reign of King Abdul-Aziz, who launched the first session of the council on 17/7/1927.55

Aside from the formation of permanent committees to resolve issues regarding social traditions that did not correspond with Sharia, the council’s jurisdiction is regulated by seven articles, all of which reference court affairs, endowments, municipalities, education, commerce and security. Both women and men are members, and are appointed by the King for a period of four years, to serve in an advisory capacity, representing people with knowledge, experience, and competence.66 The Saudi interpretation of *al-Shura*, with its principles of being governed by the Quran and Sunnah (Prophet’s teaching and practices), differs with that in revolutionary Iran, whereas the *Shura* in Iran places more emphasis on the *Wilayat al-Faqih* doctrine.

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56 Ibid. 70.
The Iranian Socio-Political Structure

To some extent, the Iranian socio-political structure shares a similarly tribal base to that in Saudi Arabia; however, in contrast to Saudi society, the tribes of Iran are extremely heterogeneous. The majority of the population in Iran belong to a variety of separate ethnic groups. In 2009, the ethnic composition of the population was as follows: 65% Iranians, 16% Azeris, 7% Kurds, 6% Lurs, 2% Arabs, 2% Baloch, 1% Turkmens, 1% Turkic tribal groups (e.g. Qashqai). Non-Iranian, non-Turkic groups (e.g. Pashtuns, Armenians, Assyrians, and Georgians) account for less than 1%. There is also a small Jewish community, although many Jews fled after the revolution.

In 1925, this ethnic heterogeneity presented Reza Shah with many problems when seeking to unify Iran, and represented a threat to the country’s internal stability. These problems persisted after the revolution. In contrast to the ethnic homogeneity of Saudi society, which contributed significantly to the country’s social, political, economic and cultural development and stability, the ethnic heterogeneity in Iran has been a major destabilising factor. For example, before consolidating his power, Reza Pahlavi first had to subdue local anti-government rebellions in Khorasan (a region adjacent to the Soviet border of Turkistan). Since the 1979 revolution, two Iranian factions have competed for authority inside the country: the radicals and the moderates. The first group opposed any kind of rapprochement with Saudi Arabia, whereas the latter, were in favour of achieving

an understanding with the Kingdom. Whenever the moderates reached an agreement over a proposed form of relationship with Saudi Arabia, the radicals would oppose it and sabotage their plans, in an attempt to destroy Saudi–Iranian religious understanding.\footnote{Badeeb, \textit{The Saudi-Egyptian Conflict over North Yemen, 1962–1970}. 91.}

Despite the Islamisation of Iran by the Arab Muslims of the Arabian Peninsula, Iran was not ‘Arabised’.\footnote{Hunter, \textit{Iran and the World: Continuity in a Revolutionary Decade}. 98.} Instead, the Iranians presented their choice of Shiism to assert their distinctiveness. Khomeini’s book \textit{Hukumat-i Islami} (Islamic Government) was published in 1970, and in it he delineated his theory of a theocratic state founded on \textit{Vilayat al-Faqih} or \textit{Wilayat al-Faqih} (Guardianship of the Jurist), based on a reinterpretation of Shiite doctrinal beliefs.\footnote{Farzin Vahdat, \textit{God and Juggernaut: Iran’s Intellectual Encounter with Modernity} (New York: Syracuse University Press, 2002). 154.} It gave the faqih (Islamic jurist) custodianship over the people, and was the core of revolutionary Iran’s political system. The constitution of 1979 clearly states the \textit{Wilayat al-Faqih} would lead to the establishment of a truly Islamic government. Many Muslims see this as heretical. It is precisely because of this theoretical inconsistency that many prominent religious figures in Iran opposed the establishment of the \textit{Wilayat al-Faqih}, although they supported the supremacy of Islamic law, the supervisory role of the Ulama (Muslim scholars), and the general Islamisation of Iran. \textit{Wilayat al-Faqih} can be largely understood as a mechanism to provide a constitutional basis for Ayatollah Khomeini’s leadership, to enable him to attain full control. Khomeini’s undisputed claim to leadership derived not from his religious qualities, but from his political role as the leader of the revolution he had always encouraged, even when in exile in France.\footnote{Hunter, \textit{Iran and the World: Continuity in a Revolutionary Decade}. 19.}
It is also important to understand that only between 50 and 65 per cent of Iranians speak Persian as a first language. Among the major ethnic minorities in the 1990s in Iran were the Turkish-speaking and Shia Azeris, who comprised 20 to 25 per cent of the Iranian population; while the Baluch, Kurds, and Turkmen were mainly Sunni. The Azeri, Kurd, Baluch, and Turkmen communities span Iran’s borders. Therefore, under both Shah Mohammad Reza Pahlavi and the Islamic Republic, Iran’s policy for dealing with minority groups remained closely connected with the integrity of the nation-state. For example, as mentioned in the previous chapter, many Arabs called Khuzestan province in southern Iran, with its large ethnic Arab population Arabistan, and claimed it as part of the Arab world. Iran’s Azeris, who mainly exist in the northwest, have striven since 1991 to enhance their relationship with their kinfolk to the north in the newly independent Azerbaijan. The same is also true of Turkmen living in the northeastern region, who re-established familial and commercial contact with people living in Turkmenistan, since that country’s independence from the Soviet Union in 1991. In addition, connections between the Baluch in the southeast and their kinfolk in the Western region of Pakistan have never been broken, nor have relations between the Kurds living in the west and their kin in northern Iraq been disrupted.

Prior to the revolution, Khomeini himself was not initially against the monarchy as a political system; rather, he opposed what he believed to be Pahlavi’s anti-Islamic policies.

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He began to develop his own concept of an Islamic theocracy after becoming convinced that the Pahlavis were beyond redemption and that their rule mortally endangered Iran and the Shia establishment. He opined that the function of ultimate spiritual and political leadership should be discharged by the supreme religious leader on the basis of the *Wilayat al-Faqih*. In many ways, this was an innovation in the Shia theory of government and political legitimacy. According to Shia claims, there has not been a legitimate government in the Muslim world since the usurpation of the Caliphate from Imam Ali and his descendants. Nor could there be such a government until the return of the Twelfth Imam.\(^70\)

The interpretation of what is or is not an ‘Islamic principle’ falls within the authority of the *Wali-e-Faqih* (Rule by the Jurisprudence), another body of mullahs appointed by the *Wilayat al-Faqih*. The name is derived from the Arabic word *Wilaya* (supremacy). However, once in power Khomeini took a firm line against dissent, warning opponents of theocracy: “I repeat for the last time: abstain from holding meetings, from blathering, from publishing protests. Otherwise I will break your teeth.”\(^71\) The core of the main institution of the Islamic Republic: the office of *faqih*, the presidency, the cabinet, and the parliament, has been to ensure the continued control of the state by the Shia clergy.\(^72\) The current theocratic governmental system in Iran places supreme state authority in the hands of those loyal to *al-faqih*. In terms of political influence and weight, the *faqih* is followed by principal governmental structures, including the presidency, parliament, council of ministers, and judiciary; governing power is broadly distributed among these


organs, and other non-government structures, so that each can play an autonomous role in the governing process.

Since 1979, none of Iran’s elections have had true and popular representation, according to law; candidates for any elective office in Iran must be separately screened and accepted before election campaigns by a special 12-member Council of Guardians of the Islamic Republic. A quintessential qualification for candidacy, is a ‘demonstrable loyalty’ (eltezam-e amali) to the idea of rule by the Shia jurist (Wilayat al-Faqih). According to Mehdi Bazargan, who became Iran’s first Prime Minister after the 1979 revolution acknowledged: “Neither in the preliminary working paper on the Constitution written while Khomeini was still in Paris, nor in the draft written in collaboration with the provisional Government and the revolutionary council with Khomeni’s and other Ulama’s approval, was there the slightest reference to it (the rule of the faqih). It was only inserted later, in the final draft of the constitution drawn by the council of experts under Khomeini’s direction”.

2.5 THE EXPORT OF THE IRANIAN REVOLUTION AND SAUDI ARABIA’S RESPONSE

Before 1979, diplomatic ties between Saudi Arabia and Iran were informed by the principle of non-interference. Prior to Khomeini, both nations shared a common cause in the form of their antipathy to radical Arab regimes and communism. Despite this, the Shah’s desire to advance Iranian interests in the Gulf region were incompatible with Saudi Arabia’s needs in several ways. Khomeini declared an active revolutionary foreign policy, condemning Saudi Arabia and the special Saudi-US special relationship. After returning

from France, Khomeini also challenged the Saudi’s prominence and leadership in the Islamic World. In this context, after the revolution, the Saudis became increasingly concerned about Iran’s stated policy of exporting the revolution to other countries in the region. At one time, it was even suggested that Khomeini was seriously considering adopting the title, Caliph of Islam, which would have heightened Iran’s rivalry with Saudi Arabia, and adversely affected the establishment of the GCC.

Another Saudi concern was the aforementioned doctrine of *Wilayat al-Faqih* (guardianship of the jurist), which was established by Khomeini through a series of lectures in 1969. In these lectures, he presented his own thoughts about government and sought to export them to the remainder of the World. His stated aspirations were to have more influence and power amongst the Muslims of the World. The 1979 constitution of Iran entrusted Khomeini with both domestic and foreign policies, making him the supreme leader. Thenceforth, Saudi Arabia was depicted as Iran’s main regional rival. From the early days of the revolutionary government in Tehran, Saudi Arabia was a target of criticism, as Khomeini called for opposition to the US and destruction of all monarchical regimes; thereby dividing Muslims rather than meeting his state aim of bringing them together. Saudi Arabia and the other Arab countries were forced to respond by dramatically altering their policies in light of the security threat connoted by the Iranian supreme leader’s pronouncements, and in many ways, the ensuing Iran–Iraq war of the 1980s was seen as an outcome of the chaos that Iran had brought to the region after 1979.

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Disseminating propaganda was a deliberate action on the part of Iran, intended to project power through revolutionary ideology,\textsuperscript{77} with the eventual aim of overthrowing monarchical governments and replacing them with revolutionary regimes, similar to that in Iran, based on a Shia theocracy. Iran actively sought to export the Shia ideology of revolution through Friday prayers, and Khomeini appointed imams to give Friday prayers in other countries. This action was seen as interference in the affairs of other Gulf nations, but Ibrahim Yazidi, the Iranian foreign minister, sought to justify it, by arguing that it was common practice for Christians to send preachers to other nations. President Bani-Sadr attacked the Saudi government in 1979 and 1980, stating that, along with the other Gulf States, it lacked an independent government.\textsuperscript{78} He also referred to Saudi Arabia’s King Khaled as ‘The Shah of Arabia’.\textsuperscript{79} The subsequent verbal attacks by the Iranian leadership had the clear aim of rejecting Saudi Arabia’s diplomatic efforts to establish good relations with the new Iranian regime.\textsuperscript{80} Khomeini’s worldview wholly rejected the prevailing political order of the Middle East.

Khomeinism openly and publicly suggested to the populations of Iran’s neighbouring countries that it was possible to reject the great powers and accept a new form of revolutionary.\textsuperscript{81} This upheld the expressed aim of the Iranian leader, that the spread of the revolution was a central goal. Following the collapse of the Soviet Union in 1991, Iran also expended efforts aiming to export its ideology to the central Asian republics that

\textsuperscript{78} Furtig, Iran’s Rivalry with Saudi Arabia between the Gulf Wars. 25.
\textsuperscript{79} United Press International, 15 October 1981
\textsuperscript{80} Prince Saud al-Faisal, ”Iran's Nuclear Ambition and Saudi Responce (Arabic-Classified),” ed. Ministry of Foreign Affairs (Al-Riyadh: Ministry of Foreign Affairs, 2010).
\textsuperscript{81} Takeyh, Guardians of the Revolution: Iran and the World in the Age of the Ayatollahs. 18.
had formerly been under communist control.\textsuperscript{82} Iran also adopted policies to support its Islamic credentials as a legitimate Muslim nation, and retain the favour of Arab people and Muslims worldwide, including engaging in vocal opposition to Israel.\textsuperscript{83} Ruhollah Khomeini made it clear that the revolution had to spread beyond Iran and into the wider Muslim world: “We should try hard to export our revolution to the world. We should set aside our thought that we should not export our revolution because Islam does not regard various Islamic countries differently and is the supporter of all the oppressed people of the world. On the other hand, all the superpowers and all the powers have risen to destroy us. If we remain in an enclosed environment we shall definitely face defeat.”\textsuperscript{84}

The Khomeini-supporting Iranian national newspaper, Kayhan, echoed his aspirations, declaring, for example: “The Iranian Revolution cannot be confined within Iran. The mission of the Iranian people is to strive toward a better exportation and better presentation of this revolution”.\textsuperscript{85} Khomeini referenced Islam to make the notion of revolution more palatable. He said: “we will export our revolution to the four corners of the world because our revolution is Islamic”. Also stating, “There is no God but God, and Mohammad is his Prophet”. The combination of revolutionary rhetoric with phrases valued by all Muslims was intended to communicate to his listeners the truth of the need to export the revolution. Revolutionary propaganda from Tehran was broadcast on Arabic channels through the National Iranian Oil Company in Ahvaz, Bandar Torkaman, Chah Bahar and Kish Island. The broadcasts denounced the other Gulf governments, aired the Iranian

\textsuperscript{83} Darius, Amos, and Magnus, \textit{Gulf Security into the 1980s: Perceptual and Strategic Dimensions}. 38.
\textsuperscript{84} Furtig, \textit{Iran’s Rivalry with Saudi Arabia between the Gulf Wars}. 30.
\textsuperscript{85} Ibid.
government’s sermons, and statements from Iranian students and local opposition groups, such as the Islamic Front for the Liberation of Bahrain. The programmes intended to garner support from the Shia minorities in other small Gulf States allied to Saudi Arabia; however, little effect from this was felt in Saudi Arabia, where the Sunnis were a majority.

Despite many provocations and the difficulties that attended the situation, the Saudi government has acted with restraint in its dealings with Iran. To demonstrate the extent of the challenge it faced, Nahas compares the revolutionary ideology of Iran to the slogans and pan-Arabism of Egypt under the radical leadership of Nasser, as both challenged the established the order of the Middle East. Robert Darius analysed the sources and consequences of Khomeini’s foreign policy, positioning it in the context of larger issues involving the collision of nationalism and religion in the Middle East, and concluding that as long as the present regime in Iran remains committed to exporting its own version of Khomeini’s revolution, the Gulf States will face continued sectarian pressure. Khomeinism divided Muslims rather than bringing them together, by introducing a radical Shia Islamic agenda, which openly challenges Sunni Muslims, who consider themselves the orthodox and traditionalist branch of Islam.

Importantly, the Iranian Revolution also had an impact on the international polices of the countries of the Gulf region, in particular, altering the role of Iran in the Gulf and

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the relationship between the US and other Gulf States. The Iranian Revolution ended the US strategy, commonly referred to as the twin-pillar policy, which relied on the leaderships of Saudi Arabia and Iran to provide stability in the Gulf region. The twin pillar policy can be dated to 1969 and was part of the so-called Nixon Doctrine, which referred to the strategy of establishing the Gulf as a bulwark against the spread of communism, specifically the threat of Soviet penetration into the oil-rich Middle East. Furthermore, Badeeb states that following the revolution the new government in Tehran no longer worked with other countries against communism by cooperating in intelligence matters between Saudi Arabia and Iran, as well as between Iran and Western nations. Hence, the one remaining pillar of the Nixon Doctrine was Saudi Arabia, which altered the balance of power in the Middle East to the US’s disadvantage, leading the Soviets to feel sufficiently emboldened to invade Afghanistan.

Chubin and Tripp, and Mattair, argue that the radical shift in regional politics following the revolution must have caused serious alarm to the Saudi authorities. Furtig stated that they were not only driven by radical idealism; the revolutionary export slogan was also designed pragmatically to address internal and external challenges that had been highlighted by Khomeini. Khomeini was also able to fulfil the demands placed on him internally, by successfully revising the constitution to place himself in the role of ‘supreme leader’, suppressing dissenting voices and insuring the sustainability of his revolutionary

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91 Furtig, *Iran’s Rivalry with Saudi Arabia between the Gulf Wars*.
stance. Against the external backdrop of the Iran-Iraq War, he successfully directed internal contradictions and attention, creating the space and time necessary for him to remove political obstacles inside his country. He also gained initial support and acknowledgement for his anti-US and anti-Israeli gestures, as well as his slogans regarding independence from ‘the East’ or ‘the West’. His anti-Saudi propaganda sought to raise his negotiating position further, at low domestic cost, by targeting and attacking the strongest elements. Although all these policies were pragmatic in terms of his personal outcomes, whether or not they were pragmatic for the country and its people is doubtful.

The criticisms levelled at Saudi Arabia by the Iranian leadership; principally the claim that Saudi Arabia was pro-US, heralded a new era of confrontation. The former regional allies became unfriendly competitors, as Saudi Arabia expressed deep concern about the presence of an unpredictable and hostile neighbouring regime in possession of substantial military force. Saudi Arabia, also appeared vulnerable in the face of the military strength and extreme hostility of Iran; with the result that diplomatic relations between the two nations sank to the lowest level since 1920s. To address the challenge from the new Iranian regime the Saudi government adopted a two-pronged approach, forming stronger strategic ties with other nations and strengthening its own military. Koury and MacDonald claimed the Iranian Revolution, by its nature, represented a change in the region in favour of populist politics, in which military strength would be less important than mass support.

Meanwhile, in Iran those whose views differed from those of the new government’s faced persecution, as did ethnic minorities. In a reign of terror, the revolutionary rhetoric

98 Koury and MacDonald, Revolution in Iran: A Reappraisal. 45–46.
‘freedom for the oppressed’ looked increasingly empty and cynical, as the methods used by the Khomeini regime to consolidate its power emerged.\textsuperscript{99} The Iranian Revolution only brought further oppression to the people of Iran. In contrast with Khomeini’s early promises to the Iranian people that he would benefit them, from 1979 to 1985, absolute poverty increased by 45 per cent; while some reports indicated that in 1988, it rose as high as 65-75 per cent.\textsuperscript{100} Looking outward, the new Iranian regime appeared to be discomforted by the increasingly friendly relations between Saudi Arabia and other nations with; especially, given Iran’s desire to be the pre-eminent regional power.\textsuperscript{101} To address this, Iran accused Saudi Arabia of following US foreign policy,\textsuperscript{102} ignoring the fact that Saudi Arabia had long pursued a broadly pragmatic foreign policy, first and foremost acting in its own interests, and those of its neighbours in the GCC, to stabilise the region. Cooperation with the US, as well as other nations, had long served Saudi Arabia’s interests.

Ironically, while public criticism of Israel by Iran was voiced during the Iran–Iraq War, Iran was able to source spare parts for some of its American-made military equipment and weapons from Israel.\textsuperscript{103} Elsewhere, the regime used the issue of Palestine as a tool with which to criticise the Saudi position, again on the basis of the Saudi–US relationship. This was done despite the establishment of this relationship in 1933, long pre-dating the creation of Israel in 1948 in Palestine, and Khomeinism of 1979, and in spite of Saudi Arabia’s continued overt support for the Palestinian cause. In fact, as mentioned above, the 1973 oil

\begin{footnotesize}
\begin{enumerate}
\item Andersen, Seibert, and Wagner, \textit{Politics and Change in the Middle East: Sources of Conflict and Accommodation}. 147.
\item Furtig, \textit{Iran’s Rivalry with Saudi Arabia between the Gulf Wars}. 25.
\end{enumerate}
\end{footnotesize}
embargo motivated by this issue had transformed its position in the Arab and Islamic countries, as well as internationally.\textsuperscript{104} Saudi Arabia’s support for Palestine extended into a wide range of political and financial areas, including offering humanitarian and material aid such as cars, ambulances, food, medicines, etc.\textsuperscript{105} King Fahd’s 1982 peace plan at the Fez Arab Summit was welcomed by the Arab nations, which included a call for the establishment of Palestine as a country, together with other proposals aimed at resolving the conflict. Furthermore, since 1967, at the Al-Khartoum Arab summit, Saudi Arabia had bestowed generous financial aid on the Palestinians, which continued. Shortly before the Iranian revolution, at the Baghdad Arab summit of 1978, the Saudi government announced that nearly $2billion in aid would be provided to the country between 1979 and 1989. Contrary to Iran’s criticisms, Saudi Arabia had successfully established itself as an example to other Arab nations in terms of addressing actual needs and promoting peace.\textsuperscript{106}

Since its inception, the revolutionary regime of Iran has been heavily influenced by the personal traits of Khomeini.\textsuperscript{107} Under his direction, the new Iranian regime actively antagonised the Saudi government, encouraging the minority Shia populations of the Gulf States, with which Saudi Arabia had security agreements, to revolt against their governments, also using the Hajj as a forum for exporting its Revolution.\textsuperscript{108} This was an extremely dangerous approach, as conflict arising out of such antipathy had the potential to result in the desecration of the holy sites. Khomeini’s lack of regard for this potential consequence demonstrate that his interests were wholly political and sectarian, not

\textsuperscript{104} Bowen, \textit{The History of Saudi Arabia}. 117.
\textsuperscript{106} Bowen, \textit{The History of Saudi Arabia}. 124.
\textsuperscript{107} Darius, Amos, and Magnus, \textit{Gulf Security into the 1980s: Perceptual and Strategic Dimensions}. 31–32.
religious. Iran has plainly, and with some success, strived to create divisions between Sunnis and Shias, to achieve its regional aims. According to Shireen Hunter, “the Iranian regime’s primary success has been its ability to survive for more than thirty years despite internal and external challenges that have included foreign wars, guerrilla warfare by ethnic minorities often oppressed by the regime, opposition groups and economic and military embargoes”. Tehran seems to have orchestrated many of these disturbances. Thus, it could be argued, that due to the social structure of Iranian society, the political structure is now weaker, and very much prone to internal fissures. Saudi Arabia’s role as a negotiator and peacekeeper in the region has been pushed to its limits.

Iran’s revolution has had a negative impact on Saudi Arabia within the GCC in three ways. First, it has had a negative influence on persons and Shia groups within the six countries for whom the Khomeini ideology has had a special appeal since the revolution. From the outset, Khomeini claimed that his ideology was ‘all Islamic’ and non-sectarian. However, Shia theology cannot be separated from Khomeini’s overall ideology, which is based on his interpretation of the guardianship of jurisprudence doctrine, although this did not seem to matter to his adherents. Secondly, some politically aware GCC citizens welcomed Iran’s new absolutist and uncompromising stance against the superpowers. Third, many Arabs and Muslims welcomed Iran’s combined antagonism toward the US and its call for the destruction of Israel, as well as its demand for a fully-fledged Palestinian state. The Khomeini regime recognised this, using slogans, and the Palestinian cause to expand its influence in the region and as a major player in the Gulf.

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110 Ibid. 64.
Despite the Khomeini regime’s encouragement of sedition, the Shia groups in other Gulf States remained loyal to their governments. For example, many Iraqi Shias fought Iran during the Iran-Iraq War. Moreover, as mentioned in the previous chapter, in 1970 the Shah had relinquished Iran’s ancient claim to sovereignty over Bahrain, becoming the first leader to recognise the island’s independence. Not long after the revolutionary forces took power, and before the collapse of the Bazargan government, Sadeq Ruhani, the conservative cleric, warned “Iran would annex Bahrain unless it followed the Iranian model by applying a government similar to that in Iran”.111 Bahrain was uniquely vulnerable to radical revolutionary upheaval. The al Khalifa family had ruled it since 1783.112 Elsewhere, although Kuwait’s Shia population is much smaller than Bahrain’s, there was a threat from the revolutionary rhetoric called for by Khomeini.113 According to the Kuwaiti Interior Minister, a nephew of Khomeini (Ahmad al-Mahri) used religious sermons in a mosque for ‘political purposes’. As a result, his father and cleric, Abbas al-Mahri, who had been appointed by Khomeini in Kuwait as a Friday prayer leader, were expelled, along with their families.114

Iran’s revolutionary paradigm did not enjoy universal appeal in the GCC community. Many GCC citizens, as well as other Muslims, simply did not believe the all Islamic claim of the Khomeini ideology. Many Gulf Arabs also disliked the Iranian model of governance, the Wilayat al-Faqih. After the Iranian Revolution, the role of religious leaders (Ulema) in the political processes of Saudi Arabia and other Arab Gulf States

111 Ramazani, The Gulf Cooperation Council: Record and Analyss. 7.
113 Gökhan Çetinsaya, The New Middle East, Turkey, and the Search for Regional Stability, (Carlisle, United States: Strategic Studies Institute of the US Army War College (SSI), 2008), http://www.isn.ethz.ch/Digital-Library/Publications/Detail/?ots591=0c54e3b3-1e9c-be1c-2c24-abaa8c706023&lng=en&id=55824.
114 Ramazani, The Gulf Cooperation Council: Record and Analyss. 7–8.
became greater than before, in response to the revolutionary ideology of Iran. In addition, a GCC military alliance was created to counter revolutionary Iran, and to respond to the security threats generated by the Iran–Iraq war; see below. For instance, an article in the Saudi newspaper *Ukaz* on 11 February 1981 stated “the objective of creating the Gulf Cooperation Council is to protect the Arab entity against all challenges, against the Soviet challenge in Afghanistan which seeks domination and hegemony, and in many parts of Asia and Africa.”\(^{115}\) A senior Saudi official told US Senate staffers in 1984 that the Kingdom considered the defence of Bahrain akin to “the defence of Saudi Arabia.”\(^{116}\) According to Doran, “the GCC can be seen as both a burden and a great responsibility for Saudi Arabia, as it is a source of common defence against the revolutionary regime led by mullahs inspired by Khomeinism.”\(^{117}\)

In the immediate aftermath of the revolution, Saudi Arabia was required to respond to the arms export policy adopted by the Americans during the period 1972 to 1979 to assist the Shah in dealing with growing domestic opposition.\(^{118}\) US President Richard Nixon’s policy had allowed the Shah to buy whatever he wanted from US defence contractors,\(^{119}\) resulting in large shipments of advanced weapons being exported to Iran, and a commensurate increase in the number of Iranians enlisting in the military. For example, combat aircraft rose in number from 175 to 341 in the five-year period, and the Iranian Air Force saw an increase in manpower from 17,000 to 100,000.\(^{120}\) Although, during this period the Shah had established good relations with Saudi Arabia, and so there was no

\(^{115}\) Ibid. 9.
\(^{118}\) Furtig, *Iran’s Rivalry with Saudi Arabia between the Gulf Wars*. 39.
\(^{120}\) Abrahamian, *Iran between Two Revolutions*. 435
perceived threat, once the revolution brought an extremist and hostile government to power, the weapons became a potential threat to Saudi Arabia. In response, Saudi Arabia requested assistance from the US, which responded by providing AWACS aircraft\textsuperscript{121} to strengthen Saudi defences. They also sent a number of F15 fighters,\textsuperscript{122} and King Fahd decided to purchase strategic ballistic missiles from China, despite US disapproval.\textsuperscript{123} These actions upheld Saudi Arabia’s primary aim, to preserve the national interest and secure the safety and security of its people, and to protect the two holy cities for Muslims around the world. They also demonstrate that, when it needs to counter overt threats it will not hesitate, even if its allies oppose its actions.

Iranian propaganda, including calls for opposition to the Saudi leadership, which had been criticised as ‘pro-US’, were based on the political rationale of revolutionary expansion, as a means to exert power and influence in the region and worldwide. There was a deep concern that such propaganda, which denounced other nations’ governing systems, and advocated their replacement by revolutionary ideology, mainly served the Iranian leadership’s own political interests. It was hard to conceive what advantages there might be to the country and the population from isolating Iran from the majority of the Arab world and the West.

A clear act by which Iran distanced itself from its former allies, and a major sign of Iran’s attempt to export its revolution to the Kingdom was its disruption of the Hajj. Trouble escalated during the 1982 Hajj, when Khomeini appointed Hojatoleslam Musavi-

\textsuperscript{123} Patrick Tyler, \textit{A World of Trouble: The White House and the Middle East--from the Cold War to the War on Terror} (New York, NY Farrar, Straus and Giroux, 2010). 321.
Khoeiniha as his pilgrimage representatives, and they and two other representatives, both members of the Iranian parliament, were arrested as a result of clashes between Saudi police and around a thousand Iranian pilgrims. The Saudi authorities’ response was to limit the number of Iranian pilgrims allowed to attend the Hajj. Nevertheless, further clashes occurred in 1983 and 1984. Indisputably, Khomeini’s incitement of Iranian pilgrims and agents to use the Hajj for political interests was incompatible with Islamic teaching. In response to the events, the Saudi foreign minister Prince Saud al-Faisal visited Tehran in order to discuss the issue of the Hajj with the Iranian foreign minister Ali Akbar Vali-ate in 1985, and later the same year the two met in Riyadh. These meetings resulted in the Iranians replacing their Hajj coordinator, Khoeiniha. These moves indicated apparent improved relations between the two countries and an apparent resolution of the issue of the politicisation of the Hajj. However, the following year weapons were discovered in the luggage of Libyans and Iranians attending the Hajj. The arms cache included C4 explosives; nevertheless, the Saudi government was careful about its announcements to avoid upsetting Muslims during the pilgrimage. The increase in Iranians making the Hajj since 1987 has not been a result of individual Iranians’ desire to do so, but of the Iranian government insistence on sending as many pilgrims as possible, placing great pressure on the capacity of the facilities available for pilgrims, representing a disservice to all Muslims. Saudi Arabia, as well other Arab and Islamic countries, have viewed Iran’s activities surrounding the Hajj as sabotage.

125 Furtig, Iran’s Rivalry with Saudi Arabia between the Gulf Wars. 47.
The culmination of the Iranian-inspired Hajj protests came in 1987, with clashes between Iranian pilgrims and Saudi security forces. In the months leading up to the Hajj, Khomeini had made speeches urging the Iranian pilgrims to demonstrate against the US and provoke trouble during the Hajj. The Iranian protesters carried pictures of Khomeini and propaganda pamphlets, and their leaders were armed with knives. Immediately following clashes in Mecca, Khomeini declared that Saudi Arabia was the main enemy of Iran, despite the fact that Iran was engaged in war with Iraq at the time. It has been alleged that Saudi Arabia’s financial aid to Iraq at the time was one of the factors inciting this critique; however, the Saudi government did not finance Iraq during the first two years of the war with Iran so there were no grounds for such an assumption. Saudi Arabia only assisted Iraq financially when it became evident that it posed a threat to the other Arab states of the Gulf. At a meeting of Arab foreign ministers in Tunis on 24 August, the Saudi government condemned the Iranians for provoking trouble. The Saudi government launched a PR offensive, opening its borders to the world’s media to denounce the ‘criminal gangs’ and Iranian ‘conspiracy’, which it claimed were responsible for the rioting in 1987. During the GCC summit in 1987, King Fahd severely condemned Iran, saying that it should stop imposing ideas on the Gulf countries that were alien to their Arab and Islamic character. Prince Saud al-Faisal, the Saudi foreign minister, urged sanctions

129 Ibid.
130 Furtig, Iran’s Rivalry with Saudi Arabia between the Gulf Wars. 47-48.
131 Anoushirvan Ehteshami Anoush Ehteshami and Manshour Varasteh, Iran and the International Community (Rle Iran a) (Oxon: Routledge, 2011). 111.
against Iran at a meeting of the Arab League, and the Saudi media reported that the actions at the Hajj were part of a wider plan by the Iranians. The plan, which first involved taking control of the Kaaba in Mecca, was then be followed by a speech by Khomeini as a signal to start an insurrection. 134

Saudi Arabia finally cut off diplomatic relations with Iran in April 1988, making a statement read on a Saudi television citing “the riots involving Iranian pilgrims during last summer’s pilgrimage to Mecca (in July 1987) and a subsequent attack on the Saudi Embassy in Tehran”, and Iranian threats against shipping in the Gulf. 135 Fürtig, stated that the Saudi government’s main reason for severing diplomatic relations were the Iranian raids on ships leaving Saudi ports as part of the Tanker War (see Chapter 3), as well as Iranian involvement in terrorist acts. 136 Saudi Arabia imposed a quota on Iranian pilgrims of far less than Iran was prepared to accept; it aimed to reduce their numbers by two-thirds. 137 Shahram Chubin was quoted as stating that ‘the tone the Saudis are taking is extremely tough”. 138 In 1989, eighty Iranians were deported from the Hajj after demonstrating and distributing propaganda leaflets in Medina. 139 Under the pre-revolutionary regime, there were had been no such expressions of religious tension; these arose as a direct result of Khomeinism. The symbolic importance of the Hajj and the actions of Iran in trying to subvert the Hajj with political rhetoric, slogans, demonstrations and acts of aggression and terrorism were counterproductive, since all forms of strife and conflict

134 Furtig, Iran’s Rivalry with Saudi Arabia between the Gulf Wars. 48.
136 Henner Fürtig,Furtig, Iran’s Rivalry with Saudi Arabia between the Gulf Wars. 49.
137 Sivan and Friedman, Religious Radicalism and Politics in the Middle East. 192.
139 Furtig, Iran’s Rivalry with Saudi Arabia between the Gulf Wars. 45.
are forbidden in Mecca during the Hajj.\textsuperscript{140} The Holy Quran clearly prohibits any agitation or commotion during the Hajj, witness the following surah from the Quran: “For Hajj are the months well known. If anyone undertakes that duty neither therein, let there be no obscenity or wickedness nor wrangling in the Hajj. And whatever good ye do (be sure) Allah know it. And take a provision (with you) for the journey, but the best of provisions is right conduct. So fear Me, O ye that are wise!”\textsuperscript{141}

Thus in summary, Iranian attempts to propagandise the Hajj during the Khomeini era achieved very little. Certainly, there were disturbances, and tragically some deaths, but the demonstrations orchestrated by Tehran backfired, as they were widely recognised to contravene the teachings of the Quran. These events demonstrated the Iranian government’s willingness to wage a ‘Cold War’ against Saudi Arabia.\textsuperscript{142} Thus far, the Hajj had played an important role in the power play between Saudi Arabia and Iran. On balance, the Saudi government had exercised patience and diplomacy in the face of Iran’s revolutionary rhetoric; however, the attack on the Saudi’s capability to preserve Islam’s holy places provoked a counter-campaign by Saudi Arabia to make it clear that Iran was acting in an un-Islamic manner.\textsuperscript{143} Iran’s argument was weak, attracting little support in the Islamic world. Important Islamic organisations such as the Organisation of the Islamic Conference and the Muslim World League condemned Iran for turning the Hajj into an occasion imbued with political significance, whereas the Saudis had always viewed it as a shared religious experience uniting all Muslims.\textsuperscript{144} In an interview with author, Dr. Khalil

\begin{thebibliography}{99}
\bibitem{Quran2197} Holy Quran 2:197.
\bibitem{Furtig1989} Furtig, \textit{Iran’s Rivalry with Saudi Arabia between the Gulf Wars}. 39.
\bibitem{Furtig2004} Henner Fürtig, \textit{Iran’s Rivalry with Saudi Arabia between the Gulf Wars}. 43.
\end{thebibliography}
Al Khalil, the former Chairman of committee of security Affairs in Saudi Shura Council, he commented, “Saudi Arabia has been interested in establishing good relations with Iran since the 1930s. The Iranian leadership after the revolution, however, has been targeting Saudi Arabia as a competitor, using incendiary rhetoric to undermine the Kingdom, King Abdullah tried to improve relations but improvement was short lived mainly as a result of drastic changes in the region”.

A threat to the region of a revolutionary Iran in terms of violence and the creation of instability, to oppose and subvert the monarchical regime, is not difficult to prove. Furthermore, since the revolution of 1979, the regime in Iran has exhibited hostility towards some of its own citizens, not only toward foreign rivals such as Saudi Arabia. It has taken an oppressive approach toward the non-Iranian minorities who supported Khomeini in the Shah’s reign, with the hope that Khomeini would bring them freedom and improvements; such hopes were entirely neutralised. The Iranian constitution states that “the official religion of Iran is Islam based on the Twelver Shiism sect”; this was later reinterpreted by Khomeini in the Wilayat al-Faqih doctrine, which asserts that those who hold other beliefs are second-class citizens.

In a letter written to Khomeini in 1988 by his first Prime Minister, Mehdi Bazargan, he argues that attempts to export the revolution would result in failure. He emphasised that Khomeini had failed to accomplish all the goals he had declared for the war with Iraq (as will be discussed in the next Chapter Khomeini ideology played a great part in extending the war), a war, he described Khomeini as prepared to “pursue at any price”.

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145 Saudi Shura Council Reports (Classified Documents – Arabic)
146 Christina Lamb, ‘Khomeini fatwa ‘led to killing of 30,000 in Iran’’ (The Telegraph, 4 February 2001).
former Iranian Prime minister later accused Khomeni of following an “erroneous policy” in regard to the war with Iraq, and by isolating Iran from the rest of the world. Bazargan added: “Since 1986, you have not stopped proclaiming victory, and now you are calling upon the population to resist until victory. Isn’t that an admission of failure on your behalf?” Making weighted reference to the Iran-contra scandal, he stated that because of Khomeini’s policies, Iran had been forced to seek Israeli help in securing American arms. Bazargan’s letter led to many arrests in Iran. Bani-Sadr, a former Iranian President, and the first to become President after the 1979 revolution, who then lived as a political exile in Paris, said: “this letter represents a new and much more severe tone of protest. It is part of a generalized movement that is building up throughout the country.”

Export of Khomeini’s ideology has largely failed over the past three decades, despite successes in Lebanon, partly on behalf of resistance, and in Iraq with support and facilitation from occupying forces. This chapter, has illustrated how Khomeini’s failed attempts at incitement and sedition were not only directed against Saudi Arabia, and that Saudi-Iranian bilateral relations were not the only ones to suffer following the revolution. However, Saudi Arabia was the main target of Khomeini’s attacks, due to its religious status, its protectionist role in the GCC, and pragmatic relations with the western powers.

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149 ‘Opposition’s Open Letter Brings Many Iran Arrests’ (Los Angeles Times, 3 June, 1988).
2.6 Conclusion

The year 1979 witnessed one of the most controversial and influential revolutions in the recent history of the Muslim world. This revolution, at least partly, was a reaction to the domination of foreign powers in Iran and exploitation of its mineral resources and wealth, and years of violation of human rights and cruel treatment by the Shah’s SAVAK Security force. Earlier micro-revolutions like the Tobacco Monopoly revolt (1890-1891), the constitutional revolution (1905-1906) and the Oil nationalisation movement (1951-1953) all played an important role in developing a reactionary movement which took refuge under the umbrella of religion and changed the political landscape of Iran, and to some extent the Arab-Persian-Gulf and the Muslim world, for ever. The Ulema (clergies) led this revolution, and so national pride in Persian identity was coupled with religious ideology, leaving long lasting effects on the socio-cultural and socio-political scene of Iran. The new regime’s ideology sought to negate everything that contradicted it, e.g. the slogan of neither East nor West, and the promotion of the Ayatollah’s form of Shiaism as the only possible interpretation of Islam.

The year 1979 can also be considered a turning point in Saudi-Iranian relations. The revolutionary government had not only buried the Shah regime, but in doing so negated all previous attempts by the two countries to forge a relationship based on mutual trust. As observed in the previous chapter, since the 1920s, the principal aim had been to secure stability within the region. Although religious differences had existed long before 1979, Khomeini segmented the Muslim world (between Sunni and Shia), as the Iranian regime looked to bring others in line with revolutionary Khomeini ideology. Despite this, the Saudi King acted in a conciliatory manner towards the newborn Iranian Islamic Republic of 1979, despite Khomeini’s open attacks on the legitimacy of the Saudi King and the other
monarchs in the Gulf region. Khomeini used anti-US posturing to aim to convince Muslims to fall behind Iran in opposing the US, and by extension pro-US Saudi Arabia; and worked to actualise his ambitions with a series of acts and operations, aimed at creating instability and inciting protests in those countries he opposed. Finally, the 1987 Hajj incident led to the severance of Saudi-Iranian diplomatic relations, he had gone a step too far.

In response to all the provocations from Iran, Saudi Arabia exercised skilful diplomacy while it worked to strengthen its other alliances throughout the Gulf region. Ultimately, however, as guardian of the holy place of Islam Saudi Arabia was forced to tackle the Hajj riots firmly. It was the Saudi government religious responsibility to ensure that pilgrims could be processed safely and smoothly, and Iran’s efforts threatened this.

Overall, in spite of Iran’s many efforts to expand its power and influence by exporting its ideology and revolution, its achievements were relatively limited. It is important to ask: Did the political strategy adopted by the Islamic Republic after 1979 bring any advantages to the Iranian people and to the region, or did it simply serve Khomeini’s personal ambitions? The state of Iran’s domestic economy and its isolation on the wider international stage reveals little benefit to the population of Iran from the revolution. However, it is also the case that Saudi Arabia’s reactionary response, and the policy of the wider international community to isolate Iran did not help to improve relations between the two countries, or the socio-economic conditions of the region.

It could be suggested that that the slogan demanding the Iranian revolution be exported followed a similar logic to that of the Soviet Union, serving to create both enemies and supporters by adopting a radical ideology and actualising revolution, to put advocates of the new ideology in a position of political power.
On the surface, the rivalry between Saudi Arabia and Iran is difficult to comprehend, as both countries share a similar set of basic beliefs and a similar tribal heritage. Islam underpins the governance of both countries, and both states’ legislatures are governed by Shariah dictates (despite some differences in interpretation the main principles of Shariah are the same). Moreover, historically, the two states enjoyed amicable relations, and pursued pragmatic foreign policies. However, Iran’s expansionist aims and ambitions to export its revolution to neighbouring states, which involved rigorous criticism of Saudi Arabia and other countries in the region, sent shock waves throughout the Gulf, even prompting Saddam Hussein to lead Iraq into an eight-year war against Iran in 1980. Khomeini’s separatist aims pushed the countries apart, and the war between Iran and Iraq, and Iraq’s subsequent invasion of Kuwait to recoup its economic losses, unbalanced the region, unsurprisingly affecting bilateral relations between Saudi Arabia and Iran.

Arguably, both countries are implicated in the souring of Saudi-Iranian relations, as neither was able to take a long-term view and respect each other’s doctrines, rituals and laws. While Iran might well be to blame for its hostility, Saudi Arabia is also responsible for its reactionary self-protectionist approach, which somewhat lost sight of the long-term interests of the region. Certainly, Saudi Arabia and Iran both have considerable stake in the well-being and prosperity of the region.

By end of the 1980s Iran’s spiritual leader Khomeini passed away and the honeymoon of the Iranian revolution ended in chaos, allowing the reformists to take control of affairs in Iran. It is worth noting that despite the reformists’ victories, affairs were still guided by the clergies, as was their constitutional right. Despite the domestic challenges they faced, the reformists managed to make some changes to the Iranian foreign policy and brought about a period of rapprochement, which is the focal point of the Chapter 5. In view
of Saudi Arabia’s position as a leading power in the Arab world, Iran’s leaders were bound to consider improved and stable bilateral relations with Saudi Arabia as a prerequisite for the realisation of Iran’s major foreign policy objectives.

As mentioned previously, both Iran and Saudi Arabia are not only major players in the Gulf region, but also command respect and influence in the wider Muslim world. Iran champions itself as a protector of the Shia cause, while Saudi Arabia leads the Sunni faction. Both countries have differing worldviews and employ opposing strategies on the international stage; exploring this further, Chapter 6 attempts to discuss the regional and international hegemony between the two states.

It must be made clear that the role of the historian is to locate and explicate the lessons to be learned from historical turning points, by identifying the challenges that arose, and failures and successes that attended them. Thus, in this chapter this study has aimed to present the events following the Iranian revolution in a manner that outlines its influence and effects on the bilateral relations of two giants of the Arab Gulf. Although every effort has been made to be rational and unbiased, the sources available, and the author’s position as a Saudi commentator, mean that some advantage has been taken of the academic liberty that permits a personal stance in relation to the portrayal of such events. It is hoped that the reader will be forgiving of any bias perceived, and seek out alternative sources of reference accordingly.
CHAPTER 3


3.1 INTRODUCTION

The most significant event to affect Saudi-Iranian relations during the period 1980 to 1988 was the extended military clash between Iran and Iraq. On September 22, 1980, when Iraqi armed forces entered the western part of Iran by force, crossing the countries’ joint border, open warfare began. However, Iraq alleged the war had begun earlier that month, on September 4, when Iran had shelled a number of its border posts. The roots of the Iran-Iraq War lay in several political and territorial disputes, but Iraq also had economic motives. It wanted to gain control of the rich oil-producing fields on the Iranian border region, a territory largely inhabited by ethnic Arabs. Iraqi President Saddam Hussein cited concern about attempts by Iran’s Islamic radical government to provoke rebellion among his majority government. Iraq’s move to invade took advantage of the post-revolutionary disorder and separation within Iran’s new government, and the ongoing dispute over the capture of the US embassy in Tehran by Iranian militants.

The outbreak of the war heightened the sense of instability in the Gulf region. Saudi Arabia and the other Gulf states responded by increasing cooperation with one another in order to confront the common threat. One of the major responses was that mentioned in the previous chapter: the formation of the Gulf Cooperation Council (GCC) eight months after the beginning of the war. Initially, Iran’s preoccupation with the war meant the other Gulf
States initially perceived a lower level of threat from the Iranian leadership’s vitriolic attacks in speeches and public announcements directed toward them, Saudi Arabia included.

The Iran-Iraq war was a fight of supremacy between rival states with entirely different worldviews. Throughout the period of the eight-year war, both sides suffered hundreds of thousands of casualties. Saddam Hussein and Khomeini each had aspirations that extended far beyond their state borders, as recognised by the GCC. For his part, Saddam and his Ba’athist party associates considered a win over Iran to be the first phase in establishing leadership amongst Arab nations with the ultimate aim of forming an Arab super power.¹ Khomeini, acting out of his belief that Iran must export its revolution to the world starting with Iraq hoped that continuing the war would lead to victory and the collapse of the secular Ba’athist regime.²

In September of 1980, the Iraqi army cautiously advanced along a broad front into Khuzestan, and Iraqi troops captured the city of Khorramshahr, although they were unsuccessful in taking the important oil-refining centre of Abadan. Iran’s counterattacks using the Revolutionary Guards to reinforce its regular armed forces induced the Iraqis to begin to give ground in 1981. By June 1982, Iran had regained all lost ground, and in the

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² Khomeini, "We Shall Confront the World with Our Ideology," (Washington, D.C.: Middle East Research and Information Project (MERIP), 1980).
following six years, Iraq was on the defensive while Iran continued the attack.\textsuperscript{3} The war continued until 20 August 1988, despite calls by the UN for a cease-fire. By the time the sides finally accepted UN Resolution 598, ending the war,\textsuperscript{4} it had played a crucial role in shaping the Gulf region; affecting not only its international security but also the foreign policy concerns of the other nations.\textsuperscript{5}

The aim of this chapter is to examine Saudi-Iranian relations during the Iran-Iraq War by illustrating and analysing the implications of four issues. These include: (i) the aims and nature of the war as a whole; (ii) the ‘Tanker War’ and its impact; (iii) Iranian foreign policy during the war, and (iv) Saudi Arabia’s and other GCC states’ responses to the war. Finally, the effects of the war on Saudi-Iranian relations from the 1980s onwards will be discussed.

### 3.2 The Origins, Aims, Key Phases, and Impacts of the Iran-Iraq War

The 1975 Algiers Accord, which predated Khomeini’s leadership, could be regarded as the trigger for the Iran-Iraq War; as the war was ostensibly fought over the disputed border region between Iran and Iraq. The Accord negotiated the demarcation of

\textsuperscript{3} Afshin Molavi, \textit{The Soul of Iran: A Nation’s Struggle for Freedom} (Ney York, N.Y.: W. W. Norton & Company, 2005). 152.
\textsuperscript{5} James Dobbins, Sarah Harting, and Dalia Dassa Kaye, “Coping with Iran: Confrontation, Containment or Engagement” (paper presented at the Coping with Iran: Confrontation, Containment or Engagement, Capitol Hill, Washington, D.C., 2007). 40.
the territory, but the Iraqis were never satisfied with the outcome. In particular, the Accord had divided the Shatt Al-Arab waterway, a strategically vital area for Iraq in that it is the country’s only access to the sea, between the two countries along the Thalweg line. In addition, however, the war was rooted in a rivalry between the leaders of the two countries. Saddam Hussein believed that Tehran, ruled by Ayatollah Khomeini, was a direct threat to his reign, and Iran was unable to conceal its animosity towards Iraq and its radically different system of government. Saddam’s antagonism toward Iran dated to the Shah era and personal experience; when the Shah had put pressure on the Iraqis by supporting Kurdish insurgents in the North, Saddam Hussein had been the chief negotiator for Iraq.

Both Iran and Iraq had historically attempted to use ethnic groups, such as the Kurds and the Shia, to undermine one another’s positions. When the Iranian Revolution took place in early 1979, the Iraqi government’s response was to remain neutral, indicating a willingness to maintain the current balance of power in the region, even alluding to Iran in friendly terms. Khomeini had been expelled from Iraq by the Ba’ath leadership in 1978, and there was a history of distrust between the two countries.

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10 Darius, Amos, and Magnus, Gulf Security into the 1980s: Perceptual and Strategic Dimensions.
The tension increased soon after the Iranian revolution in 1979. Iran did not hide its aspirations to substitute the Baath regime in Iraq with a Shia republic is similar to that in Iran, and it named Sadr head of the Supreme council of the Islamic republic of Iraq. Within months, in June the same year, senior members of the Iranian government began issuing statements calling for a popular uprising in Iraq to overthrow the Ba’ath government, leading to anti-Ba’ath protests in Iran. In April and June 1980, Khomeini called for the Shia of Iraq to revolt and overthrow the Iraqi government. Later that year, the situation escalated when Iran provided support to Kurdish insurgents and to the Shia underground party, Da’awa (The Call), in Iraq. After the Iranian Revolution and the ascendency of the Shia clerics in the polity, the relationship between al-Da’awa and the Iranians grew stronger. As mentioned in the previous chapter, gripped by the fervour of its own internal revolution, the Iranian government was keen to spread Khomeini ideology beyond its borders, to broaden its influence in the region. Certainly, therefore, Saddam Hussein might have considered Iraq to be vulnerable to the revolution instigated by his neighbours; moreover, after Khomeini arrived back to Iran from exile, he publicly denounced the secular regime in Iraq.

In an apparent effort to maintain diplomacy after the revolution, the Iranian government sent a new ambassador to Iraq, but he was expelled after a short time for

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interfering with the country’s internal affairs. Providing evidence of the danger faced in the Middle East, in particular in Iraq, from Iran, Matthew Levitt accused Iran of direct and indirect support of terrorist groups in the Middle East.\(^\text{15}\) Most significantly, he cited two attempts in April 1980 on the life of Tariq Aziz, the Iraqi Information Minister. A Shia militant, said to have confessed, stated that Khomeini had ordered the assassination at a meeting in Qom.\(^\text{16}\) There was also an attempt against the life of Lateef Nasiif, the Iraqi Minister of Culture.\(^\text{17}\)

In response to these terrorist actions, and perceived threat from Iran, Iraq offered support to Kurdish and Arab rebels within Iran.\(^\text{18}\) Moreover, the Supreme Assembly of the Islamic Revolution in Iraq (SAIRI), an underground organisation of Iraqi Shia dissidents loyal to Iran, was hosted by the revolutionary regime. There were 350,000 Shia from Iraq in Iran at that time, including former Iranian residents of Iraq had been were expelled by the Iraqi regime at the start of the war. However, the government of Iran vehemently denied that it used al-Da’wa Iraqi revolutionaries to perpetrate acts of terrorism in other Arab countries. As seen above, the majority of suspected terrorists in Kuwait were subsequently identified as Iraqi nationals belonging to the al-Da’wa underground party.\(^\text{19}\)

\(^\text{18}\) Noorbaksh, "Shiism and Ethnic Politics in Iraq."
\(^\text{19}\) Sindelar and Peterson, Crosscurrents in the Gulf: Arab Regional and Global Interests. 140.
Potter and Sick assert that the Ba’ath regime may have had three key war aims:  

1. To weaken the revolutionary government in Tehran, perhaps leading to its downfall, either directly through the use of force by Iraq or indirectly as the weakened regime was overthrown from within, an idea that is consistent with Karsh,  

2. To increase the prestige of the Iraqi leadership, both within Iraq and the Gulf region as a whole, an idea that coincides with the ‘adventurous nature’ of the Ba’ath regime, and  

3. To establish complete Iraqi control over the Shatt Al-Arab waterway, a point that Karsh also makes in his analysis.  

Ostensibly, from the Iraqi side, the war was motivated by two main factors:  

1. The apprehension generated by the Iranians’ ambition to export their revolution, and  

2. Iraq’s own ambition to replace Iran as the dominant power in the Gulf region.  

Indisputably, Iraq tried to make use of the revolutionary chaos in Iran by attacking without warning. In response, on the Iranian side, the Iranians saw the invasion as an opportunity to actualise its declared ambitions to export its revolution, despite the fact that

21 Karsh, "Military Power and Foreign Policy Goals: The Iran–Iraq War."  
the war had not been initiated by Iran. This is clear from the fact that in 1982, after they recaptured lost ground from the Iraqis, they rejected a cease-fire, advancing further into Iraq.\textsuperscript{24} Statements made by key members of the Iranian leadership clearly indicated a desire to overthrow the Iraqi government. Support for Kurdish insurgency, agitation amongst the Shia of Iraq, and support for the Da’awa Party all exemplify Iran’s attempts to bring about the end of the Ba’ath government. This coincides with the Iranian intention of propagating the revolution throughout the region, and calls by members of the revolutionary government in Tehran to overthrow the Iraqi government, and confirmed that the new Iranian government intended to precipitate the downfall of the Ba’ath government in Iraq.\textsuperscript{25}

This was a clear warning to Saudi Arabia, and some of the other GCC members, who chose to support Iraq after 1982, because of the aforementioned attitude of the Iranian government and the threat they felt from Iran at that time.

\textbf{3.3 Key phases of the Iran-Iraq War}

Having analysed the origin and aims of the Iran-Iraq War, it is important to understand some key phases of the war, in order to provide insights from the perspectives of both parties, and to understand the responses of Saudi Arabia and the other GCC states to the war. The key stages of the war are as described below.

\textsuperscript{24} Al-Sawaidi, \textit{Iran and the Gulf: A Search for Stability}. 87.
The war began when Saddam Hussein destroyed the 1975 treaty in September 1980, declaring that the Shatt Al-Arab waterway belonged to Iraq. On 22 September 1980, Iraq attacked Iran, with three main thrusts along the 700-kilometre-long front. On 27 September, Hussein announced the separation of the Shatt Al-Arab waterway from the rest of Iran, and stated that he was ready to negotiate. The ensuing war can be divided into three key phases:

**September 1980 to March 1982:** From 1980 to 1982: Iraq continued to gain control over territory in Iran and was in a temporarily dominant position until March 1982, which is generally regarded as the turning point in the war.

**March 1982 to February 1987:** On 22 March 1982, Iraqi forces were compelled to retreat from the area surrounding the city of Dezful, and the Iranians recovered around 800 square miles of territory. Five days later, Saddam Hussein called for a cease-fire, and the Arab League, with the support of the GCC, followed suit. Iran, however, began an offensive in July 1982, ignoring these directives, and announcing that not only would it continue the war, but that it would push on to Jerusalem. Initially, this offensive made progress, causing increased confidence within the Iranian government. With renewed hubris, the

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Iranian leadership increased its encouragement of unrest in the other nations of the Gulf. However, once Iranian forces crossed into Iraq, the resistance of the Iraqi forces strengthened, and the Iranian offensive weakened.\textsuperscript{31} Between 1983 and 1986, neither Iran nor Iraq achieved significant gains over the other.\textsuperscript{32} (The Tanker War from 1984 to 1988 will be presented and analysed separately, since it had direct impact elsewhere, leading to the involvement of other countries in the war.\textsuperscript{33})

**February 1987 to August 1988:**\textsuperscript{34} The 1987 Basra offense, to which Iran devoted all its available forces, failed to achieve further progress, and was regarded as the point after which the Iranian government began to consider a cease-fire, and to explore other ways of overthrowing Saddam Hussein's regime.\textsuperscript{35} On 20 July 1987, UN Resolution 598,\textsuperscript{36} which reaffirmed Resolutions 582\textsuperscript{37} and 588,\textsuperscript{38} was voted through the UN Security Council.\textsuperscript{39} This resolution called for an immediate end to the fighting and the withdrawal of troops prior to any negotiations. This demand for retreat was to Iran’s disadvantage, since the country held territory that had been on the Iraqi side of the pre-war border. The expectation

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in the UN was that Iran would reject the resolution, since accepting it would force the Iranians to give up land they had taken, thereby losing the upper-hand in any subsequent negotiations. Iranian representatives at the UN focussed on Paragraph Six of the Resolution, calling for an independent commission to investigate which side was to blame for the start of the war.\textsuperscript{40} Negotiations continued until September 1987 when a military confrontation between Iran and the US occurred. On 21 September 1987, US ships captured an Iranian mine-laying ship in the Gulf. A series of attacks followed, coming to a close on 22 October 1987. Finally, on 17 July 1988, the UN Secretary-General received the Iranian government’s formal acceptance of the UN 598 cease-fire.\textsuperscript{41}

Khomeini’s earlier defiance had given way to acquiescence and on 20 August 1988 that Resolution 598 came into effect, officially ending the War. Formerly he had stated in 1980 that his soldiers would “fight on until the infidels are defeated”, promising “no compromise with the invaders” from Iraq; and, in 1982 he had said: “Even if the Security Council orders, we will not make peace. Even if the whole world gathers, we will not make peace.”\textsuperscript{42} Khomeini’s acceptance of the cease-fire was officially announced on Iranian television on 18 July 1988, and on that occasion Khomeini stated the agreement was “more deadly than taking poison”.\textsuperscript{43} Despite the resolution, no formal peace treaty was ever signed among the parties.

\textsuperscript{40} Maull and Pick, \textit{The Gulf War: Regional and International Dimensions}. 133.
by the two countries. Khomeini had been convinced that continuation of the War with Iraq would help him export the revolution, but with the failure of the war this threat abated.

Ultimately, the end of the war appeared to have come because the Iranians realised it was unlikely to yield a positive outcome. Halliday argued that not having ended the war in 1982, when Iran had a military advantage, had been a mistake for the country. Brigadier General Alireza Afshar, who was appointed by Mahmoud Ahmadinejad, the Iran Deputy Interior Minister for Political Affairs and head of the ministry’s election headquarters, commented in 2007, that to continue the Iran-Iraq War “could be against Iran’s interests”, and so “the country decided to accept cease-fire”. As mentioned previously, it seems that Iran lost the will to continue fighting, especially after the Basra battle, with estimates by the US Defence Intelligence Agency in July 1987 of 50,000 Iranian and between 10,000 and 20,000 Iraqi casualties. Moreover, Iran may also have feared further chemical weapons attacks by Iraq; the Halabja chemical attack on 16 March 1988 killed between 3,200 and 5,000 people and injured a further 7,000 to 10,000. This ruthless attack on the Kurds has been widely condemned, and was seen as a warning by

50 Potter and Sick, Iran, Iraq and Legacies of War. 158.
the Ba’athists to the Iranians of what could happen if they continued to push into Iraqi territory.

Saudi Arabia, in particular was satisfied to witness the end of the war, as it had been concerned about its own security and that of commercial ships passing through the Gulf. The Saudis had expressed concerns from the start of the war, and had urged the two parties to end the war because of the human casualties on both sides.

It is important to consider here the broader impact of the war in relation to the positions of Iran and Iraq at its close. Neither Iran nor Iraq achieved their war aims, although both Khomeini and Saddam Hussein remained in power after the war. Certainly, both countries had experienced losses, and although the decision to attack Iran may have been made after a certain amount of deliberation on the part of Saddam Hussein, it did not lead to the success that the Iraqi leadership had been hoping for. However, it had resulted in some disruption to the internal stability of Iran as its various ethnic groups split apart.

Within Iraq, despite the initial popularity of the war, on the basis that Iran was occupying Iraqi land, and the initial successes for Iraq as it gained control of much of the southwest region of Iran it resulted in huge losses, both in terms of casualties, and material wealth. Thus, commentators believe that the predicament in which Saddam Hussein found

51 Darius, Amos, and Magnus, Gulf Security into the 1980s: Perceptual and Strategic Dimensions. 50.
53 Al-Suwaidi, Iran and the Gulf: A Search for Stability. 87.
himself following the Iran-Iraq War led directly to the invasion of Kuwait in 1990.\textsuperscript{54} The attack in Kuwait turned Saddams’ former allies during the Iran-Iraq War against him, and this was seen as a turning point in Iraq’s relationships with its neighbours and the West.\textsuperscript{55}

In terms of the impact on Iran, the war left the country profoundly changed with a painful legacy, as few modern conflicts have been so long, so bloody, and so futile. Economically, the country was weakened, with a large proportion of its oil revenues having to be used to pay for imported consumer goods.\textsuperscript{56} Its military forces were drained and in need of new equipment.\textsuperscript{57} After the war, the majority of the Revolutionary Guard, or Pasdaran, was demobilised. Members of the Revolutionary Guard had been primarily drawn from modest rural backgrounds, but were given certain privileges at the end of the war, including a university education, money to start businesses, and offers of employment in government administrative positions. This formed the basis for new elite within Iran.\textsuperscript{58}

There were also internal policy changes subsequent to the war; Iran’s relations with other countries had deteriorated during the conflict, and once the war ended the Iranian government sought to restore diplomatic relations with Britain, France, and Canada, an

action which fundamentalists who held anti-Western views, such as Khomeini, saw as tantamount to betrayal.\textsuperscript{59} It has been reported that the Iran-Iraq War resulted in between 1 to 1.5 million deaths, with a tremendous economic and political impact\textsuperscript{60} and an estimated total economic cost of $400 billion US dollars by 2003.\textsuperscript{61} The war had resulted in the dilution of Islamic revolutionary, enthusiasm and begun a questioning of the Iranian clerical leadership internally. Moreover, when the internal and international stage changed further with the death of the Islamic Republic’s founder Khomeini in 1988, political-economic problems in Iran, the collapse of the Soviet Union, and the Iraqi invasion of Kuwait in the early 1990s, Iran’s foreign policy necessarily changed. Iran’s new policy attempted to understand the regional and international political system and look for its place within it. ‘Realpolitik’ became more dominant, and emphasis was placed on putting national interests over ideology. This resulted in improved international relations. Embassies were reopened and high state authorities visited another. The single most important factor contributing to this improvement was Iran’s decision to take the side of the Arab Gulf States against Iraq. This is not to suggest that as Iran opened a new chapter in its foreign policy with Saudi Arabia, its neighbours, and the West, problems were suddenly resolved, tensions most assuredly remained.

It is important to note that Saudi Arabia and the other GCC members did not provide any aid to Iraq during the first two years of the war. However, after 1982, the Arabic nations, including Saudi Arabia, Kuwait, and the UAE, provided financial aid to Iraq during the war in order to isolate Iran. This action was in response to the fear that if Iran were to gain the upper hand in the war it would almost certainly try to export its revolution to its Arab neighbours, by any means it could. Indeed, many Iranian officials had publically expressed such an ambition since the creation of the Khomeini revolutionary ideology in 1979. Therefore, in order to secure its own and the rest of the region’s stability, Saudi Arabia, together with many of the other Arab nations in the Middle East, as well as the US and some European countries, attempted to control the perceived threat from Iran by aiding Iraq.

3.4 Saudi-Iranian Bilateral Relations

Since 1979, bilateral relations between Iran and Saudi Arabia have suffered from divergences over issues including internal political structures, the interpretation of Islam, the aspiration for leadership of the Islamic world, oil export policies, and relations with the US. Saudi Arabia is a conservative Sunni Islamic kingdom with a tradition of close ties with the US, while Iran is a Shia Islamic Republic founded in an anti-Western revolution. After the Iranian Revolution, relations worsened considerably when Iran accused Saudi Arabia of being an agent of the US, representing US wellbeing rather than that of Islam.

Saudi Arabia was alarmed by Iran’s consistent aspiration to export its revolution across the border, and its desire to expand its influence within the Gulf region particularly in post-Saddam Iraq.

The tense relationship between Saudi Arabia and Iran has centred around Iran’s incitement of rebellion against itself and other Arabian governments, especially those with a great number of Shi’ite minorities in their populations. Iran’s aims to seed discontent strengthened Saudi Arabia’s role as a major player in the Arab and Islamic world. In particular taking on an important position during the initiative role to establish the Gulf Cooperation Council (GCC), and seeking to maintain its spiritual importance to all Muslims around the world through the protection of the two holy mosques within its borders.

Since 1979, Saudi-Iranian relations have also been tense in part due to their role as super powers within the Middle East. The two countries both value the idea of notion of becoming central to the Islamic world and the Middle East, and despite their amicable relations between 1929 and 1970, since then they have not been allies. Both countries have pursued different values and perspectives in regards to diplomatic relations with the West. Post-revolutionary Iran’s perspective towards the West was based on Ayatollah Khomeini’s anti-Western and anti-Shah strategy, while, Saudi Arabia has always enjoyed cordial relations with the West. Iran’s position after the revolution was characterised by its government’s reaction against ‘West-toxicities’, and the hope that religion would purge
them, although new developments have begun to emerge in Iran’s foreign policy, including a new found openness to the West, as also adopted by President Rouhani.

As discussed above, religious difference has long fuelled the tension in Saudi-Iranian relations; in particular, Wahhabi and Shiite leaders have emphasised the divide. A particular cause of this discord was the attack led by Mohammad Bin Abdulwahhab on the Alhussain memorial in Iraq, in 1801 and 1802. The memorial was a very important religious place for the Shiite doctrine, and tensions remain in the competitive actions of both Saudi Arabia and Iran. Following the 1979 revolution, Iranian leaders brutally criticised the Islamic legitimacy of Saudi Arabia verbally. However, Iran did not rely on verbal criticism on Saudi Arabia alone, it also aimed to fly military aircraft over the country during the Iranian Iraqi war, menaced tanker traffic into Saudi Arabia, putting increased pressure on Saudi Arabia following its support of Iraq, as well as inciting violent unrest during the Islamic pilgrimage season in Mecca, as mentioned in Chapter 2. Despite these acts, Saudi Arabia continued to maintain peaceful political and diplomatic relations with Iran; seeking settlement with Iran. These efforts began to reap reward after the death of Khomeini; as during the Rafsanjani presidency, improvements started to take place.

The Tanker War and OPEC’s Actions

As explained when outlining the phases of the Iran-Iraq War above, The Tanker War was an important incident effecting the relations between Iran and the members of the GCC. The crisis began when Iraq declared an exclusion zone around the Iranian island of
Kharg, enforced by fighter aircraft and the laying of mines. The first attack was from Iraq, and occurred in March 1984; it constituted an attempt to weaken Iran through attrition.\footnote{Childs, \textit{The Gulf War}. 57.} According to Cordesman, throughout this phase of the war, from 1984 to 1988, 259 oil or goods carriers from all over the world were targeted, with 116 people killed and another 167 going missing. From 1981 to 1988, the number of commercial civilian ships carrying GCC national flags attacked by Iranian or Iraqi missiles included Saudi Arabia (11), Kuwait (11), Qatar (3), and UAE (1).\footnote{Anthony H Cordesman, \textit{Iran and Iraq: The Threat from the Northern Gulf} (Boulder, CO: Westview Press, 1994). 26.} Such attacks led to increased GCC security concerns and cooperation.

The Tanker War, in conjunction with other events at the time, adversely affected the economies of the Gulf, with costs of up to $1 trillion US dollars, if all potential costs are taken into consideration. Iraq’s tactical aim was to internationalise the conflict and invoke external pressure to end the war. Iraq sought to justify its actions by asserting that it was common practice during wartime, and that the reaction was justifiable based on Iran’s interference with Iraq’s sea access, i.e. by restricting the Shatt Al-Arab waterway.\footnote{Ross Leckow, “The Iran–Iraq Conflict in the Gulf: The Law of War Zones,” \textit{The International and Comparative Law Quarterly} 37, no. 03. 637.} Previously, in 1982, Iran had threatened to block the flow of oil from the Gulf if its own oil exports were stopped.\footnote{Ramazani, \textit{The Gulf Cooperation Council: Record and Analysis}. 121.} Now Iran was carrying out this threat. Saudi Arabia responded by creating the ‘Fahd Line’, allowing its F15 fighters to intercept aircraft 40 miles off the

\begin{thebibliography}{99}
\bibitem{Childs} Childs, \textit{The Gulf War}. 57.
\bibitem{Leckow} Ross Leckow, “The Iran–Iraq Conflict in the Gulf: The Law of War Zones,” \textit{The International and Comparative Law Quarterly} 37, no. 03. 637.
\bibitem{Ramazani} Ramazani, \textit{The Gulf Cooperation Council: Record and Analysis}. 121.
\end{thebibliography}
coast. The threat of Saudi airpower prevented further attacks on neutral shipping in the Gulf by Iranian aircraft.

As Iraq had anticipated, attacks on the commercial shipping of non-belligerent nations during the Iran-Iraq War became a major international issue. The UN Security Council condemned both Iran and Iraq on a number of occasions, with the strongest criticism aimed at Iran’s attacks on neutral shipping bound for Kuwait and Saudi Arabia. Eventually, the navies of the US, USSR, and other Western powers became involved when Kuwait appealed to both the US and the USSR to allow its merchant ships to sail under their flags, effectively internationalising the situation. This was an astute move, since it avoided direct confrontation with Iran by the Gulf States, and brought powers with far stronger navies than Iran’s into the waters of the Gulf, prepared to act in direct opposition to Iran should it attempt to continue its policy of attacking neutral shipping.

In 1987, more than seventy warships from various nations were present in the Arabian Gulf. Although the Tanker War had been instigated by Iraq, it was the overzealous actions of Iran that finally incited international involvement and led to a direct naval confrontation between the US and Iran. In September 1987, US helicopters fired on

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an Iranian vessel in the process of laying mines in the path of a US convoy. Iranian patrol boats were also sunk after opening fire. In both cases, the US was able to justify its actions as acts of self-defence.  

In reality, the Tanker War did not produce a major disruption to oil shipments, and neither was the price of oil negatively affected by the war. It is worth noting however, that during the war, Iran attempted to persuade other members of OPEC to opt for an increase in both the price of oil and quotas, but Saudi Arabia successfully prevented such moves. Nevertheless, Iran proceeded to break the quota set by OPEC. In May 1983, at the OPEC conference in Quito, the then Iranian Oil Minister, Mohammad Gharazi stated, “our struggle with Riyadh will not take place in the oil market. It is a political struggle, once Saddam Hussain has fallen, many problems will be resolved.”

3.5 Saudi-Iranian Relations in the Context of Saudi Arabia’s and the GCC’s Response to the Iran-Iraq War

The Saudi-Iranian relationship during the Iran-Iraq War was generally tense, despite Prince Saud al-Faisal of Saudi Arabia’s visit to Iran in 1985, when he attempted to negotiate a settlement to the war with Iranian foreign minister Ali Akbar Valayati. The

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Iranians had not only been generally critical of Saudi Arabia since 1979, but they believed that during the Iran-Iraq War Saudi Arabia had provided financial aid to Iraq. Thus, the underlying enmity on the part of Iran towards Saudi Arabia thus remained unchanged after the war.

In Saudi Arabia, after the Iranian revolution, there was a feeling that Iran was responsible for both the disturbances in the Kingdom of Saudi Arabia and the violent events in other Arab states, and fears that Iran was aiming to fulfil its declared ambition to export its revolution. The perceived threat from Iran towards Saudi Arabia increased following Iran’s aggressive operations to recapture lost territory from Iraq in 1982. Khomeini’s insistence on toppling Saddam’s regime, as well as on creating an Islamic republic similar to the Iranian model resulted in the continuation of the war for six additional years. Saudi Arabia and the remainder of the GCC had no desire to participate in the war, but they were concerned about its effects, and their consequent vulnerabilities. It became obvious to them that Iraq’s defeat would provide Iran with hegemony in the Gulf, and that this would put all the Gulf regimes at risk. Therefore, when aid was eventually offered to Iraq by Saudi Arabia and the other Gulf states’, it was motivated by the belief that siding with Iraq was the lesser of two evils.75

Arguably, Saudi Arabia was placed in an awkward position by the war, ultimately deciding to provide Iraq with financial support on the basis that if Iran won the war or made

75 Ibid.
substantial gains in Iraq, it would likely intensify its efforts to export its revolution to neighbouring countries, especially vulnerable Arab states like Kuwait and Bahrain. Cordesman, however, still characterises the stance taken by Saudi Arabia throughout this period as moderate or conservative, reflecting its position in the Arab world, and motivated by a sense of responsibility, and a desire for regional stability. The government in Riyadh was able to maintain peaceful relations with its neighbours and sought to preserve the balance of regional power.\textsuperscript{76} King Fahd and his advisors queried what the Iraqi invasion of Iran might achieve in terms of the Ba’ath leadership’s aims, but were motivated to support Iraq by the hop that the war would limit Iran’s regional aims, most importantly crippling its ambition to export the revolution.\textsuperscript{77}

There have been different stances taken over Saudi Arabia’s policy of neutrality, and its exercise of diplomacy, which was skilful throughout the Iran-Iraq War.\textsuperscript{78} Some argue that for Saudi Arabia the war was viewed as a unique opportunity for the Arabian Peninsula to set up a regional body (the GCC) to establish procedures to ensure cooperation and mutual security, while the two combatants were otherwise engaged. Saudi Arabia was at the forefront of this project, working to fulfil the overall aim of establishing peace and security in the region.\textsuperscript{79} Despite the favourable prospects the war presented in this regard,


\textsuperscript{78} Dr. Abdulrhman A Hussein, \textit{So History Doesn't Forget:: Alliances Behavior in Foreign Policy of the Kingdom of Saudi Arabia,1979-1990} (Bloomington, I.N.: AuthorHouse UK, 2012). 333.

it should be noted that Saudi Arabia was not overtly in favour of a war with such unpredictable consequences for its own economy, in particular resulting from its potential to disturb the dynamics of the oil supply in the region.

Certainly, history shows that the Iran-Iraq War substantively altered Saudi Arabia’s position in the region.\textsuperscript{80} First, Saudi Arabia’s domestic security was challenged by the threat of violence, though occasional terrorist activities, with the potential to become more exaggerated because of the war. Second, many external security threats directly resulted from the war, such as the tanker attacks described above. Internally, the Kingdom had suffered disturbances since 1979 because of events in Iran, and thus it is unsurprising that Saudi Arabia chose to exercise multiple diplomatic and political options during the war. It retained its dialogue with both Iran and Iraq, enhanced its military defence capability by increasing defence expenditure and purchasing arms from the US, and actively sought regional and international cooperation, as described in the previous paragraph, to achieve a peaceful resolution. In summary, it can be observed that the foreign policy adopted by Saudi Arabia to deal with Iran during the Iran-Iraq War involved multi-faceted political and diplomatic leverage, to meet the dual needs of the situation and the national interest.

In seeking to address the situation, the Kingdom approached both combatants, earnestly endeavouring to instigate negotiations between the two governments. Hiro claims that the Saudi government attempted to persuade the Iranians to abort their 1982

\textsuperscript{80}Lawson, ”Using Positive Sanctions to End International Conflicts: Iran and the Arab Gulf Countries”. 315, 319.
offensive. In response to an invitation from his Iranian counterpart, Saudi Arabia’s foreign minister, Prince Saud al Faisal, met with foreign minister Valayati and President Khameini early in May 1985, in an attempt to negotiate a settlement to the war. However, the cease-fire in the Gulf War that Prince Saud was seeking during the period of Ramadan at that time did not materialise. During the meeting, the officials discussed the Gulf War, Saudi-Iranian relations, and Iranian-GCC relations. Tehran viewed Prince Saud’s visit as an effective step in their tactic of isolating Saddam from his Arab neighbours, but Prince Saud viewed his effort as a positive step toward a negotiated peace. The Prince’s meetings with Iran’s top leaders helped to build a dialogue between the two regional powers, Saudi Arabia and Iran, at the highest level.

As a result, tension between Saudi Arabia and Iran decreased; although undeniably there remained disagreement between the two governments. Saudi Arabia strongly desired improved relations with Iran, and sought an amicable end to the war for both parties; however, under Khomeini’s leadership Iran focussed on continuing the war by insisting on the removal of Saddam Hussein as leader of Iraq before agreeing to any settlement. Consequently, the initial meeting in May ended in disagreement over the war, and tensions rose again. A follow-up meeting was held on 7 December 1985, when Iran’s foreign minister, Ali Akbar Valayati, visited Riyadh at the invitation of his Saudi counterpart, Prince Saud. Again, no clear agreement could be reached concerning the end of the Iran-

82 Ibid. 155.
Iraq War, but the meeting shows Iran felt the need to keep the door to diplomacy with other nations in the region. However, the manner in which the country acted suggests the possibility that Iran was simply performing tactical manoeuvres rather than making a genuine attempt to negotiate. Dealing with Iran proved difficult, due to internal rifts between the conservatives and the moderates, and the inability of the government in Tehran to present a unified front frustrated Prince Saud al-Faisal’s efforts to discover a solution to the conflict.

Another relevant point is that although the search for an amicable peace continued with the active participation of Saudi Arabia, as a precautionary measure, the country took steps to bolster its defences against potential attack from Iran. Saudi Arabia’s strength was pivotal to the establishment of an integrated, secure regional system; it acted as a local guardian, although the smaller GCC states’ military expansions were also significant. The military modernisation of Saudi Arabia began in the 1940s and 1950s when the Saudis began to acquire sophisticated F-15 aircraft (it purchased 60 F-15 interceptors and sought to acquire the most sophisticated air defence system). Saudi Arabia’s long-term military modernisation efforts were advanced and spurred on by the purchase of these fighters, rather than as a result of the advent of the revolution. It has been suggested that since the mid-1980s, Saudi Arabia’s military spending increased, such that by 1986, it accounted for

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a significant share of the country’s GDP, partially due to the oil crash. The US sold sophisticated weapons, as well as command and control systems to Saudi Arabia, significantly boosting its defence budget, which was worth $24 billion during the 1980s when the US was building general military ties with Saudi Arabia. Furthermore, defence agreements between Saudi Arabia and other smaller Gulf states supplemented the nation’s defences. At the beginning of 1980, a new policy of subversion, embraced by the Iranian regime, aimed at Iraq and Saudi Arabia particularly, but also at other Arab states of the Gulf region, was evident. A campaign of sustained terrorism and subversion was directed against Kuwait by Iran, where the Amir’s life was threatened by a coup, and as described previously, against Saudi Arabia during the Hajj season (see Chapter 2, section 2.5).

The longstanding Saudi awareness of its physical vulnerability increased as Iran and Iraq targeted one another’s oil facilities. Protection from air strikes was essential at the vital Saudi oil terminals, which manage the largest oil reserves in the world. Air security for the Kingdom had always been a major concern due to Saudi Arabia’s vast territory; therefore, an unprecedented military build-up for itself and its junior GCC partners was an absolute necessity. The Iranians asserted that the aircraft encroached on their airspace but

took no action, although it is thought that these aircraft may have provided intelligence to Iraq during the war. Certainly, the modernisation of Saudi defences was seen as essential in light of Iranian rhetoric against the Kingdom. Militarily, and throughout the period of the conflict, Saudi Arabia remained in a defensive position, typifying general Saudi strategy. Since the war, Iran has continued to be a key factor in Saudi Arabia’s need to retain its military force; it has taken advantage of the Palestinian-Israeli conflict to increase the size of its army placing pressure on Saudi Arabia and the moderate Arab countries.

In addition to the aforementioned regional diplomatic efforts, another feature of Saudi Arabia’s response to the Iran-Iraq War was to actively attempt to resolve the conflict by involving other international institutions. The Organisation of Islamic Conference (OIC) and the UN were used as forums in which to open negotiations between the warring sides. In January 1981, a negotiated settlement was attempted in a meeting of OIC in Ta’if, Saudi Arabia; in this case, the Iranian response was favourable, although this changed when President Bani-Sadr was forced out of office in an internal power struggle within the Iranian hierarchy in June 1981. Iraq showed it was prepared to accept the January 1981 OIC terms, which invited the two countries to cease-fire immediately, but Iran saw

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Saddam’s enthusiasm for a cease-fire as a sign of Iraqi weakness.\textsuperscript{94} Saddam tried to show strength by launching an attack to seize Susangerd on 19 March, but his attack failed because of strategic weaknesses in Iraqi forces, and because Iran had had two months to organise its defences, by positioning the Pasdaran and the Iranian Parachute brigade in the city.\textsuperscript{95} Subsequently, Saudi Arabia actively supported attempts by the Arab League and the UN to find a settlement to the war, but Iran was unenthusiastic about reaching a settlement, as the Ayotollah continued to believe that he could achieve his war aims.\textsuperscript{96} The importance of establishing a regional security organisation was paramount, when on 26 November 1980, the Saudi Interior Minister, Prince Naif bin Abdulaziz al-Saud, was quoted as saying, “There are plans for achieving Gulf security which, God willing, will become agreements soon… Saudi Arabia is trying to have a unified agreement on Gulf security.”\textsuperscript{97}

Certainly, Saudi Arabia was enthusiastic about bringing peace in the region into being through a negotiated settlement. The GCC was founded on 25 May 1981, and at its first meeting in Abu Dhabi on 26 May 1981 it called for an end to the Iran-Iraq War, stating that it posed a threat to the stability of the region as a whole.\textsuperscript{98} There was a clear focus on both economic and political issues, characteristic of any pragmatic foreign policy. On 7

\begin{itemize}
\item \textsuperscript{94} Murray and Woods, \textit{The Iran-Iraq War: A Military and Strategic History}. 163.
\item \textsuperscript{95} Hiro, \textit{Iran under the Ayatollahs}. 163.
\item \textsuperscript{96} Chubin and Tripp, \textit{Iran-Saudi Arabia Regional Order: Iran and Saudi Arabia in the Balance of Power in the Gulf}. 11.
\item \textsuperscript{97} Grummon, \textit{The Iran-Iraq War: Islam Embattled}. 10. 54.
\end{itemize}
March 1981, Iran rejected the efforts of the Islamic peace mission as well as the proposal for a cease-fire and to negotiate with Iraq.\textsuperscript{99} In November 1981, at the Riyadh summit, the GCC restated its desire to end the war. Prince Saud al-Faisal, the Saudi foreign minister, commented that relations between the GCC members and Iran “should be excellent and based on the basic pillars of international relations that are relations of fraternity, religion and neighbourliness”.\textsuperscript{100} The defence ministers of the GCC held their first meeting on 25 January 1982 in Riyadh; at this time common security policies were formulated, including efforts to build a joint air defence. The development of the GCC defence system between 1981 and 1986 can be divided into three stages, the first being the period from September 1980 to December 1981, which witnessed the outbreak of war and the founding of the GCC, with the primary aims of responding to the threats posed by the war and the export of revolution from Tehran. The second phase, between December 1981 and February 1984 saw greater efforts, and resulted in four security pacts and one draft agreement in response to three major events: the March 1982 \textit{Fath al-Mubin}, ‘Operation Jerusalem’, and ‘Operation Ramadan’ in July 1982.\textsuperscript{101} In April 1982, the GCC called for an end to the shedding of Islamic blood, and on 2 June, the GCC requested a cease-fire, proposing that the belligerent countries return to their pre-war borders and suggesting an international fund for reconstruction be made available to both Iran and Iraq; however, the war continued. Furthering its defensive position the GCC oversaw joint military exercises in

\textsuperscript{100} Ramazani, \textit{The Gulf Cooperation Council: Record and Analyss}. 430.
\textsuperscript{101} Ibid. 61.
Autumn 1983 and again in 1984, and in 1984 it created the Peninsula shield force. In the third phase, from February 1984 to February 1986, the GCC’s main concern was the war and the threat from Iran’s potential expansion. Thereafter, Saudi Arabia, together with the other five GCC states, repeatedly sought to achieve peace and balance between the regional and extra-regional powers.

As the war progressed, some countries in the region, such as Saudi Arabia, Jordan, UAE, Kuwait and Qatar began to covertly support Iraq, and the Iraqi regime likened the war with Iran to ‘al-Qadisiya’, in reference to a battle in the year AD 637 in which the Arab Muslims defeated the Iranian Sassanids, during the first era of Muslim expansion. As mentioned previously, Saudi Arabia is believed to have provided financial aid to the Iraqi government only two years after the war started; such intervention doubtless became a source of animosity between Iran and the GCC nations. On 5 June 1984, a Saudi Arabian fighter plane shot down two Iranian fighters that had crossed into an area of the Gulf that was declared a shipping-protected zone. The Saudi move was in response to the Iranian violation on Saudi territorial water, but the Iranians claimed the following day that their aircraft had been in international airspace. The aerial conflict actually

103 Maull and Pick, The Gulf War: Regional and International Dimensions. 90.
104 Potter and Sick, Iran, Iraq and Legacies of War. 91.
105 Sindelar and Peterson, Crosscurrents in the Gulf: Arab Regional and Global Interests. 135.
happened, however, in Saudi airspace, about 60 miles north of Jubail city, as the Iranian planes were preparing to attack two ships. Prince Bandar bin Sultan, Saudi Arabia’s Ambassador in the US, declared, “Our sovereignty was violated and we reacted, as we said we would all along, in a defensive manner”. He added, “We think it is a pity we had to be dragged into this conflict. We are determined to defend our country. People should not mix up moderation with consent. We do not consent, nor do we find it amusing to be attacked or for our interests to be attacked.”

Saudi Arabia’s success in this encounter may seem relatively insignificant; however, to confront the security threat caused by the Iran-Iraq War in the region, the morale of the smaller GCC states still depended primarily on Saudi military deterrence. This was due to Saudi Arabia’s position as the largest oil export nation, capable of allocating one of the largest defence budgets worldwide, worth $24 billion in the 1980s.

In the aerial confrontation, Saudi Arabia demonstrated political resolve, and thereafter both GCC nations and Iran showed restraint. There is no doubt that the skirmish boosted the confidence of GCC leaders and encouraged them to forge ahead with renewed attempts to further military cooperation.

In November 1987, the Arab League in Amman condemned the role of Iran in the war, but the Syrians had reservations, and an ongoing animosity with Iraq. The assumed

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109 Saudi Foreign Office Documents.
reconciliation between Iraq and Syria confirmed by the Jordanian King at the 1987 Arab summit never took place, and both Syria and Iraq continued their war of words in early 1988. The following month, at another meeting of the Arab League, the Saudi foreign minister, Prince Saud al-Faisal, criticised Iran for ‘imperilling the Gulf’ but stated that Iran was being given another chance. The threat of sanctions was raised, but no action was taken immediately, in order to await Iran’s reaction to the UN-brokered cease-fire. It has been noted that the differences in the attitudes of the GCC member states provided it with considerable flexibility; enabling individual members of the Council to play different roles in negotiations with Iran.

Once the Iran-Iraq War finally came to an end, Saudi Arabia, Kuwait, and Bahrain announced that they would put past differences aside and prioritise stability. Saudi Arabia, Iran, and Iraq were considered the three principal powers in the Gulf region, and since Saddam Hussein portrayed the war as a victory to his people (something of a surprise to the Iranians), King Fahd may have wished to balance power by seeking closer ties with Iran in view of the stronger threat from Iraq following the war. Saudi Arabia’s strategy may also have been a reaction to Saddam Hussein’s assumption at the end of the war; i.e.

111 Freedman, *The Middle East from the Iran-Contra Affair to the Intifada*. 198.
113 Hooglund, "Iran’s Revolution Turns Ten." 23.
that Iraq was now a firm US ally with free rein to increase its influence and domination in the Gulf.\textsuperscript{115}

While the Saudi government sought out closer ties with Iran to balance power in the region, it nevertheless remained concerned about the country’s strategic aims.\textsuperscript{116} However, it recognised the enduring threat from Saddam Hussein, and indeed, renewed relations with Iran proved to have been both a perceptive and pragmatic course of action when, in 1990, Saddam invaded Kuwait beginning another dark chapter in the history of the Middle East. This invasion, commonly known as Gulf War II, left deep scars on the region. The next chapter will evaluate how this war affected Saudi-Iranian bilateral relations.

3.6 \textbf{Conclusion}

Despite the existence of factions and regional differences throughout the Gulf region, the Iran-Iraq War remained, for its duration, confined to two countries with deep historical rivalries. During the eight years of conflict between 1980 and 1988, the majority of the Arab states, with the exception of Syria and Libya, chose not to openly take sides. Despite the fact that Saddam Hussein gained, direct or indirect, official or unofficial, military assistance from a wide range of countries, such as the US, the UK, France, Saudi Arabia, Kuwait, Bahrain, and the UAE, Iraq did not achieve what it intended through the

\begin{itemize}
\item \textsuperscript{115} J Cole et al., "A Shia Crescent: What Fallout for the U.S.?," \textit{Middle East Policy} xii, no. 4. 5.
\item \textsuperscript{116} Halliday, "Iran and the Middle East: Foreign Policy and Domestic Change." 46.
\end{itemize}
war, and nor did Iran. The impact of the war on Iran, Iraq, and the region as a whole can be summarised as follows:

First, the region suffered in two principal respects: 1) unclear but enormous potential security threats resulting in the establishment of the GCC and the cooperation of six countries’ security forces, and 2) economic losses from the Tanker War, unstable oil supplies, and the ‘oil price crash’, which further isolated Iran in OPEC during the war, because Iran believed that Saudi Arabia and other Arab states of the Gulf financially supported its enemy Iraq. During the war, Saudi-Iranian relations were tense, despite the continual calls of Saudi Arabia for a cease-fire, either at the behest Saudi Arabia itself, or through the GCC, OIC, and the UN, until Iran finally accepted UN Resolution 598, in 1988.

Second, both Iran and Iraq suffered tremendously in terms of casualties and economic losses, both directly and indirectly, from the war. This significantly influenced the two nations’ domestic political decision-making as well as their foreign policies towards their neighbours and the West, especially the US. Saddam Hussein’s invasion of Kuwait in 1990 was partly an attempt to recover from the war’s losses in terms of casualties and financial costs, as well as the invisible damage to his credibility in the eyes of his people. The invasion of Kuwait, however, isolated Saddam on the international stage and within the Gulf region even more so than Iran during the 1990s. The invasion paved the way to the end of both his political career and his life, as will be further examined in the next chapter.
Iran’s conduct in the war was such that it made enemies of not just Iraq, but also of all the countries it believed to be Iraq’s allies, such as Saudi Arabia. Meanwhile, Iran’s indirect acquisition of arms and other support from the US through Israel, can be regarded as both entirely contrary to its anti-US and anti-Israeli political mantra and entirely pragmatic. The war brought internal criticism of the governing clerical elite’s competence and called into question the contention that the export of revolution could be achieved through involvement in war or by supporting groups in targeted countries who might side with Khomeini’s ideology and take the part of Iran. Hence, a clear change in mind-set emerged after President Rafsanjani was elected in 1990, the year Saddam invaded Kuwait. This will be further discussed in the final chapter, which explains how the Iranian governments’ introduction of pragmatism into its foreign policy transformed rivalry to détente during the 1990s.

Third, Saudi Arabia’s own approach during the 1980s could be described as one of comprehensive confrontation with limited direct counter-reaction. A regional power such as Saudi Arabia, with so much influence in the region, and in the Arab and Islamic world as a whole, could not reasonably adopt a simple, one-dimensional policy to tackle its foreign relations with other countries, particularly one of its principal rivals. Saudi Arabia appears to have successfully responded to the threat presented by the Iran-Iraq War, by applying skilful diplomacy to remain officially neutral while employing multi-layered political and diplomatic tactics to strengthen itself and the other states within the region as a whole.
It is worth noting that at the beginning of the war Saudi Arabia stayed neutral and started supporting Iraq from beginning of 1982\textsuperscript{117}. Furthermore, despite Iran’s provocation e.g. Iran flew their aircrafts in Saudi airspace and threatened Saudi Arabia with severe consequences, Saudi Arabia did not brake diplomatic relations with Iran and made every attempt to broker a cease fire and bring peace to the region.\textsuperscript{118} Saudi Arabia’s support to Iraq during Iran-Iraq war was due to Saudi Arabia’s concerns over regional peace and security.\textsuperscript{119}


\textsuperscript{118} Al-Saud, \textit{Iran, Saudi Arabia and the Gulf: Power Politics in Transition}.

\textsuperscript{119} Ibid.

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CHAPTER 4
Saudi Arabia, Iran, and the Dynamics of the Kuwait Invasion, 1990-1991

4.1 INTRODUCTION

The Iran-Iraq War, known to the Iranians as the Holy War or Imposed War, and to those in the region as the Gulf War I, marked the beginning of the darkest chapter in the history of the Gulf region, one that has left bleeding wounds.1 During the eight years of the Iran-Iraq War (1980-1988) almost a million troops were killed on both sides, and at least half a million casualties became permanent invalids; some 228 billion dollars were spent on arms and ammunition; and almost 400 billion dollars of damage was inflicted.2 Despite these human and financial costs, the war was ultimately inconsequential. At its close Iran recognised exclusive Iraqi sovereignty over the Shatt-el-Arab River, which was briefly, until Iraq’s surrender of it, the nation’s best outlet to the sea. Ultimately, this sole gain was sacrificed in order to secure Iran’s neutrality in anticipation of Kuwait invasion.

However, as discussed in the previous chapter in detail, Gulf War I played an important role in the wider history of the Arabo-Persian Gulf, due to the scale of its influence regionally and internationally. It was the largest conflict in the region since World War II, and its eight-year duration had enormous socio-economic consequences for both countries. Most significantly, for the two combatant’s futures it was a precursor to

1 Abdulhay Y. Zalloum, America in Islamistan: Trade, Oil and Blood (Bloomington, IN: AuthorHouse, 2011).
Iraq’s invasion of Kuwait, which commentators now agree was a predictable act to a certain degree; although at the time it came as a complete surprise, one with unexpected consequences. Notably for Saudi-Iranian bilateral relations, the invasion brought the rivals together in a cooperative partnership to face the common threat, i.e. Saddam Hussein.

This chapter will explain the historical context of the dispute between Iraq and Kuwait, in particular focusing on their disputed borders, and then detail the historical background to the Kuwait Invasion, Saddam Hussein’s supposed motives, the key events of the war, and its impact regionally, globally, and of course on Saudi Arabia and Iran. To achieve this, the chapter will go on to examine Iran’s foreign shifts in policy during the period 1990 to 1991, to explain how and why the Iranian government shifted its policy towards Saudi Arabia, its other Arab neighbours, and the US. Saudi Arabia’s response to Saddam Hussein and his invasion of Kuwait, as well as Saudi foreign policy, will also be discussed. Finally, Saudi-Iranian relations will be analysed within this context.

4.2 IRAQ AND KUWAIT-GEOPOLITICAL BACKGROUND

The Sheikhdom of Kuwait was established in 1756 as an autonomous state by Sheikh Sabah bin Jabir. Before that time, the territory was loosely under the control of the Ottoman Empire. Sheikh Sabah is considered to be a founder of the Sabah dynasty,
belonging to the Anaiza tribe, which migrated from central Asia to the shores of the Gulf to found the city of Kuwait.  

From 1756 to 1871 Kuwait paid tribute to the Sultan of Turkey, yet it was not under effective control of the Ottoman Empire. In 1871 the Turkish Governor of Baghdad, Midhat Pasha conferred the title Qaim Maqam (Sub-provincial Governor) on the Sheikh of Kuwait. Sheikh Abdullah Bin Sabah al Sabah accepted the status of Qaim Maqam within the Basra (currently in Iraq) province.  

In 1896, the Seventh ruler of Kuwait, Sheikh Mubarak As-Sabah sought British protection against Turkey’s attempt to absorb Kuwait within its borders. Later on 23 January 1899, Britain and Kuwait signed a secret agreement, which bound the rulers of Kuwait not to cede, sell, lease or mortgage any portion of its territory to any other power or governments without the prior consent of the British government. In return, the British governments assured the Sheikh of their protection.  

With the turn of the century Kuwait faced invasion from Turkey, Russia and Germany; all of these encroachments were foiled by the British. The Anglo-Ottoman draft convention on the Persian Gulf Area of 29 July 1913, provided for recognition by Turkey of the 1899 Anglo-Kuwaiti agreement, including a pledge by Turkey not to disturb the

status quo in Kuwait, and establishing a demarcation of the Kuwait’s border with the province of Basra. Under the agreement, the Islands of Warbah, Bubiyan and Faylake were included in Kuwaiti territory.\footnote{Alaofi, "Ali'qat Bain Alsaudia Wa Iran; Almuraja'ah (Saudi Iran Relations: A Review of Literature."}

After World War I, the Uqair convention of 2 December 1922 settled Kuwait’s border with the Nejd. The northern border of Kuwait with Iraq, which was 160 km long was defined in a friendly agreement in 1923.\footnote{Ibid. 07.} In 1932, the Iraq-Kuwait convention on boundaries endorsed this further. Both Iraq and Kuwait confirmed the border as defined in the Anglo-Ottoman convention of 1913 in different letters to the British Political Resident in Kuwait. On April 1923, the British high commissioner for Iraq, Sir Percy Cox demarked the Iraq-Kuwait border. Sir Cox gave Kuwait a coastline of 310 miles and Iraq a mere 28 miles, which virtually turned Iraq into a land locked country.\footnote{A. K. Pasha, "Iraq and the Persian Gulf: An Overview," World Focus (2005). 3.} This demarcation sowed the seeds of conflict between Iraq and Kuwait, by severely limiting Iraq’s access to the sea, forcing Iraq to demand wider access to the Gulf waters, which it felt were essential for its survival and security, a point that played its part in the conflict with Iran as was seen in the previous chapter. It is likely that this border was drawn to limit the threat from any future Iraqi government to Britain’s domination in the Gulf region. Iraq refused to accept the border, and did not recognise the Kuwaiti government until 1963.
From the time it gained independence from Britain in 1932, until the proclamation of the Republic in 1958, various successive Iraqi governments staked claims over Kuwaiti territory, in order to become free from geopolitical barriers. In 1951, the Kuwaiti government raised the question of demarcating its border with Iraq. At this time Iraq expressed its willingness to do so provided Kuwait surrender the Island of Warbah to Iraq. This was the first time Iraq linked the border demarcation with a territorial adjustment. At this time, Kuwait refused to accept any change in the border or to part with island. Later, in 1954, Iraq put forward a claim to about 4 kilometres of the coastline along Khaur-al-Sabiya, which was subsequently rejected by British Political Resident. In 1956 Iraq expressed its intention to acquire Warbah Island on lease, in return for supplying fresh water to Kuwait; Kuwait rejected this proposal.

On June 19 1961, Kuwait became an independent state and 1899 Anglo-Kuwaiti agreement was annulled. The ruling Sheikh Abdullah al Sabah became the Amir and assumed the responsibility for the conduct of newly independent state’s affairs, internal and external. On 25 June 1961, Iraqi Prime Minister Abdul Kareem Qasim challenged Kuwait’s independence, and revived Iraqi sovereignty claims. The Iraqi claim was based on three grounds: (1) archaeological evidence showing that Kuwait is closely linked Mesopotamia; (2) during the Ottoman Empire Kuwait was a part of vilayet Basra; and (3)

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12 Alaofi, "Al‘iqtat Bain Alsaudia Wa Iran: Almuraja‘ah (Saudi Iran Relations: A Review of Literature."
13 Pillai and Kumar, "The Political and Legal Status of Kuwait."
14 Ibid.
Iraq is a successor state to the Ottoman Empire.\textsuperscript{15} However, British intervention restrained Iraq from invading Kuwait. This Iraqi claim was rejected by Kuwait, which announced its intention to defend its independent territorial integrity.\textsuperscript{16} The Kuwait government claimed that Kuwait is an independent state with full sovereignty, recognised internationally, and expressed confidence that Kuwait would have the support of all friendly and peace loving countries, especially those in the neighbouring Arab States.

Later following intense Intra-Arab negotiations, mediation and bargaining Kuwait was recognised as an independent sovereign state and was admitted to the league of Arab States on 21 August 1961 as its eleventh member. Moreover, finally on May 1963, despite Iraqi objections, Kuwait was admitted to the UN and became its 111\textsuperscript{th} member.\textsuperscript{17}

The victory in World War I gave the allied forces the right to divide the Arab world among them. In 1920, the British Empire took control of the region of Iraq. The state of Iraq, as a single political entity, was created by amalgamating Baghdad, Basra and Mosul. The grant of a mandate to Britain in 1920 to oversee Iraq was a mere formality in the process of legitimising British control. However, the British Empire in Iraq faced strong opposition from Arab Nationalists, who managed to establish the Hashemite monarchy in Iraq, wresting its independence in 1932.\textsuperscript{18}

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\textsuperscript{15} Ibid.
\textsuperscript{16} “Iraqi Regime's Claim to Kuwait Territory - in Historical and Legal Perspective - Kuwait Embassy's Note,” ed. Kuwait Embassy (AlRiyadh).
\textsuperscript{17} “The Political and Legal Status of Kuwait.”
\end{flushleft}
In 1952, the Hashemite monarchy was overthrown in a military coup, in an Iraqi revolution that changed the previously simple politics of the Gulf region. During the first few years following the revolution, the Iraqi government made no claim to Kuwait, rather in December 1958 Iraq expressed its desire to open an Iraqi consulate in Kuwait city. It appears that relations between Kuwait and Iraq were normal at this time. According to the Kuwaiti government publication, The Truth about the Crisis between Kuwait and Iraq, Iraq emphasised Kuwait as an independent state on many occasions, never claiming it as part of Iraq. Furthermore, Iraq also voted in favour of Kuwait joining a number of international organisations.\textsuperscript{19}

After the February 1963 coup in Iraq, relations between Iraq and Kuwait further improved, and on 4 October 1963, Abdul Salam Arif, the new Iraqi leader, announced that Iraq recognises Kuwait’s independence. Despite this improvement in bilateral relations the border question remained unresolved and remained contentious. Iraq made it known that its recognition of Kuwait should not be understood as acceptance of the current border demarcation between the two states.\textsuperscript{20} From 1964 until 1967, joint Kuwaiti-Iraqi committees met several times to discuss ways to demarcate the border, but without success.

Iraq insisted that it must receive the islands of Warbah and Bubiyan before there could be a settlement of any outstanding border dispute. During the negotiation, Iraq is reported to have raised questions over the legality of previous agreements and documents,

\textsuperscript{19} Khadduri, Republican Iraq: A Study in Iraqi Politics since the Revolution of 1958. 160.
\textsuperscript{20} David Campbell, Politics without Principles: Sovereignty, Ethics and the Narrative of the Gulf War (Boulder, CO: Lynne Rienner Publishers, 1993).
alleging that these were signed at a time when Iraq was still under foreign occupation and consequently not free to negotiate. Iraq also stated that a border adjustment in favour of Iraq was essential before Iraq could accept any previously prepared documents.21

In 1968 the Ba’ath assumed power in Iraq, which added ideological, political, geographical, economic, security and strategic dimensions to Iraq’s border problem with Kuwait. In 1969, Iraq had an altercation with Iran, and during the tension, Kuwait allowed Iraq to protect its port of Umm-al-Quasar by bringing its army onto the Kuwaiti side of the border.22 This Kuwaiti gesture of goodwill demonstrated the Kuwaitis willingness to settle the border dispute with Iraq, but Iraq aggravated the situation by refusing to take its armed personnel back onto its own territory.23

From the late 1960s onwards, Iraq continued its quest for two of Kuwait’s strategically important islands (Bubiyan and Warbah Islands), but Kuwait categorically refused all advances. In 1971, Iraq extended an offer to build a deep-sea water oil terminal along the Kuwaiti coast to supply fresh water to Kuwait, in return the islands; Kuwait rejected this offer of functional cooperation.24

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23 Ibid.
In March 1973, Iraq erected a military installation at Al-Samita, a Kuwaiti outpost. Kuwait protested against this move and demanded Iraq withdraw its troops from Al-Samita, a Kuwaiti territory. Although initially Iraqi government refused, it later withdrew after strong opposition from both Saudi Arabia and Iran. In August 1973, Kuwait put forward their own proposal to reach a settlement, but the Iraqis persistent aim to gain control of Bubiyan and Warbah was not acceptable to Kuwait; therefore, it was not possible to reach an accord.

Iraq’s emphasis on gaining full control of the islands of Bubiyan and Warbah stemmed from the belief that this was essential for it to be a regional power in the Gulf region. Iraq stated its willingness to leave all of Kuwait alone, in return for the islands; a statement that clearly implies that despite recognising Kuwait’s sovereignty Iraq had not renounced its belief in its theoretical claim over Kuwaiti territory. Iraq, on the pretext of needing to counter Iranian threats moved its troops to Bubiyan and Warbah. When the 1975 treaty between Iran and Iraq removed the threat, Iraq once again expressed its willingness to accept the demarcation of border with Kuwait if the latter agreed to lease out the islands Iraq desperately needed for strategic reasons. Kuwait turned down the Iraqi offer and began to strengthen its military establishments on the Warbah and Bubiyan. Thus, it is evident

25 Ibid.
26 Ibid.
27 Asiri, *Kuwait Foreign Policy: City State in World Politics*. 151
that the border problem between Kuwait and Iraq could not be resolved, largely due to the stubborn and inflexible attitudes of the leadership in both countries.

However, the 1979 Islamist revolution in Iran brought a new threat to the Arab world, which resulted in a closer relationship between Kuwait and Iraq. The Iranian revolution and Saddam’s installation in Iraq changed the geopolitical landscape of the Gulf, and during the Iran-Iraq War Kuwait offered moral and financial support to assist Iraq in addressing the threat from the Shia led revolutionaries of Iran.

4.3 The Invasion of Kuwait, 1990–1991

Despite 8 years of intense fighting, and the implementation of a range of armoury from Skud missiles to chemical weapons Saddam’s Iraq failed to occupy the Shat al-Arab waterway and the oil rich provinces of Iran (such as Khuzestan).\(^{28}\) However, his endeavour to do so proved Saddam’s military might, and he gained popularity in the Arab world. However, the conflict left him with heavy financial losses, and therefore he set a new goal; i.e. to invade Kuwait, as the first step toward becoming a regional power. Saddam believed that by occupying Kuwait, Iraq would be in a position to foster Arab unity, enabling him to become the unchallenged leader of the region, to counter the influence of the Western world.\(^{29}\)


Aside from his personal ambitions, there is little doubt that the invasion was partly motivated by Iraq’s economic deterioration. Saddam believed that by occupying Kuwait he would be in the position to settle a large part of his debt (believed to be between US $80 billion and US $200 billion). Secondly, Kuwaiti oil wealth would enable Iraq to finance much needed reconstruction projects, as 50% of existing Iraqi oil revenues were allocated to paying debts.\(^3\) Due to the continued decline in the oil prices, Iraq was unable to earn enough to meet its military and civilian needs. Initially, following the Iran-Iraq war Iraq tried to convince OPEC to restrict the output quota to curtail supply and raise the oil price, and consequently Iraq’s oil revenue. Iraq also requested that OPEC allocate grants to it to support its fragile economy and reschedule debts. Kuwait rejected all these requests and asked Iraq to repay all its debt. Kuwait’s attitude reignited the territorial dispute. It was also claimed that Kuwait and UAE were exceeding their oil output quota, and that Kuwait was planning to request that OPEC raise its quota.\(^4\) Furthermore, Saddam accused Kuwait of extracting 2.5 million barrels of oil from Iraqi oil fields by using slanting drilling techniques, which had resulted in loss of what were rightfully Iraqi oil revenues.\(^5\) Iraq alleged that the US and Israel were behind its problems, and this further motivated Saddam to exercise his military muscles to become the regional power.

Despite the fact that during the Iran-Iraq war, the US officially supported Iraq, after the war Saddam expressed his anger at the US and Israel for supplying arms to Iran; openly condemning US supremacist acts in the Middle East and threatening to burn half of Israel if attacked.\(^{33}\) In March 1990, relations between Washington and Baghdad deteriorated further after the execution of a British journalist accused of spying, as well as following the discovery of an Iraqi network for smuggling munition-lists, and nuclear-related capacitors out of the US, through Britain, to Iraq.\(^{34}\) Saddam interpreted US actions as a concerted attempt to conspire against his country. Furthermore, the Iraqi leadership believed that US foreign policy towards the Arab world, especially Iraq, had always been predicated on creating opportunities for the West to intervene in the region.

At the summit of the Arab Cooperation Council (founded in 1989 by North Yemen, Iraq, Jordan, and Egypt) in February 1990, Saddam denounced the US, saying, ‘If the Gulf people, along with all Arabs, are not careful, the Gulf will be governed by the US’.\(^{35}\) This statement was a response to the failure of his US ally to meet his needs following the Iran-Iraq War. According to Prince Khaled bin Sultan, “Saddam had not managed to gain the trust of the US”, however, the US did not intend to put control of a quarter of the world’s oil in Saddam Hussein’s hands, directly or indirectly.\(^{36}\) Subsequent to a series of negative

responses to his promises from Saudi Arabia, Kuwait, and the US, he believed that the whole world had become “engaged in a complex conspiracy to get rid of him”.\(^\text{37}\)

The invasion of Kuwait by Iraq in 1990, also known as Gulf War II, lasted seven months, from 2 August 1990 to 28 February 1991.\(^\text{38}\) Despite Saudi efforts to calm the situation on 2 August 1990, the Iraqi military invaded and ransacked Kuwait, as Saddam Hussein declared Kuwait to be Iraq’s nineteenth province, nominating his cousin, Ali Hassan Al-Majid, as the military governor.\(^\text{39}\) Iraqi forces crossed over the border into Kuwait, where they engaged the forces guarding its border. With the advantage of surprise, the Iraqis quickly established a foothold. Soon after breaching the border, they took over the capital, Kuwait City, and proceeded to loot and occupy it.\(^\text{40}\) On 29 November 1990, UN Resolution 678 was passed, urging Iraq to withdraw all its forces from Kuwait before 15 January 1991. Saddam Hussein failed to comply. Resolution 678 provided that “all necessary means to uphold and implement Resolution 660” should be granted to the coalition forces.\(^\text{41}\) Thirty-four countries from the Arab League, the West, Asia, and Africa joined ‘Operation Desert Storm’, which began on 17 January 1991.\(^\text{42}\) During the war, Iraq

37 Ibid. 16.
42 ---------, "The Operation Desert Shield/Desert Storm Timeline".
launched 88 Scud missiles into Saudi Arabian and Israeli territory. The coalition operations ended on 28 February 1991, and UN Resolution 687 was passed on 3 April. The Kuwait Invasion officially ended when the ceasefire terms were accepted by Iraq on 6 April 1991. Although much shorter than the Iran-Iraq War, the impact of the war on Iraq and the region as a whole, as well as on Saudi-Iranian relations, were just as significant.

The effect of the war on the region can be seen in several key areas. First, Iraq’s invasion of Kuwait on 2 August 1990 was not only an effort to seize an independent neighbouring country; it also sent severe shockwaves into Iraq’s much more important neighbour, the Kingdom of Saudi Arabia. In addition, the success of the coalition enabled the US to assume a direct military presence in the region without a Soviet counterbalance. Another factor of importance was that the US response was mindful of Iran, seeking not to defeat Iraq entirely and risk its fragmentation, which would benefit Iran; thus, when Kuwait was liberated the war over, and the coalition did not demand an unconditional surrender. Furthermore, there were no war crimes trials; the importance of this was emphasised by Prince Khaled, who contended that this meant there was no comprehensive settlement, because the Iraqis had signed no document of any sort. He argued that the victory of the coalition did not eliminate all regional threats, nor did it provide a guarantee regarding the

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long-term security of the Gulf.\textsuperscript{46} This most certainly proved to be true; having left Saddam Hussein in power, the groundwork for the 2003 invasion of Iraq following 9/11 was set.\textsuperscript{47} Finally, the war altered various bilateral relations within the region, including Saudi-Iraqi, Saudi-Iranian, US-Iranian, and US-Iraqi relations.

4.4 Iranian Foreign Policy during the Kuwait Invasion, 1990-1991

Unlike Saddam Hussein, Iran, having similarly suffered from the eight-year war, chose to adopt a pragmatic policy in its dealings with its opponents, particularly Saudi Arabia and the US. Although there were questions within the country itself about the competence of the governing powers in Iran, a change of presidency enabled Iran to redirect its foreign policy to favour its former enemy’s allies. The pragmatism of Iran’s foreign policy can be productively analysed with reference to the Iraqi invasion of Kuwait on 2 August 1990. However, the changes in policy may only have resulted in temporary compromises as part of the process of recovery; especially given the absence of the USSR as a counterbalance to the US, rather than an indication that Iran was relinquishing its ambitions to export its revolution.

Iran had been the most isolated nation in the region from 1979 until the end of the Iran-Iraq War in 1988, and it saw the opportunity to benefit from the conflict between its enemies; i.e. Iraq and Saudi Arabia. At the beginning of the Kuwait war, Saddam Hussein addressed six letters to Iran’s President Rafsanjani with a view to ensuring Iraq would not encounter threats from Iran while occupied elsewhere. Saddam Hussein not only actively


cooperated with Iran regarding the implementation of the post-war requirements established by UN Resolution 598, but also officially re-recognised the 1975 Algiers Accord, which he had torn up in 1980 before invading Iran.

On the issue of the Shatt al-Arab waterway, the Iraqi president proposed centring the coming negotiations on the ‘principles of fishing and navigation rights, dividing revenues equally between the two countries’, and that whole problem should be subject to arbitration, the outcome to be binding on both sides.48 A few months after the invasion Saddam Hussein took matters even further, proposing full acceptance of the implementation of UN Resolution 598, along with renewing the validity of the 1975 Algiers Accord, which assigned half the Shatt al-Arab waterway to Iran. Thus, during the Second Gulf War, the Iraqi president seemed prepared, without hesitation, to surrender what he and his country had so bitterly defended for eight years, resulting in the loss of hundreds of thousands of Iraqi lives at the cost of so much suffering for the civilian population. In August 1990, Iraq withdrew all its forces from occupied Iranian territory, and prisoner exchanges were also processed as scheduled.49

In terms of its relations with Saudi Arabia and other Arab neighbours, Iran successfully reversed its position of isolation and restored relations with Saudi Arabia and its regional neighbours by officially remaining neutral, although verbally condemning the Iraqi invasion. During the Kuwait war, Iran supported the UN resolutions against Iraq, which gained it considerable international credibility. Its acceptance of Kuwait’s sovereignty was received by the Arab states of the Gulf as proof of a genuinely new

49 ‘Review of Correspondence between Presidents of Iran and Iraq on the Anniversary of Iran’s Acceptance of UN Resolution 598’, 9 August 2013, http://www.iranreview.org/content/Iran_Spectrum/Review-of-Correspondence-between-Presidents-of-Iran-and-Iraq-on-the-Anniversary-of-Iran-s-Acceptance-of-UN-Resolution-598.htm
approach in Iranian foreign policy, and it confirmed that their acknowledgement of the change had produced the desired effect. The recognition by Iran of the legitimacy of the rule of Kuwait’s Emir was of particular importance, and represented a major shift in the country’s foreign policy, given that Iran had once tried to secure the overthrow of the Al-Sabah by both supporting and inciting dissident Shia forces in Kuwait.50

However, given the prevailing power of the radicals within the Iranian leadership, this new policy of neutrality cannot be considered a clear strategy. In fact, it was Saddam who unwittingly afforded the Iranian leadership its greatest success. Increasingly reliable evidence suggests that Rafsanjani believed the Iraqis were willing to make almost any concession in return for assurances concerning further military operations. Iran’s diplomatic relations were renewed with Jordan, Tunisia, and Morocco, and normalised with Egypt, where offices were reopened in their respective capitals. The efforts of Iran to improve its relations with the Arab states of the GCC also included Saudi Arabia. Rafsanjani believed that any improvement in Iran’s position in the Gulf would depend upon a détente with Saudi Arabia.51

Iran may have simply adhered to the dictum that ‘the enemy of my enemy is my friend’, but the rapprochement with Saudi Arabia certainly became one of its most notable foreign policy successes during the Kuwait crisis. On 19 March 1991, full diplomatic relations between Iran and Saudi Arabia were restored (as discussed in Chapters 2 and 3, Saudi Arabia had broken diplomatic relations with Iran in 1988 after the Hajj incident).52

50 Anoushiravan Ehteshami and Mahjoob Zweiri, Iran’s Foreign Policy: From Khatami to Ahmadinejad (Reading: Ithaca Press, 2011). 152.
51 Furtig, Iran’s Rivalry with Saudi Arabia between the Gulf Wars. 102.
In April of that year, Ali Akbar Valayati, the Iranian foreign minister, visited Saudi Arabia and met with the Saudi King, the Saudi press regarded the visit as a positive development, stating that it suggested a deep and realistic common understanding of the current regional situation.\(^53\)

During an audience with King Fahd, it was decided to convene a joint Iranian-Saudi economic commission. After the talks, it was further declared by Valayati that Iran and Saudi Arabia, the two leading powers in the region, had decided to pursue close, strategic, and comprehensive cooperation in order to ensure regional security. He added that during the meeting, he had insisted regional security could not be maintained without the participation of regional states, in particular Iran. Valayati’s Saudi Arabian counterpart, Prince Saud al-Faisal, was quoted as saying that his country agreed that it was necessary for the two nations to cooperate within international organisations.\(^54\) The Iraqi occupation of Kuwait in 1990, which led to the second Gulf War, the death of Khomeini in 1989 as well as the end of the Cold War in 1991 had certainly been a turning point in Saudi-Iranian relations.

The fact that their common enemy, Saddam Hussein, had invaded two nations in the region in the space of ten years, and that no Arab country had ever adopted such an aggressive foreign policy against its neighbours, meant that both Iran and Saudi Arabia deeply distrusted Saddam; this also prompted the two countries to participate in the above-mentioned meetings. Over two rounds of lengthy negotiations, the two foreign ministers

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discussed issues ranging from Gulf security and economic cooperation to disputes over the Hajj, OIC, and OPEC policies.

After the high-level official visits, Rafsanjani himself actively urged Iranian pilgrims to do everything possible to guarantee a smooth Hajj in 1991, and to avoid a repetition of the events, which had led to the rupture of international relations in 1989. The problems, however, did not come from the Iranian pilgrims but their leaders, still strongly influenced by the line of the Mullahs, who were influenced, in turn, by Khomeinism. Ali Meshkini, the speaker of the Assembly of Experts and a long term supporter of Khomeinism, announced in Friday sermons in Qom that Iranian pilgrims still had a duty to denounce pagans during the Hajj. A reiteration of this viewpoint came in a lengthy message to pilgrims from Ali Khamenei, the new supreme leader who succeeded Ruhollah Khomeini; although he, at least, was diplomatic enough not to make it a requirement of the forthcoming Hajj. In his speech, he called on Islamic nations to unite against America; but in line with Rafsanjani’s moves, and to improve relations with Saudi Arabia and the other Arab GCC countries, he made no direct attacks on Saudi Arabia. Hence, Rafsanjani was correct in his fear that agitators in Iran would threaten the process of normalisation with the country’s neighbours through their activities during the pilgrimage, giving cause once again for the international community to view Iran’s regime as lawless.

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56 Haim Shaked and Daniel Dishon, Middle East Contemporary Survey, vol. 8 (Tel Aviv: The Dayan Centre for Middle Eastern and African Studies, 1986). 175.
Regardless of these issues, Iran successfully gained Saudi Arabia’s support, and both countries agreed to strengthen economic ties, and to cooperate within OPEC. This was crucial for Iran, which was seeking to recover from the immense financial deficit resulting from the Iran-Iraq War to relieve domestic economic pressure. The foreign ministers’ visits were widely covered by the media in both nations. The factor that contributed most to their euphoric assessment may have been the promise given to Prince Saud al-Faisal during his visit in early June 1991 that the Revolutionary Republic would no longer interfere in the affairs of the GCC member states. This was a turnaround in Iranian foreign policy. By June 1991, both countries had improved their ties with the appointment of respective ambassadors. From the Saudi perspective, Iran has acted responsibly throughout the crisis over Kuwait and the Saudis saw the end of the Gulf War as a good occasion to develop better relations with Iran. In addition, since the death of Khomeini, Iran had downplayed its aspirations to disseminate its ideology throughout the Gulf countries using propaganda and subversion.

Despite the obvious improvement in Saudi-Iranian relations, however, a number of critical issues remained unresolved at the beginning of the 1990s. Policies that were more pragmatic could have been put in place based on national interest, but the traditional tension between the Arabs and Iran remained, centred primarily on revolutionary ideology and the export of Khomeinism. Rafsanjani’s new diplomatic gesture towards Saudi Arabia and the US, which might be regarded as a new restraint in exporting the revolution, might potentially have revitalised the relationship between Iran and other neighbouring countries, such as Turkey and Pakistan. However, Iran was evidently disappointed by the planned

59 Gause, Oil Monarchies: Domestic and Security Challenges in the Arab Gulf States. 134.
Arabisation of future security arrangements. Nevertheless, it could be argued that during the second Gulf War, without firing a shot, Iran belatedly won tangible benefits, which not only enabled it to recover from the Iran-Iraq War gradually, but also eventually led to the later invasion of Iraq in 2003, during which its original war aim was achieved.

Thus, the occupation of Kuwait shifted the balance of power in the region in favour of Iran, because Iraq replaced it as the perceived immediate threat to the security and integrity of the Gulf countries. It was clear that these regional developments enabled the two nations to develop mutual trust. Iraq’s invasion of Kuwait provided an opportunity for cooperation between Saudi Arabia and Iran and the restoration of full diplomatic relations between the two countries 19 March 1991, which was arguably the most remarkable Iranian foreign policy success since the 1979 revolution.

4.5 The Saudi Arabian Response to the Kuwait Invasion and Its Foreign Policy Towards Iran, 1990-1991

The Emir of Kuwait and his family, as well the citizens of Kuwait, were forced to flee and found refuge in Saudi Arabia, where they remained until the liberation of Kuwait from Iraqi troops. Saudi Arabia not only accepted the Kuwaiti Royal Family and more than 500,000 other refugees, but also allowed Arab and Western troops to deploy on its soil to aid in the liberation of Kuwait the following year. King Fahd consolidated the role of the coalition of forces against Iraq and styled the operation as a multilateral effort to restore

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the sovereignty and territorial integrity of Kuwait. As a rallying figure and personal spokesman for the coalition, the Saudi King brought together his nation’s GCC allies, other Arab allies, and Western allies, as well as nonaligned nations from Africa and the emerging democracies of Eastern Europe. He used his power as Custodian of the Two Holy Mosques to convince other Arab and Islamic nations to participate in the coalition.

Unlike Iran, Saudi Arabia was swift in its response to the Kuwait Invasion; the three most likely reasons for this are as follows. First, Kuwait is both a member of the GCC and a neighbour to Saudi Arabia, giving it not only political but also military importance in relation to Saudi Arabia’s national security. If Kuwait were to become a province of Iraq, under the control of Saddam Hussein, the Saudi Arabia’s regional security would be significantly reduced, with potential threats coming from both new and old rivals, including both Iraq and Iran.

Secondly, as well as existing rivalries and previously declared ambitions, new threats might also emerge to threaten Saudi Arabia’s national security. Given a) that the two Holy Cities were both located in Saudi Arabia; b) the size of the Kingdom, which occupies most of the Arabian Peninsula; and c) the country’s vast oil reserves, Saudi Arabia was arguably a linchpin in the region; its stability was crucial not just to the Gulf but also to the remainder of the world.

Thirdly, Iraq presented a unique danger to Saudi Arabia and the region as a whole. Saddam had casually torn up the 1975 Algiers Accord and invaded Iran, and then, just two years after the Iran-Iraq War had ended, had completely disregarded the negative outcomes
another invasion was certain to bring to his Arab brothers. Despite Kuwait membership of the UN, he unilaterally declared Kuwait a province of Iraq, citing for reasons unacceptable to the UN and the rest of the world, who were then forced to ask: ‘if Saddam Hussein succeeded in his ambitions in Kuwait, would he stop there?’ It was feared that if Saddam succeeded in holding on to Kuwait he would most certainly move on to attack his other Arab neighbours, including Saudi Arabia.

Saudi Arabia’s reaction involved three categories of response: political, diplomatic, and military. As always, the primary aim for Saudi Arabia was to resolve matters peacefully by pursuing political and diplomatic means; taking military action, especially in operations involving non-Arab nations, was regarded as a last resort, to be considered only in a worst-case scenario. The ultimate aim for Saudi Arabia was to remove the threat to itself and the region, as well as to maintain the stability of the Gulf States and the Arab nations.

It should be mentioned that the invasion of Kuwait in 1990 was, for many players both inside and outside the region, a turning point, and the changes it brought were, to some extent, unforeseen. Many Arab leaders, including King Fahd, believed that what Iraq demanded from Kuwait, as well as the associated problems, could and should be dealt with within the Arab framework.61 Most nations found it difficult to believe that Iraq would, in fact, invade Kuwait and assumed that Saddam’s threats about satisfying his ambitions were

just that, threats. Most certainly, Saddam should have recognised the difference between Kuwait and Iran in terms of the interest of other States. Kuwait was a formal member of both the UN member and the GCC, as well as a member of the Arab League, with long-established ties with all other major Arab states and with other countries, such as the UK. This was in contrast with Iran’s more isolated position; as stated previously, since the 1979 revolution, Iran had openly declared its intent to export the revolution to other Arab nations and overthrow all monarchy regimes as well as Arab regimes that had strong ties with the US an overtly aggressive stance unwelcome to the other nations in the region.

Saddam Hussein was most probably surprised that his aggression against Kuwait was sufficient motive for Iran and Saudi Arabia to stand together to oppose him. Partly as a result of the invasion of Kuwait, Saudi Arabia shifted its policy towards Iran, and vice versa, in order to better confront the greater threat; i.e. Iraq. King Fahd stated on August 1990; “We are a country that will not initiate aggression, but we will make it impossible to attack us…how we can believe that Saddam has no intention of attacking the Kingdom, when he has broken his promise and pledge?”62

In terms of its political response, Saudi Arabia tried everything to bring its political will to bear on the conflict, not only working alone, but also together with the GCC, the UN, and its allies in the region and worldwide. As the largest country in the GCC and on the Arabian Peninsula, Saudi Arabia was to play a vital role in liberating Kuwait from Iraq.

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It stood firmly by Kuwait and pushed for UN Security Council resolutions to be applied. Saudi Arabia took the lead in organising the Arab countries to force Iraq to leave Kuwait. It hosted the entire Kuwaiti monarchy as well as the Kuwaiti people. Saudi diplomacy provided important benefits for regional stability.\(^{63}\) Prior to the launching the coalitions attack to free Kuwait, the Saudi leadership acknowledged “diplomacy had to be exerted on a many fronts”.\(^{64}\) Prince Saud al Faisal, the Saudi foreign minister continually found himself engaged in numerous negotiations simultaneously, while foreign diplomats arrived in Jeddah and Riyadh to see the Saudi King and Prince Sultan, the Minister of Defence. The Kuwaiti monarchy awaited its restoration in Taif, Saudi Arabia, in a state of shock.\(^{65}\)

The Iraqi invasion of Kuwait had also increased cooperation between Saudi Arabia and the US. Since 1979, Iran had employed a strategy of criticising Saudi-US relations, but such cooperation between Saudi Arabia and the US during the Kuwait crisis was not presented as a major problem by the new leadership in Iran in the 1990s. After intensive Saudi diplomacy, and many official trips by Saudi diplomats, the UN duly issued Resolution 660, declaring under Articles 39 and 40 of the UN Charter, the Security Council a) condemned the invasion of Kuwait by Iraq, b) demanded that Iraq withdraw immediately and all its forces unconditionally to where they were located on 1 August 1990, c) called

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for immediate negotiation between Iraq and Kuwait, and d) would decide what further actions would be taken to ensure both sides complied with the resolution.\textsuperscript{66}

Before the invasion, Saudi Arabia endeavoured to apply diplomatic pressure to prevent the tension between Iraq and Kuwait from escalating into another all-out regional war. The Saudis tacitly agreed, for example, that Kuwait should lower its oil production, and at the OPEC meeting in July of 1990, Kuwait agreed to reduce production to the quota level. When Iraq continued to pressure Kuwait, the Saudis and Egypt’s Mubarak participated in mediation efforts that resulted in the Kuwaiti-Iraqi meeting in Jeddah, the day before the full-fledged attack on Kuwait by Saddam’s forces.\textsuperscript{67}

On 21 July 1990, King Fahd dispatched Prince Saud al-Faisal to Baghdad to deliver a message to Saddam urging restraint. On 22 July, the Saudi foreign minister Prince Saud al-Faisal al-Saud briefly visited Baghdad to meet with Saddam Hussein, and after a brief talk agreed to a meeting between the Crown Prince of Kuwait and Izzat al-Duri, Deputy President of Iraq, to be held in Jeddah under the auspices of King Fahd, with the hope of settling the dispute in a peaceful manner.\textsuperscript{68} The meeting, however, was postponed for a day; the two delegations met in Jeddah on 31 July 1990. Crown Prince Saad al-Sabah led the Kuwaiti delegation and Vice-Chairman of the Command Council, Izzat Ibrahim al-Douri, led the Iraqi side. Al-Douri later described the meeting as a matter of protocol and

\textsuperscript{66} ‘Items relating to the situation between Iraq and Kuwait: decision of 2 August 1990. (2932 meeting)’, http://www.un.org/ar/sc/reertoire/89-92/Chapter%208/MIDDLE%20EAST/item%2022_Iraq-Kuwait_.Pdf
\textsuperscript{67} Lesch, The Middle East and the United States: A Historical and Political Reassessment. 364.
insisted Iraq’s demands be accepted without debate. He also claimed that he was suffering from a headache and requested a second meeting, to be held in Baghdad on 6 August. Soon after shaking hands with the Iraqi Vice-Chairman, Sheikh Saad was woken at midnight and told his country had been invaded by Iraq and that he should flee to Saudi Arabia immediately.69

Even as the invasion was taking place, King Fahd continued to hope for a peaceful resolution with Saddam Hussein. He tried many times to contact Saddam by telephone but was told the Iraqi leader could not be reached. It was reported a year later that Saddam Hussein himself admitted that he purposely avoided communications with King Fahd because he knew that the King would request the withdrawal of Iraqi troops from Kuwait, and stated, “this was what I did not want to hear”.70 Finally, after many attempts, King Fahd managed to speak to Saddam, who assured him there was nothing to worry about and that he was sending al-Douri to explain the situation. In a statement in January 1991 on the eve of a UN deadline that could immerse his country in war, the Saudi King Fahd asked Saddam: “Why do you try to ignore the direct cause of what has happened in the Arab arena, the division of ranks, turmoil and tragedies since your vicious aggression on an Arab, Muslim and secure country which supported your country when it faced difficulties?”71

70 al-Faisal, "Saudi Foreign Policy Today”, Lecture at Middle East Policy Council."
71 Kim Murphy, "Fahd Tells Hussein to Show World He Is a Responsible Leader," Los Angeles Times, January 16, 1991.
Military action was seen as the last option for Saudi Arabia. During the Jeddah meeting on 31 July 1990, al-Douri repeatedly insisted that the status of Kuwait had now been rectified, and that he wished only to assure the King of the safety of Saudi Arabia. However, al-Douri’s visit, along with two days of telephone calls and consultations with Arab and foreign leaders, only served to convince King Fahd that Saddam intended to stay in Kuwait, and that no Arab force could expel him.\(^72\) It should be understood that Saudi Arabia’s political and diplomatic endeavours to prevent war between Iraq and Kuwait were not based on fear in response to Iraq’s military threats, but rather a demonstration of the Kingdom’s consistent inclination to adopt and advocate peaceful solutions to conflicts within the region for the sake of the country’s international security concerns, always the leadership’s fundamental priority. Soon after 3 a.m. local time on 17 January 1991, the Gulf War began. Saudi Arabia was the next largest force in terms of number of combat aircraft after the US.\(^73\) According to Cordesman, the Saudi Air Force was the most effective element of the UN coalition forces during the Gulf War: “It flew a total of 6,852 sorties between January 17 and February 28, 1991, ranking second to the US in total air activity”. He also added that Saudi pilots were as capable in the air defence sorties as most NATO pilots.\(^74\)


Following Iraq’s invasion of Kuwait, President Bush in the US condemned the invasion calling for immediate and unconditional withdrawal of all Iraqi forces.\(^\text{75}\) More importantly, the execution of operational Plan 1002-90 required between 100,000 and 200,000 military personnel and was expected to take months to implement;\(^\text{76}\) it also meant that Saudi Arabia would need to allow the US to establish a series of military bases within its borders.\(^\text{77}\) The Chairman of the Joint Chiefs of Staff, Colin Powell, wondered if the US should declare Saudi Arabia a vital interest,\(^\text{78}\) but no decisions were made at this time as the President needed to consult with other world leaders. On 9 August 1990, King Fahd gave a speech, in which his Majesty underlined the grave situation facing the Arab nations, presenting an explanation of his decision to invite Arab and friendly forces to work together to liberate Kuwait from Iraq. He declared, “Following this sorrowful incident, Iraq massed a big force on the Kingdom’s border…the Kingdom expressed its welcome to the participation of the brotherly Arab and friendly forces”. In response, the US and other countries sent air and land forces to support the Kingdom’s armed forces in action to liberate Kuwait. He also stated that “brotherly and friendly forces were placed at Saudi Arabia’s disposal and will leave at the Kingdom’s request”.\(^\text{79}\)

\(^{79}\) Munro, *Arab Storm: Politics and Diplomacy Behind the Gulf War*. 58.
The same day, Congress was notified by President Bush of his decision to deploy US forces in response to the Saudi request. On 16 August, both Prince Saud and Prince Bandar met with President Bush. According to the President, Prince Saud made it clear that the Kingdom wanted the US to deploy force as quickly as possible. Referring to Iraq’s invasion of Kuwait Saud said simply, “the wound was profound, and the disaster so great”. He also pointed out that Arabs had called on the world to help the dispossessed Palestinians and that now, “fellow Arab had been attacked by fellow Arab”. He clarified his position by adding, “Iraq wants an Arab solution but will not apply the Arab League Charter that stands clearly against any Arab aggression toward another Arab country”. The decisions and the key role played by the late King Fahd, as well as the diplomacy of Prince Saud al Faisal and Prince Bander bin Sultan and other Saudi diplomats, were significant factors in the liberation of Kuwait. Saud al Faisal, the Saudi foreign minister, continually flew between the capitals of various nations and foreign diplomats landed at Jeddah and Riyadh to take long meetings with the Saudi King and the late Crown Prince Sultan. Iran clearly gained an important benefit from these meetings, because, after eight years of war, it now saw the defeat of Saddam would give it the upper hand. This may have also helped in the subsequent rapprochement between Saudi Arabia and Iran.

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80 Bush and Scowcroft, A World Transformed. 349.
81 AlFaisal, "Role of Saudi Arabia in G.C.C.: Memoirs (Arabic)."
82 Ibid.
84 Munro, Arab Storm: Politics and Diplomacy Behind the Gulf War. 137.
Regarding the US request by Saudi Arabia to open up its territory as a temporary military base, Crown Prince Abdullah bin Abdul-Aziz expressed concern that no internal consensus had yet been built among key tribal and religious leaders with the power to sustain such a controversial decision, and thus, he sought more time to formulate a suitable response. However, with Iraqi troops at his doorstep, King Fahd did not have the luxury of time to build such a consensus,\(^8^5\) and therefore, approved the US deployment under the stipulation that it should not constitute a permanent presence, and that sensitivity should be shown toward the customs of the country. Vice President Dick Cheney offered repeated assurances that US forces would leave when asked and that they would maintain a discreet presence.\(^8^6\) In order to reassure the Kingdom that the US could be a reliable ally, Bush offered to show the Saudi Ambassador, Prince Bandar, top-secret satellite photos and US defence plans. Bandar duly went to the Pentagon, where the latest satellite images were revealed, showing that the Iraqis were on Saudi Arabia’s doorstep. As soon as Cheney expressed US willingness to help, Bandar asked, “Like Jimmy Carter did?”, and Powell and Cheney reassured him that this time, the US meant business. Bandar then enquired about the ‘size’ of this assistance. “All told”, Powell replied, “about one hundred thousand troops, for starters”.\(^8^7\) While Saudi Arabia attempted to dissolve the tensions and restore

\(8^5\) Anonymous, "Confrontation in the Gulf; King Fahd’s Speech to Saudis (Arabic)."


regional order, Iran expressed its intention, in both word and action, to relax the tension with Saudi Arabia in its own national interest.

Thereafter, Ali Valayati, the Iranian foreign minister visited Riyadh in April 1991, his two acknowledged objectives were to bring Iran into regional balance and to discuss Iranian pilgrims going to Mecca; Saud al-Faisal returned the visit in June of the same year, accompanied by the Minister for Oil, Hisham Nazir. The negotiations resulted in discussion of many of the same issues raised during Valayati’s visit to Riyadh. The Iranians used the crisis to broker agreements with Saddam, but they also opposed the Iraqi occupation of Kuwait and backed UN sanctions against Iraq.88

4.6 SAUDI-IRANIAN RELATIONS: THE SHIFT FROM CONFRONTATION TO COOPERATION, 1990–1991

The Kuwait Invasion, to some extent, changed the Gulf regional order and played an important role in shifting Saudi-Iraq relations, while crucially improving Saudi-Iranian relations, eventually also leading to the 2003 invasion. The invasion of Kuwait enabled Iran to recover economically from the Iran-Iraq War by improving its relations with Saudi Arabia and gaining it support within OPEC, and assisted in the repair of political ties with other Arab nations, the US, and others in the West. The process of improving relations continued until the 2003 Iraq invasion, when Iran allied with the US. Ultimately the replacement of the Ba’ath regime in Iraq, which saw a Shia government put in place,

fulfilled a clear Iranian aim of the Iran-Iraq War, for which so much had been sacrificed without the need to send a single soldier to Iraq.

Saddam Hussein’s act of betrayal, and subsequent willingness on the part of Saudi Arabia throughout the 1990s, to cooperate with any nation for the purpose of securing the stability of the country and the region, including Iran, will be further discussed in the Chapter 5. Thus, it is important to fully comprehend here the reasons why Saudi Arabia and Iran simultaneously changed their foreign policy in one another’s favour; i.e. ostensibly to confront a common enemy and greater threat to the region in the form of Saddam Hussein, the so-called ‘madman in the Middle East’89. After the Kuwait Invasion, the relationship between Iran under Rafsanjani, and Saudi Arabia and its partners within the GCC improved, despite the residual and persistent voice of hostility directed towards Saudi Arabia and the other Arab states of the Gulf after the death of the supreme leader Khomeini 1989.90

In September 1991, the foreign minister of Saudi Arabia and the GCC countries met Ali Akbar Valayati in New York during the annual UN General Assembly.91 They participated in discussions relating to Gulf security, including Iran’s role therein and, in particular, the topic of cooperation between Iran and the GCC. The meeting encouraged the GCC foreign ministers to undertake negotiations to establish a framework to strengthen their relations.92 Saud al-Faisal told reporters immediately after the first meeting that if the

92 AlFaisal, "Role of Saudi Arabia in G.C.C.: Memoirs (Arabic)."
current positive steps in diplomacy with Iran continued, Iran and the GCC could continue to develop a mutually beneficial relationship during the 1990s.93

Although there was competition between Iran and Saudi Arabia over a wide range of issues, including economic affairs, oil, dominance in the Gulf, religion, the rising impact of Central Asia and Africa, and relations with the West, both countries have managed to maintain the working relationship forged during the Kuwait crisis. Iran’s foreign minister, Ali Akbar Valayati announced in 1991 that ‘economic consideration overshadows political priorities’, he also stated during an interview in 1993 that the two nations were at a level of ‘confidence-building’, and he expressed his hope that they would patch up their differences and not be satisfied with the slow pace of progress in this direction. Although no dates had yet been given, he expressed optimism about another Iranian-Saudi summit, both regional powers having shown their intention to cooperate.

Despite the ongoing competition between Iran and Saudi Arabia over a wide range of issues, including economic affairs, oil, dominance in the Gulf, religion, the rising impact of Central Asia and Africa, and relations with the West, both countries managed to maintain the working relationship forged during the Kuwait crisis. Iran’s foreign minister, Ali Akbar Valayati announced in 1991 that “economic consideration overshadows political priorities”94, he also stated during an interview in 1993 that the two nations were at a level of confidence-building95, and he expressed the hope that they would patch up their differences and not be satisfied with the slow pace of progress. Although no dates had yet

93 Ibid.
95 Reza Ekhtiar Amiri, Ku Hasnita Binti Ku Samsu, and Hassan Gholipour Fereidouni, "Iran’s Economic Considerations after the War and Its Role in Renewing of Iran-Saudi Diplomatic Relations," CROSS-CULTURAL COMMUNICATION 6, no. 3 (2010). 52.
been given, he expressed optimism about a future Iranian-Saudi summit, and both regional powers showed their intention to cooperate.

4.7 Conclusion

Although during the Iran-Iraq War Saddam Hussein had failed to achieve his set of objectives, he had displayed a regional military might that provided Iraq with regional leverage. However, the economic cost and financial ruin brought by the war compelled Iraq to recover its losses; Saddam believed this could be achieved by occupying Kuwait. However, his actions brought economic deterioration for Iraq, chaos to the oil market, and more importantly, destroyed the regional balance of power, as his aggressive action in Kuwait united the world against Iraq. Saddam failed to realise that his invasion of Kuwait would not only incur serious condemnation from the majority of Arab states, the West, and the UN, but would also result in a direct military coalition operation comprising a 34-nation force authorised by the UN under Resolutions 660 and 678.96

The Iraq-Kuwait crisis during the first half of August 1990, and the instant and intense international response not only precipitated an unprecedented crisis, but also caused far-reaching convulsions on the international stage. The crisis influenced and effected the United Nations (UN) system and power equilibrium, and the existing social and economic structures of the region. The crisis generated fresh challenges demanding policy adjustments by powers throughout the Gulf region, including Saudi Arabia and Iran. These

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adjustments endured, partly because Saddam was left in power following the withdrawal of his troops from Kuwait, until the US invasion of Iraq in 2003.

This chapter has described how the 1990 crisis was the culmination of a long standing dispute between Iraq and Kuwait, as a means to explain that deep-rooted issues provoked Iraq to enter Kuwait. Iraq had long considered Kuwait part of its own territory and had planned to benefit strategically from possession of it. In addition, arguably the refusal of Iraq’s creditors to write off its debts following the Iran-Iraq War also prompted his actions. He had been convinced that Iran was a shared enemy, and that by taking on this enemy he had sacrificed his economic independence to benefit other states. Disputes regarding the oil price were another major factor. Saddam attempted to increase his oil revenue by driving up oil prices but was thwarted by Kuwait and the UAE. He raised controversial claims concerning slant drilling in the Rumaila oilfield, to justify the invasion of his neighbour. Certainly, Kuwait’s overproduction and sale of oil and petroleum products on world markets left the other members of OPEC with relatively little income and poor profit margins, which was problematic for debt-ridden Iraq. Saddam Hussein’s motives can be understood as subjective, economic, and geopolitical.

As this chapter has shown, the Kuwait Invasion heralded a new era for both Saudi Arabia and Iran, whose relationship subsequently improved during the 1990s. This was very much due to Iran’s new, and more moderate leader Rafsanjani, and Iranian resentment of Saddam. It was one of the main factors in Saudi Arabia-Iran rapprochement as will be discussed in the next chapter, as was Saddam’s continuation in power following ‘Desert Storm’.
CHAPTER 5

The Saudi-Iranian Rapprochement

5.1 INTRODUCTION

As previously mentioned in Chapter 1, Saudi Arabia and Iran enjoyed five decades of friendly relations based on mutual respect and cooperation to serve their respective nations between 1929 and 1979. In 1979, the Iranian revolution marked a downturn in the two countries’ diplomatic relations, and the Iran-Iraq War from 1980 to 1988 further fuelled the rivalry between the two nations. However, at the end of the Iran-Iraq War in 1988, the victory of reformists’ in Iran paved the way for cooperation and a period of rapprochement was initiated. Subsequently, the 1990s witnessed transformations across the global and regional scene, which brought Saudi Arabia and Iran closer together, as they realigned their foreign policies.

During the 1990s, many factors were at work transforming Saudi-Iranian relations, including the common ground discovered when Iraq invaded Kuwait referred to in the previous chapter; the death of Iran’s supreme leader Khomeini; the material needs of Iran after the Iran-Iraq War; and the collapse of the USSR. All these factors dramatically changed the configuration of global politics as the world became unipolar. The aim of this chapter is to illustrate how Saudi-Iranian bilateral relations became increasingly cooperative during the 1990s. The thawing of this bilateral relationship paved the way for stability and peace for the rest of the Gulf region.

This chapter begins by first analysing the reasons informing the change in Saudi-Iranian relations. The policies adopted by Iranian Presidents Rafsanjani and Khatami will be discussed first; then, Saudi Arabia’s response to Iran’s changing attitude and policies
will be examined. Saudi Arabia is a very influential member of the GCC, holding special relationships with the EU and the US; thus, in order to provide a global context for the changes in Iranian policies, Iran-GCC, Iran-US and Iran-EU relations will also be examined, to better understand the changing character of Saudi–Iranian relations.

5.2 The Rapprochement

A study of the post-1979 Iranian constitution demonstrates that aversion to the West (the US in particular) influenced the export of the revolution (to free Muslim countries from the oppressors) as the lynch pins of Iranian foreign policy. During the Khomeini era, Iranian foreign policy was ideologically driven and based on a Shia interpretation of Islam.¹ In addition, since 1979, Saudi foreign policy towards Iran had been based on hostility. For example, King Fahd had reportedly stated that Iran had committed repeated acts of aggression against Saudi Arabia, mistaking patience with Iranian infringements on Saudi territory and commercial interests as acquiescence.²

After Khomeini’s death on 3 June 1989, Ali Hosseini Khamenei, who was president from 1981 to 1989, became the second supreme leader of Iran; he also became the Wali-e faqih. In Shia theology, the guardian is the ruler of the land and has unlimited authority. In this type of theocratic guardianship (Wilayat al-Faqih), no political decision is legalised unless agreed by the Wali-e faqih, who is the supreme leader according to the Iranian

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¹ Amineh, The Greater Middle East in Global Politics: Social Science Perspectives on the Changing Geography of the World Politics. 148.

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On 3 August, 1989 Akbar Hashemi Rafsanjani was promoted from Speaker of the Houses of Parliament, becoming the 4 President of the Islamic Republic of Iran (IRI). This change in the leadership in domestic politics in Iran after Khomeini’s death, contributed to the rapprochement. There was rivalry between the Supreme Leader and the President, and between the Majlis and the Council of Guardians. After years of theocratic foreign policy, based on the policy of ‘rejection’, Rafsanjani sought to establish good relations with the Arab countries, especially with Saudi Arabia. Arguably, chief among Rafsanjani’s motives was economic development, as he sought to invite international investment.

In September 1990, Saudi Arabia’s foreign minister, Prince Saud al Faisal, and Iran’s foreign minister, Ali Akbar Valayati, met in New York to discuss the resumption of bilateral diplomatic relations. It has been claimed that the meeting was the direct result of mediation by Syrian President Hafez Assad, Iran’s main Arab ally. It was the first time high-ranking politicians from the two nations had met since Saudi Arabia broke relations on 26 April 1988, following the Hajj incident in 1987 (discussed in Chapter 2), when the Iranian establishment backed politicisation of the Hajj to promote Iran’s separatist agenda. It was also the most positive sign that the two nations could be moving toward a rapprochement, under the influence of a shared need to respond with unity to Iraq’s

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8 Ibid. 31.
invasion of Kuwait in 2 August 1990. During this era, President Rafsanjani, a pragmatist, directed Iranian foreign policy, emphasising confidence building as a key component of Iran’s attitude towards neighbouring countries. Iran made drastic changes to its foreign policy, and started to focus on regional confidence building and détente.

Due to ill health, King Fahad delegated his responsibilities to Crown Prince Abdullah (later, after the death of Fahd he became King Abdullah). During the 1990s, the late King Abdullah became the foreign policy chief in Saudi Arabia. This was regarded as the point at which Saudi Arabia embarked on rapprochement, since Crown Prince Abdullah’s foreign policy towards Iran was more proactive than King Fahd’s ‘careful’ one. In the nine years from 1996 to 2005, Saudi foreign policy was remoulded according to the new King’s more ‘active’ attitude towards Iran. The December 1997 OIC summit in Tehran, which the then Crown Prince Abdullah supported, was seen as marking the thaw in the Saudi-Iranian relationship, as did the visit of former President Rafsanjani in 1989. Indications of King Abdullah’s ‘active’ attitude towards Iran can be traced back to the late-1980s, when he made overtures to reconcile the GCC states’ relationship with Iran. Soon after the end of the Iran-Iraq War Iran sent ‘friendly’ overtures, but the Saudi government reacted cautiously, and did not respond until March 1991, when Valayati visited Jeddah. From 17 to 19 March 1991, the Iranian foreign minister Ali Akbar Valayati visited Saudi Arabia, and met his counterpart, Prince Saud al-Faisal, in Jeddah. Valayati stated: “The Kingdom of Saudi Arabia and the Islamic Republic of Iran have reached understanding on solving all problems between them and will be restoring diplomatic ties within the next 48

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9 Harvey Sicherman, ‘King Fahd's Saudi Arabia’ (American Diplomacy, August 2005)
10 T.Hunter, Iran’s Foreign Policy in the Post-Soviet Era: Resisting the New International Order. 197.
11 Chubin and Tripp, Iran-Saudi Arabia Relations and Regional Order. 8-10.
hours”. After the meeting a joint statement was issued, which touched on the question of the Hajj, and bilateral ties in a positive framework, and an understanding in principle was reached between the two sides. The, then, Crown Prince Abdullah later met with President Rafsanjani in December 1991 in Senegal, when both attended the OIC meeting, marking the first meeting between the heads of states of the two countries since 1979.

Prior to these meetings, the earthquake, which hit Iran on June 21 1990 provided the Saudi leadership, and the wider GCC community, with an opportunity to demonstrate their solidarity by sending large-scale medical and relief supplies to Iran, expressing their compassion and willingness to help. In June 1991, Saudi foreign minister Prince Saud al-Faisal visited Tehran, marking the first visit to Iran by a senior Saudi official since the revolution. President Rafsanjani received him warmly and commented that political and economic Saudi-Iranian collaboration would bring “important consequences for the whole Islamic Umma” (the nation). Iran demonstrated its sincerity to Prince Saud al-Faisal by promising that Iran would not support any destabilising activities among other GCC members in the future. Rafsanjani’s promise was crucial in gaining the Saudis’ trust, and it was believed that the Islamic Republic was ready to relinquish its ideological determination to export the revolution, and to begin to take care of its national interests.

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13 Ibid.
15 Marschall, Iran's Persian Gulf Policy: From Khomeini to Khatami. 104.
16 Al-Suwaidi, Iran and the Gulf: A Search for Stability. 145.
pragmatically. Consequently, in July 1991, the two countries’ relationship was characterised as ‘excellent’.

This process rapprochement and harmony was further encouraged when in January 1995, during the Arab interior ministers’ summit in Tunis, Saudi Interior minister, the late Prince Naif, stated that Iran is a powerful Islamic neighbouring country. He further stated that all the member countries of the GCC view Iran through the same lens, and declared his intention to normalise the Saudi-Iranian relationship. On 31 January 1995, the Iran News Agency published an article entitled “Improving relations with Saudi Arabia will benefit all the states in the Gulf region”. This friendly gesture seems to have been a positive reaction to Prince Naif’s friendly statement. Following high-level mutual acknowledgement of a desire for good relations, a number of official visits and meetings were held with rewarding outcomes.

On 8 December 1997, King Abdullah, (then Crown Prince) visited Tehran, the first high-ranking Saudi leader to visit Iran since 1979, to attend the OIC summit. During this trip late King Abdullah had two rounds of one-to-one talks with Iranian president Khatami, one of the meetings took place in the President’s suite and lasted for 45 minutes. The King also praised the Iranian people and their contribution to strive to strengthen the unity of the Muslim world. He further advised Iran to resolve its differences with US, by stating that it

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18 Furtig, Iran’s Rivalry with Saudi Arabia between the Gulf Wars. 105.
19 Al-Suwaidi, Iran and the Gulf: A Search for Stability. 145.
would not be difficult for the brotherly Iranian people and its leadership to reach an agreement and resolve their differences with the US. Late King Abdullah’s visit, especially his meetings with President Khatami, laid the foundation for a new page in the history of Saudi-Iranian bilateral relations. It preceded many high-level visits, as officials moved between Riyadh and Tehran. Officials on both sides stressed the need for a fundamental change in bilateral relations. During this period some visits left a lasting impact on bilateral relations; e.g. (i) Iranian president Hashmi Rafsanjani’s visit to Riyadh, (ii) Saudi defence minister Prince Sultan’s visit to Tehran, (iii) President Khatami’s visit to Riyadh, (iv) Ali Shamkhani, the Iranian defence minister’s visit to Riyadh, and (v) Prince Naif Bin Abdulaziz’s (Saudi interior minister) visit to Tehran.

On 21 February 1998, Iranian President Rafsanjani visited Riyadh in what Saudi Arabia’s ministry of foreign affairs termed a ‘highly significant’ visit. King Fahd said of President Khatami’s ‘ground-breaking’ visit to Saudi Arabia, that “the door is wide open to develop and strengthen relations between the two countries in the interests of the people of the two nations and the wider Muslim world”. In April 2000, Iran’s Defence Minister, Ali Shamkhani made a ‘landmark’ visit to Saudi Arabia, and, together with his counterpart, Prince Sultan, they “pledged to work for stronger regional cooperation and better relations between Iran and the United Arab Emirates”, and in April 2001, Saudi Minister of the Interior, Prince Naif, visited Tehran for two days. In addition to these high-level official

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23 Ibid. 45.
25 Ibid. 42.
26 Ibid. 67.
27 Ibid. 114.
visits, ministerial-level visits by ministers of education, justice, cultural and Islamic affairs, agriculture and transportation also took place. During these meetings the operating protocols for a variety of different agreements were approved.

These visits provided the necessary impetus to strengthen ties between the two nations and as a direct outcome of these visits, and with effort from both sides, a number of joint organisations were founded. For example, A Joint Economic Commission and a $15-million joint industrial committee were established, and direct flights between the capitals were approved. Based on a signed memorandum of understanding, a Joint Council of Businessmen was planned to help further boost bilateral commercial and trade connections, and mutual trade reached $550 million. The two countries were also working on increasing commercial exchanges and better facilitation of business visa applications.

1998 and 2001 were milestones years in the Saudi-Iranian rapprochement, as both countries signed landmark agreements, such as Cooperation Agreement of 1998 and the Security Accord of 2001. These agreements were not easy to achieve; indeed, the Cooperation Agreement of 1998 was only signed after the leaders of both countries, and the relevant officials, made diligent efforts through a number of mutual visits and meetings.

Despite these clearly positive changes in Saudi-Iranian relations, it should be understood that some issues remained unresolved. First, there was the Palestinian-Israeli

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peace process, in which the two countries took opposing positions. Saudi Arabia called for a resolution through dialogue, while Iran insisted on using force to liberate Palestine. In October 1991, during and after the Madrid Conference, which was aimed at solving the issue peacefully, and under great pressure from Iranian radicals such as Mohtashami and Ali Khomeini, Rafsanjani stated that, “Muslims will rise up against the Israeli mischief, and America will be left with spite and hatred forever”. He also warned that the Palestinian-Israeli peace process might become an obstacle to Saudi-Iranian security cooperation in the region.

It seems that during this rapprochement period Iran recognised the importance of the role of Saudi Arabia in the Gulf region and Muslim world. In particular, it accepted that in order mend its relations with the GCC countries and the Arab world it needed Saudi Arabia on its side. This marriage of convenience was based on Iran’s economic needs and a desire to escape isolation, and Saudi Arabia’s ambition to improve relations with its own Shia community. This change in attitudes in both countries paved the way for cooperation and strengthened bilateral diplomatic relations.

However, as discussed earlier, since the 1979 revolution the Iranian political system has been replete with internal conflicts and contradictions, something that not just Iran’s own politicians, but also outsiders, had to grapple with. The radicals, conservatives, moderates, and pragmatics have different worldviews. According to Iran’s constitution, it

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32 Ibid.
is the responsibility of the President to manage the nation’s domestic and foreign policy. However, he lacks the mandate to set ‘general guidelines’ for the country, because only the Wali-e faqih, at present Ali Khamenei, can authorise and approve guidelines.33

Furthermore, the reformists foreign policy strategy, based on the tenet of “both North and South” to replace Khomeini’s “Neither East, nor West”34 has pervaded Iran’s policymaking structures, and led to conflicts in the country’s domestic and foreign policy. This dilemma, where it affected foreign policy, was a major challenge in relations with Saudi Arabia, and characterised relations in the country throughout the late 1990s.

Cubin and Tripp argued that relations between the two countries were characterised by fluctuations in pacifying voices, qualified campaigns of aggressive propaganda and direct moves to injure one another’s interests.35 According to Barzegar, Iran’s foreign policy under the reformists was principally based on trust building and détente in the region, as well as on seeking better relations with the Arab world.36

5.3 CONFIDENCE-BUILDING: RAFSANJANI’S POLICY TOWARDS SAUDI ARABIA: 1989-97

After the March 1991 re-establishment of formal diplomatic contacts between Saudi Arabia and Iran, Tehran was eager to reassure Riyadh, and its other regional neighbours of its new foreign policy, which differed from that during the Khomeini

34 Rouhollah K Ramazan, "Iran’s Foreign Policy: Both North and South," Middle East Journal 45, no. 3 (1992), 393-412.
35 Chubin and Tripp, Iran-Saudi Arabia Relations and Regional Order. 19
36 Barzegar, "Iran’s Foreign Policy in Post-Invasion Iraq."
period.\textsuperscript{37} Saudi Arabia, in turn, appreciated the domestic Iranian factors that had influenced the government’s foreign policy since 1990s.\textsuperscript{38} Under Rafsanjani’s leadership, a different atmosphere was palpable in both the domestic and foreign policies of Iran, and consequently in the relationship with Saudi Arabia, which was predicated on the elimination of war and the minimisation of primary revolutionary conditions. Rafsanjani’s foreign policy strategy was also based on the principle of respect for territorial integrity; as well as on respect for the social and religious values of other peoples, he emphasised a belief that all the regional powers would need to cooperate to strengthen the Gulf region.\textsuperscript{39} As a first step, Rafsanjani agreed to ensure that Iranian pilgrims would not incite disturbances during the Hajj.\textsuperscript{40}

Throughout the 1990s, Iran lacked radical revolutionary zeal, and did not engage in conflict with any regional Arab countries; any conflict would certainly have been viewed as a threat to the Saudi Kingdom. The minimisation of Iran’s revolutionary propaganda provided better conditions for the mending of the previously fractured relationship between the two countries and the receding of problematic factors in the second decade of the revolution, opened the way to rapprochement. Iran’s new foreign policy, led by Rafsanjani, is best described as pragmatic, or one of ‘geopolitical realism’; i.e. focused more on national interest and international realities than on ideology and replaced Khomeinism. In short, pragmatists and moderates attempted to understand the reality of the international

\textsuperscript{39} India. Ministry of External Affairs, \textit{India Perspectives} (PTI for the Ministry of External Affairs, 1995). 17.
\textsuperscript{40} Banafsheh Keynoush, "The Iranian-Saudi Arabian Relationship: From Ideological Confrontation to Pragmatic Accommodation" (Tufts University, 2007). 157.
system, as well as Iran’s position within that system, in contrast to actions during the first decade of the revolution when the country was led by conservatives.

After 1991, the moderates of Iran aimed to distance themselves from militant and revolutionary zeal, no longer questioning Saudi Arabia’s Islamic leadership role in the way that they had during the 1980s. President Hashemi Rafsanjani took advantage of this change and attempted to improve Iran’s relations with other countries, by taking a neutral position on the Second Gulf War 1990 to 1991. During his presidency, Iran tried to diffuse tensions with its Arab neighbours.⁴¹ Tehran also stopped launching attacks on the Saudi rulers, and on other Gulf monarchs, and eased back on encouraging unrest and violence in the region, ending support for rioters and protesters during the Hajj, and sought to work with UAE regarding the sovereignty of disputed islands. Such actions were described as a change to Iran’s dominant discourse.⁴² Nonetheless, some of the fundamental causes of tension between the two countries had not changed since 1979 and from time to time rifts opened up. For example, the relations between Iran and the GCC worsened in 1992 due to the issue of the UAE islands.⁴³

It is worth noting that President Rafsanjani also promoted a de-Arabisation principle, to balance his foreign policy commitments. This principle was presented as a way to further growth and progress in Iran. In order to strengthen Iran’s role and build bridges with the Gulf, the Rafsanjani government strove to strike a balance between those

⁴³ Furtig, *Iran’s Rivalry with Saudi Arabia between the Gulf Wars*. 179.
for and against de-Arabisation. In general, Iran’s regional policies and ambitions, even during Rafsanjani’s presidency, were similar to those of the Shah in the 1960s and 1970s, particularly when it came to enhancing Iran’s role in the region and the wider Arab world. In November 1991, Rafsanjani recommended a shared regional market for economic and technical collaboration between the GCC countries and Iran, just as the Shah had proposed in 1960s. This would probably have indirectly resulted in a comprehensive security package.

All of the political elite in Iran, despite their different factional backgrounds, supported this proposal. There was even some debate regarding whether the US might be included in the plan. The supreme leader Ali Khamenei and President Rafsanjani’s departure from Khomeini’s radical foreign policy was an important step toward convincing Saudi Arabia that Iran had perhaps changed.

Nonetheless, some events, which occurred in the mid-1990s, undermined the apparent attempts at rapprochement of the Iranian leadership. Bahrain announced the capture of coup plotters reportedly been trained by Hezbollah, the Iran’s proxy in Lebanon, and Iran’s Islamic Revolutionary Guards Corps (IRGC). The same year also saw the bombing of Al-Khobar Towers in Saudi Arabia, purportedly by members of an Iran-trained Hezbollah cell. Indeed, a possible manifestation of the improvement in relations between the two nations was Saudi Arabia’s rejection of US accusations of Iranian involvement in the bombing of Al-Khobar Towers. The Saudi Interior Minister, Prince

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46 M. Mahtab Alam Rizvi, "Velayat-E-Faqih (Supreme Leader) and Iranian Foreign Policy: An Historical Analysis," STRATEGIC ANALYSIS 36, no. 1 (2012).
Naif, rejected a US report, insisting that no evidence had been found in the Kingdom that was sufficient to accuse any specific party as responsible for the incident. The following day, Iran denied US accusation, denouncing it as aimed at souring Saudi-Iranian relations. Saudi Arabia’s unwillingness to accuse Iran of being the state sponsor of the bombing of the US Compound at Al-Khobar Towers without clear evidence was taken as a sign of goodwill by Iran.

As mentioned previously, during Hashemi’s presidency (from 1989 to 1997) efforts were made in Iran to downscale its revolutionary Khomeinist aspirations as created by Khomieni in 1979. In other words, Hashemi Rafsanjani attempted to take decisions on the basis of more realistic grounds based on pursuit of the national interest, rather than on revolutionary ideological grounds. Hashemi Rafsanjani understood the importance of non-interference in Saudi Arabia and other Arab states in the Gulf. Iranian offers of support, and Saudi refusal to blame Iran without evidence marked a subtle shift from open rivalry to friendlier relations. From Riyadh’s perspective, removal of the greatest threat in the region in the form of cooperation with Iran certainly conformed to its national interest, although this was achieved at a cost.

Although Rafsanjani’s term as president ended in August 1997, as head of the Expediency Council, he continued to play an important role in strengthening the relations between Iran and Saudi Arabia, even during Khatami’s presidency. Rafsanjani’s visits to

Saudi Arabia after his presidency established greater cooperation and involved to attempts overcome distrust that were ever more serious. The King and Crown Prince received him with honour on his visit in 1998 (an honour not accorded to the US Secretary of State Madeleine Albright who had visited two weeks earlier), and he spent fifteen days in the Kingdom. The visit was described by the Iranian embassy in Riyadh as being for the purposes of “entering into mutual ties”.\(^\text{50}\) The outcome of the visit was regarded as fruitful and positive in further shaping Saudi-Iranian ties in three areas: Iran’s reallocation of OPEC quotas for oil production; economic collaboration and the “establishment of a regional security alliance”.\(^\text{51}\) Soon after Rafsanjani’s visit, a Comprehensive Cooperation Agreement was signed on 27 May 1998 in Tehran, by the visiting Saudi foreign minister Saud al-Faisal and his counterpart in Iran, Kamal Kharrazi.\(^\text{52}\) Following the former president Rafsanjani’s visit, Iran’s President Mohammad Khatami also visited Saudi Arabia in May 1999. President Rafsanjani and President Khatami can be seen as pragmatic realists, willing to work cooperatively to consolidate power at home and balance power abroad.

These meetings and agreements reveal that despite the special relationship between the US and Saudi Arabia, the Saudis were critically aware of the fact that the US is geographically distant and might come and go as a friend and business partner, but that

\(^\text{50}\) Jaffer Abdullah Alhaqan, "Rafsanjani's Landmark Visit to Saudi Arabia (Arabic)," *AlRiyadh Newspaper*, February 08, 1998.


Iran is a close neighbour whose presence will endure. It seems that, as mentioned previously, diplomatic gestures by Saudi Arabia towards Iran found favour with the Iranian conservatives, prompting a softening of their attacks on Saudi’s pro-US policy, smoothing away the internal obstacles to a Saudi-Iranian rapprochement, and calming domestic rebellion by the Saudi Shia community.

During this phase of bilateral relations, Saudi Arabia also extended a helping hand to assist Iran in playing a more active role on the international stage; e.g. King Abdullah gave his unequivocal support to Iran’s presidency of the OIC.

5.4 Khatami’s New Policy Towards Saudi Arabia 1997–2001

It should be noted that, from the outset of Khatami’s presidency there was no difference between Rafsanjani and Khatami’s doctrines on foreign policy. Khatami was a member of Rafsanjani’s reformist group and promoted the Rafsanjani line in two regards; firstly with Saudi Arabia and secondly with his policies in the region’.

Khatami became president on 23 May 1997 and his term ended on 3 August 2005 when he stepped down. After Rafsanjani Presidency, Khatami pursued the foreign policy directed at confidence building and amicable relations with Saudi Arabia initiated by Hashemi Rafsanjani with even greater success because he possessed the right cultural background. On the domestic front, Khatami was considered as a moderate and a reformist. During his tenure as Minister of Islamic Guidance and Culture, from 1981 to 1992, he
actively supported removal, or at least reduction in, censorship and legal controls over social behaviour. He also advocated changes in areas such as women’s rights and freedoms, and pursued better relations with the West.\textsuperscript{53}

The words and actions of Khatami engendered a suitable atmosphere for confidence-building and improved relations between Iran and Saudi Arabia, which eventually contributed to cooperation on security matters. It was evident that Khatami’s foreign policy was no longer aimed at recovering from domestic economic crises but at addressing internal political issues.\textsuperscript{54}

During Khatami’s tenureship as president, key positive developments were seen in the foreign policy arena that impacted Saudi-Iranian relations.\textsuperscript{55} For instance, verbal attacks and propaganda decreased, as they had in the time of Ali Akbar Hashemi Rafsanjani’s presidency, but even more significantly. Khatami’s adoption of détente as the main driver of foreign policy improved Iran’s relations with its Gulf neighbours, particularly with Saudi Arabia. In contrast with the situation in the 1980s, where the two countries had worked at cross-purposes in the economic and political realms, the new accord helped them focus on cooperation, instead of competition, between their regions and beyond.\textsuperscript{56} The détente led to a more open atmosphere within the country in terms of

\textsuperscript{54} Ervand Abrahamian, History of Modern Iran (Cambridge: Cambridge University Press, 2008).
political development than there had been during president Rafsanjani’s time. As a result, he inspired a positive response in both Arab and European countries, and mutual trust between Iran and GCC improved during this period. His call to establish trust was welcomed by Saudi Arabia and neighbouring countries. Since Khatami’s mild manner and eloquence served to reassure Arab leaders that Iran was no longer bent on regional dominance.

Several senior Saudis regarded Khatami’s presidency of Iran as a sign that Iran was on point of developing into a country that Saudi Arabia could do business with.\textsuperscript{57} This perception was based on the signals being given by the new Iranian government, which was concentrating on issues furthering their best domestic, economic interests and the interests of the people, instead of revolutionary and ideological ambitions. Furthermore, there was a belief that if Saudi Arabia could help Iran to achieve better relations with the wider Arab world, based on Iran’s implicit undertaking of non-interference in the internal affairs of Saudi Arabia and the other Arab states of the Gulf, and the easing of its revolutionary slogans, then a mutually beneficial agreement might be possible. This would be an agreement with the aim of accommodating each other’s needs and strengthening the ties between the two countries.

In response to Iran’s new approach, Jamil al-Hujailan (a high ranking official from the Saudi Ministry of Foreign Affairs and former head of GCC) indicated that new signs

of a possible thaw in relations with Iran encouraged the other Gulf States, who welcomed the new trend in relations. He added, “Iran is a strong neighbour and its conviction on the need to cooperate with the GCC is important to stability in the region.” This new spirit of cooperation led to Iran and Saudi Arabia cooperating to try to persuade OPEC to cut back on oil production in June 1997. Saudi Arabia’s Minister of Defence, Prince Sultan, stated in July 1997, “ties between Saudi Arabia and Iran will never be severed.” Meanwhile in July 1997, the minister of state, Abdulaziz bin Abdullah al Khoweiter was sent by King Fahd to visit Tehran with messages from the King and Crown Prince Abdullah.

As mentioned previously, following the meeting of Saudi Crown Prince Abdullah and his foreign minister in Senegal (December 1991), Pakistan (March 1997) and Iran (December 1997), Saudi participation served to further reconciliation between Iran and Saudi Arabia. Khatami was keen to utilise the Tehran-Riyadh rapprochement to seal his preliminary foreign policy initiative with his Arab neighbours and the West. This reconciliation received further applause when the GCC leaders, meeting for their annual summit on the 20 December 1997, acknowledged the Iranian Government’s intention to open a new page in its relations with the GCC member states. At the end of May 1998, foreign minister Prince Saud al-Faisal visited Tehran where he signed a wide-ranging

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60 Ibid. 47-49.
agreement covering economic, cultural, trade, science, technology and sports issues. Surprisingly, the agreement also covered bilateral investments, targeting industry, mining, transport, petrochemicals and tourism as sectors for possible cooperation. This accord followed an understanding on 24 May 1998 concerning industrial and technical cooperation, which considered the possibility that Saudi Arabia would participate in the construction of oil and gas pipelines between Iran and India and in joint-venture power generation projects.  

Following these high-level connections, the new understanding that emerged shaped the Saudi response to Iran’s successful test of a Shehab-3 medium-range missile in July 1998. Indeed, when Tehran claimed that its missile capability was purely for defensive purposes, and not as foreign commentators suggested targeted against Saudi Arabia and Turkey, Riyadh accepted this interpretation. This shows the Saudi leadership’s desire to continue to develop further cooperation.

A two-day visit to Iran in April 1999 by Saudi foreign minister Prince Saud al-Faisal further improved relations between the two countries. In May 1999, Saudi Defence Minister Prince Sultan visited Iran; the first visit by a Saudi defence minister to Iran since 1979. Prince Sultan and Iranian vice-president Hassan Habibi discussed upgrading trade and cultural ties, and signed an agreement to increase flights between the two countries. As a result, President Khatami made a landmark visit to Saudi Arabia on May 1999. In

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63 Ibid.
April 2000, Iran’s minister of defence Admiral Shamkhani visited Saudi Arabia, and the two sides discussed the signing of a security agreement. The Saudi minister of interior Prince Naif said that the security pact, then under discussion, was mainly directed at fighting terrorism.64

Following a two-year negotiation period, a historic security cooperation agreement was signed by Saudi Arabia and Iran on the 18 of April 2001 during Prince Naif bin Abdulaziz’s visit to Tehran. Prince Naif and his 130-strong delegation, reiterated that the agreement constituted a framework for cooperation between the two nations in different areas of common interest, including combating terrorism and various types of crime such as money laundering and drug smuggling.65 Prince Naif further described the significance of the agreement: “the region should enjoy full security and the agreement should benefit the whole region”.66 The agreement was regarded as a natural spill over from economic cooperation to security cooperation. The significance of the agreement lies in the fact that it constituted a historic landmark in the two countries’ diplomatic relations. Unfortunately, events such as 9/11 and the US invasion of Iraq, which once more dramatically altered Saudi-Iranian relations, intervened before this accord could be put into effect on the ground.

66 Amiri and Samsu, "Security Cooperation of Iran and Saudi Arabia."
The Saudi King and the Crown Prince in Saudi Arabia received Iranian President Mohammad Khatami warmly in May 1999. The aims of this visit were mainly to develop cooperation in the areas of ‘socio-cultural’ coordination, security collaboration and on an approach to Iraq after the Gulf War. In the same year, King Fahd of Saudi Arabia urged the other Arab countries in the Gulf to work to repair their relations with Iran. A series of security agreements to consolidate positive ties were signed the following year.

The visit was the culmination of two years careful diplomacy. Saudi foreign minister Prince Saud al-Faisal described the meeting as excellent, but added much work was required to rebuild trust further between the two governments. According to Iranian foreign minister Kamal Kharrazi, the talks focused on oil and economic cooperation. Khatami stated that relations were growing day by day between the two countries. The Saudi news agency reported his invitation to King Fahd to return to Iran. Prior to Khatami’s visit, Iran had intensified its efforts to convince Riyadh to join a common security pact comprising all the Gulf States, a pact that would obviate the need for the US military presence in the Gulf region and thereby facilitate Iranian hegemony. Although Riyadh avoided approving Tehran’s plan by hinting that such a system was premature, the aforementioned Saudi defence minister, Prince Sultan’s visit to Tehran in May 1999 made it evident that a limited rapprochement between Riyadh and Tehran had been set in motion.

Another important indicator that the relationship had truly improved came in February 1998, in the form of evidence of cooperation during the annual pilgrimage to Mecca based on Islamic teachings. Thus, Saudi Arabia increased the quota for Iranian
pilgrims, and both Saudi Arabia and Iran made efforts to ensure the Iranians could perform the Hajj peacefully. For instance, in March 1998, when some Iranians made complaints, Abdollah Nouri, the Iranian interior minister flew to Saudi Arabia immediately to resolve the issue with his Saudi counterpart Prince Naif. This shows that this period was a period of cooperation and understanding between these two regional powers; one quite unlike the Khomeini period, which had negatively affected the relations between these two regional powers. Nonetheless, the supreme leader in Iran, Ali Khamenei did state that Iranian pilgrims should continue “as far as possible” to hold their anti-Western “Disavowal of Infidels’ rally” during the Hajj, an event which had caused serious friction in the past. Furthermore, speaking to Iran’s top Hajj officials, Khamenei praised the pilgrimage as “very good and successful … and performed in peace and without apprehension” and also said “we do not give up our basic beliefs at any price and cannot forgo the Disavowal at Hajj ceremonies, we try rather to perform it as much as possible”.67 His words may have been largely to ensure greater support from the conservatives and Khomeinists within Iran. He went on to say that ties with Saudi Arabia were ‘good’, and expressed his hope that political relations would improve “day by day within an acceptable framework.”68

However, despite the infighting and ideological differences between Iranian reformists and idealists Saudi Arabia and Iran made progress, and their bilateral relations were strengthened further. There were multiple efforts that took place via back door

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68 Ibid. 48.
diplomacy, and officials from both sides exhibited the requisite sincerity to bring the two nations together. Nonetheless, regardless of the overall rapprochement between Riyadh and Tehran, the Iranian threat to Saudi Arabia and the smaller Gulf States endured, essentially due to internal political conflicts between the moderates and the conservatives in Iran, which had remained relatively unchallenged since the 1979 revolution. The conflict between conservative forces and President Mohammad Khatami’s government paralysed Iranian foreign policy for much of 1998. Although it is true that throughout both the Mohammad Khatami and Hashemi Rafsanjani presidencies, from 1990 to 2001, the reformists had louder voices, domestically and internationally, this should not be regarded as a fundamental change in Iranian political ambitions, as articulated after the Islamic Revolution. Instead, it was a result of the huge human and economic cost of the Iran-Iraq War and the aftermath of the death of Khomeini himself.

In summary, foreign policy during the Rafsanjani and Khatami periods can be understood as driven purely by pragmatism. The reformists tried not to debate issues such as WMD, terrorism and the Palestine-Israeli conflict with the conservatives as they held different views on how to achieve their goals in these areas; they preferred to win internal cooperation for a foreign policy designed to serve their internal economic needs, and to implement moderate domestic reforms such as enhancing women’s rights and freedom of speech. The conservatives hesitated to endorse alterations to foreign policy, and criticised alleged reforms as counter to Islamic ideology, while the reformists cautiously claimed changes in foreign policy were mainly to serve the national interest, and to adapt to a
changed international situation. Consequently, as Eisenstadt and Clawson observed, from a US viewpoint, aside from the comparatively moderate tone of some official statements, there was very little change in essence in terms of the three areas of greatest concern to Saudi Arabia and Iran’s other neighbours, namely: its stance on terrorism, the development of WMD, and the plan to export the Islamic Revolution. Thus, the US continued to contend that Iran seeks to obstruct regional and global peace.

5.5 SAUDI ARABIA’S POLICY: THE REACTION TO CHANGING IRANIAN FOREIGN POLICY 1991–2001

Following the death of Khomeini, Saudi Arabia understood that it would be wise to adopt an approach to Iran that moved away from viewing it through the prism of the 1980s, when, as mentioned previously, there was a mutual relationship of hate and distrust. Negative relations at this time were fuelled by Iran’s extremely hostile slogans advocating the overthrow of the monarchies of the Arab world the export of its Islamic Revolution, and the reactionary approach of Kingdom of Saudi Arabia, which meant that its foreign policy in respect of Iran was not always well thought out. The historical record shows that the 1980s witnessed continued efforts on the part of Iran to destabilise Saudi Arabia by organising attacks and riots during the Hajj, and that Saudi Arabia gave financial aid to Iran’s enemy, Iraq, during Iran-Iraq War. However, as mentioned in section 5.4, Saudi Arabia welcomed positive Iranian moves after 1990, adopting a correspondingly positive attitude, and making efforts to reconcile. In response to the confidence-building policy of the reformers in Iran, as discussed earlier in this chapter, Saudi leaders Saudi Arabia
perceived a need for “Iran and Saudi Arabia cooperation can advance mutual interests and they can play main roles in the region together”.69

As detailed in the previous section, Crown Prince Abdullah was a strong advocate of unity and harmony. In a statement before the opening session of the OIC conference in December 1997, Prince Abdullah called on the OIC to focus on resolving the problems within the Islamic community and promoting unity: “The relationship between a Muslim and another Muslim has to be founded on amity, cooperation and giving counsel on a reciprocal basis...we have to eliminate the obstacles which block the way and be aware of the pitfalls which we may come across as we make our way towards a better future.”70 However, Crown Prince Abdullah was careful to qualify these remarks; speaking about the issues of terrorism and extremism in the Islamic world. He suggested that it would not be difficult for the Iranian people and its leaders to make mend their relationships with the US, advising Iran seek a solution to the disagreements between them. He further stressed nothing would make the US happier than to see this sensitive part of the world enjoy stability, security and prosperity, and so offered to lend his support to any negotiations.71

Crown Prince Abdullah was enthusiastic about seeing Iran improve its relations with other Muslim countries; when asked about the possibility of military confrontation

69 Al-Saud, Iran, Saudi Arabia and the Gulf: Power Politics in Transition. 119.
71 Reuters, 9 December 1997.
between the Kingdom and Iran, he said: “This would be strange, since ties of religion, history, and heritage link the two countries.” This was a period when Saudi Arabia and the other Gulf States were as anxious as Iran to settle all disputes through dialogue and other peaceful means. A multitude of positive signals and encouraging gestures were made; for example, Iranian President Khatami’s visit to Saudi Arabia was considered to be a powerful signal that Iran was willing to come to the negotiation table.

In tandem with the changes in Iran, the early 1990s also witnessed some changes in the political leadership in Saudi Arabia. Due to King Fahad’s ill health, Crown Prince Abdullah started to control the day to day business of the state. The full assumption of power by Crown Prince Abdullah corresponded with the advent of the Saudi-Iranian détente. It is worth noting that Crown Prince Abdullah was a very popular leader among the Saudi people, as well as throughout the Muslim world. He was a leader who combined traditional values with modern views in his endeavours to transform the economy of his Kingdom. In addition, just like other Saudi kings, he was a strong nationalist and placed emphasis on the country’s interests, while making efforts to maintain good relations with its neighbours. Although he valued the country’s good relations with the US, he prioritised the independent pursuit of the Kingdom’s national interests within the Gulf region. Prince Abdullah’s policies cannot be broadly characterised as pro-American, due to his assertive and independent nature, and his direct criticism of US policies within the Gulf region. It

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has been observed that where Saudi Arabian interests conflicted with US interests, Abdullah demonstrated a unique inclination to follow his own course.73

In summary, Saudi Arabia’s foreign policy towards Iran transformed from one of confrontation to one of engagement during the 1990s. Several incentives prompted the Saudi government to make this adjustment: first, the end of the Iran-Iraq War, the fall of the USSR, and Iraq’s invasion of Kuwait. All these events forced the Saudi leadership to rejig their position, as they felt the need to stabilise relations with their long-time rivals, for the sake of the country’s own national interest and those of the region. In particular, Saudi Arabia along with the other GCC states felt threatened by the possibility of Iraqi dictator Saddam Hussein’s becoming larger than Iran. In conjunction with these negative elements the friendly messages and gestures from Iranian Presidents Rafsanjani and Khatami, and, more importantly, their actions to prove their alleged ‘confidence-building’ lent the Saudis the confidence to adopt a pragmatic foreign policy to deal with the Iranians.74

During this period, several terrorist attacks took place, which tested the will and zeal of the two countries to further their cordial relations to improve security in the region by following a course to promote harmony rather than rivalry. For example, the Al-Khobar housing complex bombing resulted in strong accusations from the US of Iranian sponsored involvement; however, Saudi Arabia was very careful in its handling of the attack, and

refused to follow the US line by accusing Iran with insufficient evidence. Senior Saudi officials, such as Prince Sultan (Defence Minister) and Prince Naif (Interior Minister) publically stated that this was a Saudi matter, and that the US had failed to consult and present the requisite evidence.\textsuperscript{75} Prince Sultan stated “the American Government has the right to discuss the Al-Khobar explosions, but it does not have the right to take any step whatsoever in this matter. Such steps fall within the jurisdiction of Saudi Arabia”. However, had there been clear evidence proving the connection between Iran and the Khobar bombings, this would most certainly have resulted in a freezing of improved Saudi-Iranian relations, as well as bringing Iran into direct confrontation with the US. On the other hand, it could be argued that Saudi Arabia may have understood that a radical faction in Iran may have been involved in the attack, and chose to refrain from accusing a more moderate faction led by Rafsanjani and Khatami.

The Saudi government has long observed Iran’s pursuit of WMD. Concerns became more serious during the rapprochement of the 1990s, because it was reported that Iran was trying to strengthen its military capabilities with the support from Russia and China.\textsuperscript{76} It was also believed that throughout the 1990s, assisted by Russia and China, Iran had continued to develop nuclear power, and had somehow obtained the technology for uranium enrichment.\textsuperscript{77} This has since become an issue of great concern in Riyadh, and, in


\textsuperscript{77} Richard Patrick Cronin, Alan Kronstadt, and Sharon Squassoni, "Pakistan’s Nuclear Proliferation Activities and the
conjunction with Iran and Saudi Arabia’s opposing views on the Palestine-Israeli conflict, has played a decisive role in Saudi Arabia’s security and defence policy.

Furthermore, throughout the 1990s, Saudi Arabia also became deeply concerned and suspicious about Iran’s build-up of naval forces and capabilities, as these would have enhanced its capability to threatening naval traffic passing through the Straits of Hormuz and the lower Gulf.

After Iraq’s invasion of Kuwait, Saudi Arabia decided to build up its military capabilities and equip its armed forces with the latest armoury. King Fahd and other officials indicated that Riyadh’s vision of its military role in the Gulf going forward was changing. It conceived and accepted a role for itself, sought the assistance of its allies and, more importantly, demonstrated its will to exercise its power.78 Given several new priorities and Saudi Arabia’s stated desire to provide its armed forces with the best equipment possible, Saudi military expenditure increased after 1991. This was in sharp contrast to the substantial cuts introduced in the mid-1980s, when military expenditure fell from a high of $25 billion in 1983 to a low of $13 billion in 1988. Saudi Arabia also completed a $60 billion investment in military facilities and infrastructure, that majority of which were put to the test during Desert Shield/Storm. Despite economic concerns over

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military spending, Saudi Arabia’s long-term military requirements necessitated sustained expenditure to maintain and update its existing arsenal.\(^{79}\)

Senior Saudi officials felt the need to enhance the Kingdom’s indigenous military capabilities, and, towards that end, relied on continually improving technology, especially within the air force.\(^{80}\) Because Saudi Arabia opted to rely primarily on its own population for personnel, agreements for the augmentation of military personnel could only be conducted once Saudi society became fully aware of the additional financial burdens such a step demanded.

5.6 Iran’s Relations with Other GCC States, Afghanistan, the US and the EU During this Period

Alongside the improvement in Saudi-Iranian relations during the 1990s, there was a general improvement in relations between Iran and the other GCC states, although disputes over certain issues remained and there was still some residual enmity. After the end of Iraq’s invasion of Kuwait, the GCC states, Egypt and Syria met in Damascus and a ‘Six Plus Two’ (the GCC plus Syria and Egypt) line up was established. However, Iran disapproved of this move. The Damascus summit was planned with the intention of discussing the after effects of Iraq’s invasion and developing a new order among the Arab


states. Iran’s disapproval was understandable, as it felt isolated, despite being an important state with in the Gulf region.

By contrast, despite Iran’s positive stand during Iraq’s invasion, the GCC states were worried that Iran’s role was becoming more dominant within the region; furthermore, the US strongly opposed Iran’s involvement in security arrangements. It is also worth mentioning that despite some commonalities, GCC member states had different priorities and concerns over Iran; e.g. of these, the crisis between the UAE and Iran in 1992 was a case in point.81

The year 1992 witnessed a series of accusations, claims and counterclaims between Iran and the UAE regarding ownership of the islands Abu Musa and the Greater and Lesser Tunb following Iran’s expulsion and denial of entry to non-UAE citizens working on the jointly administered Abu Musa Island in April and August 1992.82 The UAE is a member of the GCC and a very close ally of Saudi Arabia, therefore, Saudi Arabia is duty bound to respond to its concerns. Hence, this dispute caused tensions in Saudi-Iranian relations. After the Abu Musa crisis, each GCC country acted unilaterally to heighten its own security, rushing to sign defence agreements with the US; the first country to sign an agreement was Kuwait, in September 1991.83 Iran was not comfortable about these contracts, as it felt threatened by the new security agreements between its neighbours in

81 Amineh, The Greater Middle East in Global Politics: Social Science Perspectives on the Changing Geography of the World Politics. 162.
83 Milani, The Making of Iran’s Islamic Revolution: From Monarchy to Islamic Republic. 94.
the region and players on the international stage. Therefore, it used this situation as a justification for pursuing the acquisition and building of its own military hardware. In this context, Saudi Arabia and the smaller GCC states arguably feared that even under new Iranian leadership, the principles of the revolution would remain in place, albeit but with different political actors.

History tells that, after the collapse of the USSR, Iran also played a more strategically important role in the global oil industry.84 With demand for oil increasing in East Asia in general, and especially in China, Iran attempted to reinforce its position, both at the producer and consumer end, placing a premium on cooperation. Indeed, some analyses indicated that Iran had, to some degree, increased competition within the primary markets of the US, the EU and China.85 In response, Saudi Arabia supported US efforts to counter the Iranian influence, by supporting Turkey’s calls for pan-Turkism in the area.

Those who were against Khatami’s attempts at political liberalisation became even more vocal following the Taliban crisis in August 1998. Saudi support for the Taliban led Iran to believe that the CIA was behind it. From the beginning, Iran had branded the Taliban a ‘non-Islamic movement’ and the Iranian leadership had consistently shown its mistrust of the group in Afghanistan.86 However, the real fall out concerning the Taliban was internal; the Iranian leadership was divided between hardliners and moderates. The

85 Amineh, The Greater Middle East in Global Politics: Social Science Perspectives on the Changing Geography of the World Politics. 163–164.
hardliners still wanted to support the Shia cause worldwide, whereas the moderates wanted to take a measured approach by supporting anti-Taliban forces in Afghanistan. Nonetheless, since 1995 Iran has supported anti-Taliban forces, both political and military, mainly via its Shia contingent in Afghanistan, the Hizbi Vahdat. By mid-August 1998, the Taliban had successfully taken over Kabul, and almost 90 percent of Afghan territory; its Northern Alliance opponents; i.e. the Uzbeks, the Tajiks, and the Shia Hizb-i Vahdat members were pushed back to the northern region of Afghanistan, where the city of Mazari Sharif was their most guaranteed urban stronghold. The fall of Kabul into Taliban’s hands brought new challenges from for Iran, in the form of an influx of weapons and drugs.

Iran’s concerns over the Taliban were further aggravated when the Taliban occupied Mazari Sharif on 8 August and eleven Iranian diplomats and one journalist from the Iranian consulate-General went missing. This incident increased tensions between Tehran and Kabul. Later, the Taliban revealed the discovery of eight of the diplomats and a journalist, announcing that the Taliban had killed them on the first day of the city’s occupation. In September 1998, the Taliban agreed to allow the bodies of seven dead Iranian diplomats to return to Tehran.

89 Ibid.
Taliban-controlled Kabul and Tehran exchanged mutual condemnation. These heated exchanges then intensified. By way of a response, in late August Iran sent its army to the Afghan border. Khamenei declared a general troop mobilisation on 15 September 1998, and by the end of September, nearly 200,000 Iranian soldiers were deployed along the Afghan border. Conservative media inside Iran supported the possibility of war. The Taliban also distributed a large number of armed forces along the border, bringing the two neighbours to the brink of war.90

The regional alignments changed when US forces attacked Afghanistan, on this occasion Iran supported the US invasion and fall of Taliban. However, Iran’s honeymoon with the US and Karzai did not last long, as Iran failed to mobilise its Shia friends and the US became frustrated. Karzai also felt betrayed when Iran started to expel Afghan refugees from Iran. At this time, Iran had two main concerns concerning Karzai, first, it wanted foreign forces to leave Afghanistan, and second, it opposed Karzai’s policy of Pushtonisation. However, Iran was very active at all donor conferences, offering large sums of money to provide much needed financial support. This may be seen as an attempt to seize the opportunity to make headway and gains in Afghanistan.91

It is impossible to discuss Saudi-Iranian relations and the Gulf region in this period without considering the role of US involvement. Since the end of World War II, and the

decline of the British Empire US interest in the Gulf region has grown remarkably. In the late 19th century US interests were primarily commercial, but after World War II their interests became strategic and subsequently “petrostrategic.” From 1946 to 1989, the US pursued three security objectives in the Gulf region: containment of the USSR, the security of Israel, and access to oil.

With the demise of the USSR (December 26, 1991), the US became the sole remaining super power, and as a consequence was more selective with respect to widening its alliances as a component of its foreign policy strategy towards the Middle East. The US was no longer required to balance one nation against the other in order to achieve or at least protect its strategic objectives. Since the fall of Reza Shah, the US and Iran had been at odds with one another. Iran expressed the view that US was its staunch enemy, and the US considered Iran a threat to its strategic interests in the Gulf region and globally.

On January 20 1993, President Bill Clinton assumed the office of US president and almost immediately began to set the foundations for a new US policy in the Gulf region. The Clinton administration’s prime focus in the Middle East was to “reduce the chances”

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of any state threatening the sovereignty of the GCC states. These policy directives and initiatives later became the basis for what is known as “dual containment policy” (announced on May 18, 1993). The policy aimed to isolate Iran and Iraq, in light of American national security interest in the region, to ensure flexible strategic alternatives.

The policy was the outcome of several factors: the end of the Cold War; Saddam Hussein remaining in power despite previous successful military action authorised by the UN against Iraq; and Iranian support for Hamas in the Palestinian-Israeli conflict. This policy was aimed at: (i) ensuring US interests in the region were not challenged; (ii) maintaining a favourable balance of power; (iii) ensuring the security of Israel and promoting peace in the Middle East; (iv) politically and economically isolating Iraq and Iran. In summary, the ‘Dual Containment’ policy was intended primarily to separate Iran and Iraq into the areas of politics, the economy and the military.

The dual containment policy was presented as “a realistic and sustainable policy.” It was claimed that Dual containment was not a crusade, but a “genuine and responsible effort” to protect American interests, stabilise international politics, and enlarge the community of nations committed to America’s core values. Despite robust

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101 Lake, "Confronting Backlash States."
102 Ibid.
favourable publicity, this policy had some associated risks. Lake acknowledged that the policy might have the effect of driving Iran and Iraq together in an alliance, potentially opening up Iraq to manipulation, and destabilising Iraq’s sovereignty. However, Lake categorically discounted these risks as unlikely to upend the policy.103

For US policy makers, Iran has always posed a dilemma as they consider “Iran is both a lesser and a greater challenge.”104 Indyk argued that Iran challenges American interests in five areas: (i) seeking weapons of mass destruction; (ii) sponsoring terrorism and assassinations; (iii) opposing the Arab-Israeli peace process; (iv) seeking to acquire offensive weapons, and (v) exploiting difficult situations with US allies.105

Enacting the dual containment policy, the US imposed UN approved sanctions against Iraq and Iran, curtailing their respective economies. However, this policy failed to achieve its objectives, as Iran managed to develop relations with China and Russia to continue its military expansion strategy. Meanwhile, Saddam Hussein’s regime still posed a direct and unacceptable threat to regional and international interests.106 Arguably, one of the reasons for the failure of the dual containment policy was its failure to differentiate between interests and intentions.107 It is worth noting that opponents of the policy referred

103 Ibid. 54.
104 Ibid. 55.
to it as ‘a slogan not a policy’, and argued that it had no shelf life, as it was lacking in strategic depth.\textsuperscript{108} The policy was based on the US’s strategic doctrine of identifying so-called “Rogue states”, and clearly lacked improvisation; e.g. when a reformist President took control of Iran, the US failed to adjust its position and kept insisting on imposing economic sanctions.

In the Gulf region, in particular in Iraq and Iran, the dual containment policy was controversial policy and continually challenged by scholars and politicians in the region.\textsuperscript{109} The debate was heightened by the election of Khatami, and the emergence of Iran’s practical approach to foreign policy. Many Gulf States perceived ongoing policy debate in the US as a sign of that it would weaken, as well as marking the failure of dual containment and denoting a lack of justification for the continued presence of US forces in the region.

The failure of dual containment and the fall of the Middle East Peace Accords were among the external factors, assisting the process of Saudi-Iranian rapprochement. The failure of dual containment led to a change in relations between Saudi Arabia and Iran, as did the collapse of the Middle East Peace Accord. When peace talks stalled in 1998 and the US was unsuccessful in pressurising Israel to achieve a settlement,\textsuperscript{110} the Gulf States perceived this as American supporting Israel’s position. This perception augmented an


already prevalent disenchantment with the US and its role in the affairs of the Middle East. The inability of the US to prevent the failure of the Accords, and the escalation of the Israeli-Palestinian conflict, acted as a major source of irritation to the Arab states, and resulted in a mounting wave of anti-Americanism in the Middle East. This served to create enormous political pressure on various regimes, such as that in Saudi Arabia, which had maintained close ties with America since the late 1920s, even before the creation of Israel. Additionally, the failure of the US to enforce the Iran-Libya Sanctions Act further reinforced the perception in the Gulf that the US lacked resolution. The Gulf leaders were also concerned about the idea of continued sanctions against both Iraq and Iran, and by the idea that the military campaign against Saddam was a source of instability rather than one of benefit in the region.\footnote{A Al-Shayeji, “Dangerou.S. Perceptions: Gulf Views of the U.S. Role in the Region,” \textit{Middle East Policy} 5, no. 3 (1997).}

Ultimately, Saudi Arabia acted out of the realisation that it had to make a decision about whether to live in peace with both Iran and Iraq, or to counterbalance one by thawing relations with the other. In previous years, Saudi Arabia had pursued a policy of maintaining the regional balance. However, because that was no longer possible and the US commitment to dual containment was wavering, the Saudi regime began inclining towards Iran, in order to provide a counterweight to the growing threat of Saddam’s Iraq. Saudi Arabia recognised that, since the US was failing in its bid to remove Saddam, it had left with no option but to make local arrangements for the time being. In that sense, the inability of the US to get rid of Saddam helped to strengthen the possibility of Saudi–
Iranian rapprochement. Thus, the US position played a very important role in bringing Iran and the Arab nations, including Saudi Arabia, closer together.

Therefore, by the time Khatami became president, Iran was no longer isolated from the Islamic world. Iran frequently attended various regional events, and Washington’s important Arab allies did not hesitate to attend the Tehran OIC meeting in December 1997, although few had participated in the US-sponsored Middle East North Africa (MENA) meeting in Doha, Qatar, three weeks earlier. Saudi Arabia, Egypt, Morocco, and the Palestinian Authority boycotted the MENA meeting, because Israel sent a delegation.

Besides improved relations with the GCC, the other Arab nations and the US, Khatami also achieved some success improving Iran’s position in the global context, especially with the EU, in his first four years. Even his internal enemies had to accept his foreign policy successes, not least because of the need to secure oil revenues, which were central to the development of the country’s economy. The EU received Khatami, making him the first Iranian president to be received since the 1979 revolution. Khatami aimed to resolve two issues associated with the EU. The first was the fatwa against Salman Rushdie issued by Khomeini; the second was the so-called Mykonos case in 1992, when four Kurdish leaders were assassinated at a restaurant called Mykonos, the verdict four years

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later resulted in nearly all EU members recalling their ambassadors from Iran for several weeks.\textsuperscript{114}

Khatami demonstrably altered Iran’s policy, when, on 22 September 1998, he told the UN that his government would not carry out Ayatollah Khomeini’s fatwa (religious edict) calling for the death of British author Salman Rushdie.\textsuperscript{115} Although a number of conservative Iranian leaders responded by emphasising the continued validity of the fatwa,\textsuperscript{116} President Khatami declared that he considered the dispute surrounding the fatwa settled. On 24 September 1998, Iranian foreign minister Kamal Kharrazi and his British counterpart Robin Cook declared that, with the Rushdie affair behind them, Tehran and London would once more exchange ambassadors.\textsuperscript{117} The strengthening of British-Iranian relations in 1999 was a direct outcome of Khatami’s efforts to moderate Iran’s foreign policy, and the UK and Iran exchanged ambassadors in July 1999. Two weeks later, Norway, a non-EU member, returned its ambassador to Iran. The ambassador had been withdrawn from Tehran in 1995 following an attack by Iranian intelligence agents on the Norwegian publisher of Salman Rushdie’s \textit{Satanic Verses}.\textsuperscript{118} As stated above Khatami visited Italy in early March 1999, becoming the first Iranian president to visit a member of the EU.\textsuperscript{119}

\textsuperscript{114}Amiri and Samsu, “Security Cooperation of Iran and Saudi Arabia.”
\textsuperscript{116}Buchta, \textit{Who Rules Iran?: The Structure of Power in the Islamic Republic}. 129.
\textsuperscript{117}Ehteshami and Zweiri, \textit{Iran’s Foreign Policy: From Khatami to Ahmadinejad}. 104.
\textsuperscript{118}Al-Quds al-Arabi, 3 August 1999.
\textsuperscript{119}Al-Sharq al-Awsat, 9 March 1999.
All the above-mentioned factors may have had an impact on the process of building Saudi-Iranian trust. Walter Posch stated that from the early 1990s, Iran–EU relations reflected Iran’s changing policies. Bilateral relations improved when Tehran was more willing to open up and talk, and grew tenser as the government appeared to become constricted. Throughout the 1990s, the EU used dialogue to address issues covering economic and political and human rights issues directly with Iran, rather than through Trade and Cooperation, or Political Dialogue agreements as it had previously been done. Countries such as the UK, Germany and France diplomatically led the way in direct discussion with Iran on the nuclear issue. The countries also set up a framework to keep dialogue ongoing, both directly and indirectly, as it had been between the US and Iran. EU policies were at odds with the US policy of isolating or containing Iran, and the EU foreign policy chief, Javier Solana, frequently negotiated with Iran, representing the international community. This was at the peak of EU engagement with Iran. However, it should be noted that the EU’s main function was to maintain direct dialogue between the US and Iran.120

5.7 The Demise of Rapprochement 2005–2013

The two moderate presidents Rafsanjani and Khatami contributed much to the rapprochement between Saudi Arabia and Iran; thus, the entrance of conservative Iranian President Mahmoud Ahmadinejad in August 2005 onto the political stage marked the

commencement of its demise. It is argued that under the Iranian political system it was
difficult for Ahmadinejad to operate according to his own will. However, his emergence at
the forefront of Iranian politics reflected the fact that the moderates were losing ground,
and the conservatives and radicals were becoming more dominant politically. Saudi Arabia
almost certainly observed the new direction of Iranian politics with dismay. Having put so
much effort into improving trust and cooperation for the sake of the stability of the region
in the previous decade, the Saudi’s now saw many components of this hard won process
swept away.

Mahmoud Ahmadinejad’s two terms as president witnessed rapprochement cooling
to freezing point, closely imitating the cool relationship of the 1980s, although it fell short
of the low point hit in 1988 when the bilateral relationship were severed. He stood firm in
employing ‘Khomeini-like’ tones to attack the US and Israel. He also openly confirmed
his nuclear development plans, and insisted that it was Iran’s right to continue with these
developments in its national interest. As in the Khomeini era, when the call for strong
opposition to Israel and the US served as political propaganda to attract supporters inside
Iran and in the Muslim world, the nuclear plan, far from being a matter of economic interest
served as a political tool to add weight to Iran’s position in dealings with the US and the
West. It also enable it to balance and challenge Saudi Arabia. Additional areas of
controversy, such as Iran’s cooperation in the US invasion of Iraq in 2003 and the rise of

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122 Patrick M. Cronin, Double Trouble: Iran and North Korea as Challenges to International Security (Westport:
the Shia in Iraqi politics,\textsuperscript{123} the Lebanon crisis, the 2008 Gaza War, and the 2009 Saudi-Yemen Houthis border conflict all contributed to an atmosphere of unease in bilateral relations.

Saudi Arabia was aware that Iran held ambitions in Iraq, given the permeation of the Shia militias in Iraq by Iran’s revolutionary guards, with a view to further expanding Iran’s influence in Iraqi politics at the expense of the Iraqi Sunnis and moderate Shias. On 23 September 2005, when Saudi foreign minister Prince Saud al-Faisal visited Washington, he expressed his qualms about the enhanced role of Iran in supporting Iraq’s Shia groups. He went on to say: “Iraqis are complaining of interference by Iran. If there is indeed such interference, especially in southern provinces neighbouring Iran, that would be quite serious … these concerns include people coming in, money being brought in, weapons too, and interference in the political life”.\textsuperscript{124} Iran’s foreign ministry spokesman, Hamid Reza Asefi, responded by stating his disappointment at Saudi allegations of interference in Iraq, characterising Saudi concerns as “surprising and irrational”.\textsuperscript{125}

At the beginning of Ahmadinejad’s first term as president, King Abdullah sent his congratulations to Ahmadinejad, demonstrating that Saudi Arabia was ready to be cooperative if Iran was willing. The other GCC states leaders followed suit in expressing their congratulations. Ongoing developments to further Saudi-Iranian rapprochement


\textsuperscript{125} “Iran PM Puts off Saudi Visit amid row over Iraq," AFP, October 5, 2005.
served both countries, and addressed the region’s stability and security concerns, so were welcomed by the GCC states and the whole region. Ahmadinejad delivered a friendly message to his neighbours: “Considerable progress has been made thus far and more progress will be made. We will witness expansion of relations with the Muslim world and regional states”. 126 This was considered a positive start, indicating that Ahmadinejad might continue the Saudi-Iranian rapprochement, which Rafsanjani and Khatami had worked toward with Saudi Arabia. Furthermore, Ali Akbar Valayati, the Iranian foreign minister and advisor on international affairs for the supreme leader Ali Khamenei, stated that an envoy was sent by Khamenei to King Abdullah to deliver a message, which spoke of “the close brotherly relations linking the two countries”. 127 King Abdullah responded warmly, confirming that Khamenei’s message was a positive step. He also described the Saudi-Iranian relationship as lasting and strong, and spoke of the Saudis’ deep respect for the Iranian leadership. Saudi Arabia continued to express appreciation of opinions and actions expressed by Iranian leaders, which might work to bring the Islamic nations together to resolve existing disagreements within the Muslim world. 128

Ahmadinejad was a conservative non-cleric; his appearance on the Iranian political stage provided the Saudi leadership and other GCC states with the hope that he might be able to further rapprochement by bringing the conservative and radical streams of opinion

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127 Al-Saud, Iran, Saudi Arabia and the Gulf: Power Politics in Transition.
128 “Comments on Importance of President’s Saudi Visit,” Iran Daily, December, 09, 2005.
in Iran together, as they had always opposed a thaw in relations with regional monarchies.\textsuperscript{129} However, this proved to be too idealistic. King Abdullah, consistent with his earlier friendly message, invited the Iranian president to attend the OIC meeting to be held in Mecca. Urged by Ali Khamenei to respond quickly and accept the invitation, Ahmadinejad did participate. King Abdullah greeted the President along with a select group of officials intended to operate at all levels to further the Saudi–Iranian rapprochement process. This was a demonstration of the King’s sincerity in continuing the thawing process started in the previous decade, when both sides had made strenuous efforts at all levels.\textsuperscript{130} However, the King’s counterpart, Ahmadinejad, saw the OIC meeting as a stage to indulge in anti-Israel and anti-West rhetoric. He requested that Europe provide land for the Jews and denied the Holocaust.\textsuperscript{131} The OIC meeting, which sought to advocate peace and cooperation within the Muslim world, and endeavoured to prevent the use of violence for Islamic causes, as well make advances in the fight against terrorism, was overshadowed by the commotion caused by Ahmadinejad’s outcry. To some extent, Ahmadinejad’s statement came as a surprise to the GCC leaders, because it contradicted his earlier message of friendship, and positioned him far closer to the foreign policies of Khomeini, than of Rafsanjani and Khatami. It seemed that the Saudis’ frankness and sincerity had been rebuffed. Rapprochement, therefore, sadly took a turn for the worse.\textsuperscript{132}

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\textsuperscript{130} George Michael, "Deciphering Ahmadinejad’s Holocaust Revisionism," \textit{Middle East Quarterly} 14, no. 3.
\textsuperscript{131} Ibid.
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Under these circumstances, when Ali Akbar Salehi became the Iranian foreign minister in 2010, his Saudi counterpart declined his proposed goodwill visit to Riyadh to try to repair the damage.

Ironically, Ahmadinejad visited Saudi Arabia more than any other Iranian president did. In December 2005, he participated in the OIC meeting;\(^{133}\) in March 2007, he officially visited Saudi Arabia;\(^{134}\) in November 2007, he attended the Riyadh OPEC summit;\(^{135}\) and in December 2007, he performed the Hajj in Mecca at the invitation of Saudi Arabia.\(^{136}\) Although the conservative Iranian government impressed upon the world the same defiant stance in dealing with foreign relations as that taken under Khomeini, two differences should be noted. First, probably because of the warmth and hospitality he received from Saudi Arabia when he visited on the four occasions mentioned above, unlike Khomeini after 1979 and during the 1980s Ahmadinejad never directly criticise his Saudi counterpart, King Abdullah. Even when severe tensions arose during the Hezbollah–Israel war in July 2006,\(^{137}\) he tried not to antagonise Saudi Arabia when shaping his radical political image by making inflammatory remarks, as the conservative clerics had under Khomeini. In addition, the two governments retained certain connections and a degree of communication. Despite the decline in bilateral relations between 2006 and 2009, the two

\(^{133}\) Turkish Review of Middle East Studies’ (Isis, 2005). 288.

\(^{134}\) Hamid Dabashi, ’Islamic Liberation Theology: Resisting the Empire’ (Routledge, 2008). 290.


sides held several rounds of discussions on the subject of regional affairs. King Abdullah of Saudi Arabia indorsed a series of meetings to try to calm the situation in Lebanon and also in Iraq. From 2006 to 2007, Prince Bandar bin Sultan and Ali Larijani, the heads of their countries’ national security councils, conducted strategic talks, which started in Riyadh in April 2006. In addition, they both met in early 2007\textsuperscript{138} followed by a meeting of King Abdullah of Saudi Arabia and President Ahmadinejad of Iran in Riyadh in March 2007. \textsuperscript{139} Nevertheless, the rapprochement position continued to worsen because of Ahmadinejad’s foreign policies in the region.

To summarise, the change in Iranian presidency seemed to be a direct and predominant catalyst, bringing to halt the process of reconciliation between Saudi Arabia and Iran. To understand the situation in Iran; i.e. the election of a conservative leader with an aggressive foreign policy, after the previous two moderate presidents who had been pragmatic and rational in their approach, it is necessary to fully appreciate the situation in the Gulf region at that time. The coming and going of two moderate presidents and a very conservative one did serve to further Iran’s fundamental political and economic interests. After Khomeini died, whether the choice of new president resulted in cooperative and amicable relations with the Saudis as under Rafsanjani and Khatami, or competition and confrontation as under Ahmadinejad, the changes matched the country’s needs. After the 2003 Iraq invasion, and a decade of economic recovery, Iran found itself much more ready.

to challenge the Saudis’ dominance and power in the region. The basic aim of Iran never actually changed within Iran’s political centre after 1979; it merely took on a more determinedly religious character. Thus, in spite of the fact that Ahmadinejad visited the Kingdom more than any other Iranian president did, the bilateral relationship broke down irrevocably. This was despite Saudi Arabia’s patient and sincere efforts to further cooperation with their challenging neighbour. Unlike Iran, this author genuinely believes the historical record shows the Saudi government has been consistent in striving for amicable and stable relations with its brother country across the border.

5.8 CONCLUSION

One of the rationales of this study was to examine the underlying influences that shaped Saudi-Iranian bilateral relations. It has been observed that in previous chapters that after a peaceful half-century an eventful era began, in which the period 1979-1989 was marred with controversies. At this time, Iran challenged the very existence and Islamic legitimacy of the Saudi kingdom, and Saudi Arabia used Iran-Iraq War to counter the Iranian threat (Saudi Arabia started to support Iraq after Iran refused to accept the UN cease-fire resolution). However, after 1989 a period of rapprochement began, which may be considered a marriage of convenience.

The death of Khomeini and rise of reformists in Iran resulted in a change in Iran’s approach and attitude to the rest of the world. Iran steadily distanced itself from the revolutionary and military posturing of the 1980s. The Iranian leadership stopped questioning the Islamic legitimacy of the rule of the Saudi monarchy, and stopped claiming to be sole legitimate interpreters of Islam. Meanwhile, Saudi Arabia began to show its
independence from the US position, as well as exhibiting a desire to continue promoting balance in the region.

During the 1990s, despite more than a decade of fierce rivalry, Saudi Arabia and Iran began to experience a thaw in their relations in various areas. The emergence of the Saudi-Iranian détente was the result of a number of contributory factors, e.g. the end of the Iran-Iraq War, Iran’s economic situation and Saudi Arabia’s willingness to improve relations with its own Shia community. Consequently, high-level mutual visits and direct dialogue resulted in the best diplomatic relations since 1979, and successive alliances and agreements over international matters such as the Hajj and oil policy were made. Additionally, US-Iran, EU–Iran and GCC–Iran relations also improved. The failure of both the US-proposed dual containment policy and the Middle East Accord further contributed to the Saudi-Iranian rapprochement during the 1990s.

The events since 1979 reveal that Iranian conservatives and reformists share the same core agenda; however, they choose to employ different approaches to achieve their objectives. Hence, the aforementioned development of Iran’s fundamental policy on WMD development, including nuclear weapons and the Israeli-Palestinian conflict, remained the same as that previously advocated by Khomeini. Despite the presence of two consecutive reformist presidents, the conservative influence in Iran’s policymaking endured, as did the continuation of negative opinions about Saudi Arabia and the West.140 As a result, security concerns remained a top priority of the Saudi government, especially with regard to policies concerning Iran. The conflicts between Iran and the UAE over the three islands were not resolved in this period. In 2001, Saudi Arabia signed a security agreement with

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140 Clawson et al., *Iran under Khatami: A Political, Economic and Military Assessment*. viii.
Iran. However, unexpected events such as the 9/11 terror attacks, and the Iraq invasion undermined much of the effort that both governing powers had invested in the previous decade to improve bilateral relations. It could even be said that after 2001, the rift between the two states became greater, and conflicts were certainly no less frequent than they were before 1991.141 The election of President Ahmadinejad in 2005 accelerated the trend by imparting a triumphalist, nationalistic and excessively strident tone to Iranian policy, which contrasted sharply with the conciliatory efforts of the Khatami administration. This shift in tone provides the backdrop for understanding the current dynamics shaping relations between the two countries.

CHAPTER 6
Competing for Hegemony; 2003-2013

6.1 INTRODUCTION

Since the inception of the Kingdom of Saudi Arabia, it has enjoyed an unwavering political system, being considered the most stable country in the Gulf region and Muslim world. Furthermore, due to its historical holiness to all Muslims it is also considered the most influential and dominant nation in the Muslim world, especially for Sunnis.\(^1\) By contrast, since 1979, its neighbour, Iran, has faced many challenges and changes to its domestic political sphere, which have altered its foreign policies, which now include an ambition to become the regional leader and to provide spiritual leadership to the Muslim world, especially Shia sect. These differing aims have created some friction between the two neighbouring countries, as their interests are conflicting. The aim of this chapter is to scrutinise the role played by both countries in responding to difficulties faced by the Muslim world, their national ambitions, and to explain how their bilateral relations have been affected. To achieve this, this chapter introduces a number of key international issues in which both nations have sought to represent the Muslim and Arab world. It also aims to demonstrate that both countries have made consistent efforts to gain geo-political advantages in the wider Muslim world, to which end both countries have fought proxy wars on the Muslim world.

6.2 PALESTINIAN ISSUE

The first international issue considered here is the Palestinian-Israeli conflict, which has been a major barrier to positive relations between the Arab world and the West. This conflict has been regarded for three decades as the destabilising factor singularly most likely to lead to violence and war in the Gulf. Iran has taken a stance of hostility toward US, criticising nations such as Saudi Arabia, which have emphasised cooperation with the superpower. Although, Iran’s strategic position has been to condemn the US, it aims to secure better relations with the US when the time is right, as shown by its cooperation during the second Gulf War. Some argue that this turned the Palestinian people into mere political pawns.²

Three decades of wars and conflict have worsened the situation of the Palestinians’. Therefore, Saudi Arabia and the Arab League member states have sought to re-examine the circumstances it faces to find a peaceful resolution carefully. Unsurprisingly, Saudi Arabia and Iran have proposed entirely different approaches to the problem. The late Prince Saud al-Faisal described the Palestinian-Israeli conflict in moderate and sensitive terms.³ He characterised the conflict thus: the Palestinians inhabited the land on which Israel currently insists on building a nation exclusively for the Jewish people; consequently, their actions have displaced a large number of the original residents, threatening the remainder with the same misfortune. Therefore, conflict and violence are inevitable, as the Palestinians are suffering the merciless deprivation of their basic human rights. Put in a more straightforward manner: Israel’s ongoing efforts to secure its absolute state are predicated on divesting others of theirs. The Prince’s characterisations demonstrate both

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² Bandir AlKhalili, *Falestine Wa Bilad Almuslamin (Palestine and Muslim World) [Arabic]* (Cairo: Obeakan, 2009).
³ Ian Black, “Realism from Riyadh,” May 10 2008.
an understanding of the Israeli people’s needs and the Prince’s compassion for the Palestinian people’s adversities; thereby justifying pursuit of a peaceful resolution as proposed by Saudi Arabia and the Arab League, at the March 2002 summit conference in Beirut. The proposal provides all-inclusive recognition of Israel by all Arab League states in exchange for the return of territories taken in the June 1967 war. Despite refusal to acquiesce to the plan, many Israeli political leaders have announced that they see many positive aspects to it.

It is a historical and well documented fact that Saudi Arabia has made numerous efforts to support the Palestinians, both financially and politically. Historically, Riyadh was a strong backer of Palestinian national rights, voicing sharp and frequent criticism of Israel. Moreover, the Saudis have endorsed Palestinian rights to East Jerusalem in strong opposition to Israel’s efforts to expand its borders. Riyadh has maintained normal political relations with both, Fatah and Hamas, the latter of which has been listed as a terrorist organisation by the US, a categorisation and this was later endorsed by GCC.

Furthermore, the Saudi government provided financial support direct to the Palestinian organisations to reduce the suffering of the Palestinian people, a substantial amount of funds were given to the Palestinian Authority in the West Bank, which is controlled by Fatah. Moreover, despite being characterised as a terrorist group, Hamas receives funds from varied sources, including Palestinian expatriates, official Iranian

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6 Ibid. 27.
funds, overseas Muslim charities, and private donors from Saudi Arabia and other oil-rich Gulf States. In the absence of proof of whether private Saudi donors to Hamas have gained government permission or not, Saudi Arabia insists that it does not provide money directly to Hamas. However, it has been claimed that until 2012 Hamas received financial support from Iranian government. Since 2011, Hamas has moderated its connection with Iran in reaction to Iran’s support for the Bashar Al-Assad regime in Syria.

It is important to note that, while Riyadh has not always been optimistic about the potential for advancing the Palestinian-Israeli peace proposal, Saudi leaders fear increased Iranian regional power at their expense were it to categorically fail. The hardliner attitude of the Iranians would then seem to be vindicated, while any attempts to negotiate peace would be construed as acquiescence to Israeli delaying tactics. While the process itself is a major concern of the Muslim countries and Arabs, it has also served Iran as leverage to promote itself in the region by undermining Saudi Arabia.

On the other hand, prior to the Iranian revolution in 1979 Iran had diplomatic relations with Israel and, the Palestinian Liberation Organization (PLO), and publically, held close ties with Iranian opposition groups. Following the revolution, Iran ended its alliance with Israel and started supporting the Palestinians. However, after the revolution the Iranian regime vocally denounced Israel, claiming Palestine is under occupation by a Zionist regime, endorsing the creation of a Palestinian state. Ayatollah Khamenei rejected a two state solution and stated that Palestine is indivisible. Iran’s former President

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Mahmoud Ahmadinejad reiterated that establishment of a Palestinian state alongside Israel would never mean an endorsement of the Israeli occupation and suggested a free referendum for the entire Palestinian population to determine the type of government that should be put in place in the future Palestinian state.\(^\text{12}\)

There are several plans in circulation to resolve the Israel-Palestine conflict; for example, the Road Map, which was a phased plan, first outlined on 24 June 2002.\(^\text{13}\) It was anticipated that the Road Map plan, if fully observed, would ultimately foster healthier Arab-Israeli relations, building relationships between Syria and Lebanon, and opening diplomatic and economic connections between Israel and its Arab neighbours in the Gulf region. As an alternative plan, the Arab League also first proposed the Arab Peace Initiative in 2002; it was then approved by King Abdullah of Saudi Arabia and re-endorsed at the Riyadh summit in 2007.\(^\text{15}\) Here, the aim is to consider the peace plans, not in terms of their effectiveness as regards ending the Palestinian-Israeli conflict, but to demonstrate differences in attitude between Saudi Arabia and Iran.

While Saudi Arabia has supported peace plans, Iran accepted neither peace proposal, and offered no reasonable alternative to resolve the conflict.\(^\text{16}\) Iran has pursued a methodology of violence in relation to the conflict, as exemplified by its consistent backing of terror groups such as Al-Qaeda, thereby compounding the problem. Politically, it is hypothesised that encouraging violent conflict serves Iranian political interests, allowing


\(^{15}\) AlKhalili, Palestine Wa Bilad Almuslamin (Palestine and Muslim World) [Arabic].

\(^{16}\) Ibid. 27.
the Iranian government to shift blame for the failure to deliver actual benefits onto the US and other Arab countries, including Saudi Arabia, giving it further leverage to continue its hostile policies toward them, and furthering its ambitions to unite the Arab world under its ideology.

Speaking in Damascus, the EU Middle East envoy, Javier Solana, reiterated the EU belief that the Road Map could achieve results, including in the Syrian and the Lebanese context. On 3 June 2003, Crown Prince Abdullah, President Bush, and four Arab leaders met at Sharm al-Shaykh, and approved the Road Map plan; this had a notable impact on Iran-GCC relations. The Palestinian-Israeli Road Map proposed by the GCC adds a significant independent variable shifting regional policies closer to Iran. Its development would have benefited Iran’s neighbours, but could prove detrimental to Iran. This could therefore, challenge Tehran’s diplomatic relations with the other GCC nations, as the states with which Tehran had been pursuing closer political, economic and, to some extent, security links would become the Arab guarantors of a peace process that Tehran has publically dismissed as unjust.

In addition to promoting a peace plan to resolve the Palestinian-Israeli conflict, Saudi Arabia has also worked to settle the dispute between Fatah and Hamas. Saudi King Abdullah bin Abdul-Aziz, oversaw discussions between Fatah and Hamas movements in Holy Mecca between 6 and 8 February 2007, on Palestinian reconciliation. These ended with an agreement to prevent the spillage of Palestinian blood, stressing the importance of national unity and dialogue as the basis for confronting the occupation and achieving

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legitimate goals of the Palestinian people. There was also an agreement to form a Palestinian national unified government ratified by both sides, to initiate constitutional measures urgently.  

Contrary to the Saudi approach, Iran promoted violence by aiding Hezbollah and Hamas, Iran’s Levantine non-state allies. Hezbollah and Hamas are also dependent on Syria, as reflected by the focus of the other Arab nations and Turkey for wresting Syria away from Tehran. Riyadh, in particular, does not intend to provide support to Damascus, since it alleged Saudi involvement in the assassination of Lebanon’s former Prime Minister Rafik alHariri. However, this breakdown in relations has helped Iran to strengthen the Tehran-Damascus axis.

It is clear from the above discussion that Saudi Arabia and Iran pursue differing approaches to the Palestinian issue. Saudi Arabia has followed US and GCC led initiative of peaceful settlement, while Iran has attempted to be seen as anti-US and pro-Palestinian by funding Hezbollah and Hamas. Iran’s stance on Palestinian issue has bolstered support for the regime internally, and elevated its regional role among anti-Israeli and anti-US populations. As touched on above, Iran has become the leading sponsor of Hamas, to the extent that Fatah leaders have declared Iran is seeking to impose its own agenda on the Palestinian people through Hamas. Despite the agreement to form a joint government in

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the Cairo Agreement of 27 April 2011, supported by Saudi Arabia, it is believed that Iran will continue to sponsor Hamas.\footnote{As’ad Ghanem, Palestinian Politics after Arafat: A Failed National Movement, Indiana Series in Middle East Studies (Bloomington, IN: Indiana University Press, 2010), 179.}

Ironically, both Saudi Arabia and Iran have used Palestine to further their own goals and ambitions. Iran uses defamatory language towards the US and Israel and aims to wear the mantle of champion of the Palestine cause, while on the other hand Saudi Arabia aligned herself with US and West in making attempts to find a just and peaceful solution. However, it is clear that both countries also act to fulfil the requirements of their own concealed national agendas.

### 6.3 The Lebanon Issue

Lebanon is an important country located along the eastern Mediterranean, bordered by both Syria to the north and east and Israel to the south. Due to its location, Lebanon is ethnically diverse; at present, approximately 54% of its population is Muslim, and among this population Sunni and Shia exist in equal proportion. As mentioned previously, the Sunni sect is supported by Saudi Arabia, while the Shias are typically regarded as pro-Iranian. Thus, both Saudi Arabia and Iran have major and longstanding interests in Lebanon, with the result that regional disputes in Lebanon have long held important implications for Saudi-Iranian bilateral relations.

Saudi Arabia also has a long history of diplomatic relations with Lebanon. In the 1950s and 1960s, the Saudi regime supported Pierre Gemayyel and Kamil Sham’un, in their conflict with Egyptian President Gamal Abdel Nasser, and the country was recognised
as important for Saudi Arabia in a pan-Arab context following Egypt’s effective departure with the signing of the Camp David Accords. Saudi Arabia was also instrumental in brokering the 1989 Taif Accords, ending the Lebanese Civil War (1975-1990), after which it played a central role in the country’s reconstruction. In 1992, pro-Saudi Lebanese billionaire Rafik alHariri, a Sunni Muslim who had made his fortune in Saudi Arabia, became Prime Minister, furthering Saudi influence within Lebanon and releasing the potential for Saudi participation in rebuilding Lebanon economically. However, the traditional Sunni elite in Lebanon, rapidly overshadowed AlHariri because of his financial power and close relationship with the Saudi leadership.

Despite the links through the Sunni’s with Saudi Arabia, Iran has also long had relations with the clerics of Lebanon; these links pre-date the 1979 revolution. However, Hezbollah’s zones of control in southern Beirut denote at least a temporary success for the export of the model of Iranian revolution, since the 2005 assassination of the Sunni Prime Minister Rafik alHariri; and the establishment in June 2011 of a Hezbollah-dominated government. Hezbollah, a Shia organisation, is one of the most influential political organisations in Lebanese politics. It is important to note here that, the US, the Netherlands, France, the GCC, the UK, Australia, and Canada, have identified it as a terrorist organisation (on 22 July 2013, the EU also added the armed wing of Hezbollah to its

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25 Mabon, Saudi Arabia and Iran: Soft Power Rivalry in the Middle East.
terrorist list). 28  Hezbollah operates a wide welfare and educational network for Lebanese Shias, who are expected to repay the organisation with their loyalty and support. Hezbollah was the only faction that retained a military arm after the civil war, and so was criticised by the other Lebanese factions; Hezbollah and its ally Iran defended its retention of arms as a deterrent to Israeli military action. 29

Since 2005, Iran’s influence in Lebanon seems to have been gradually reinforced, primarily through Hezbollah; it sends economic and material aid with strategic benefits, often via Syria. 30  In October 2010, the Hezbollah leader claimed that his organisation had increased its missile stocks to around 40,000 rockets and missiles, while in the 2006 war it had about 14,000 to 20,000, of which at least 14,000 were short-range Katyusha rockets. 31

Two major incidents have occurred in recent years, leading to greater intervention in Lebanon by both Saudi Arabia and Iran. These are the political fallout in 2005 caused by the assassination of former Lebanese Prime Minister Rafik alHariri, and the later ‘Cedar Revolution’ and 2006 war between Israel and Hezbollah. In terms of Saudi-Iranian bilateral relations debate continues regarding whether the 2005 Lebanon political crisis, which followed the assassination of the former Prime Minister Rafik alHariri, resulted in more conflict between Saudi Arabia and Iran, or more cooperation. The vacancy at the top of the government provided Iran with an opportunity to turn the previously pro-Saudi nation, pro-Iran, just as it did in Iraq after the removal of Saddam Hussein. These events demonstrate

that there was no requirement for Iran to be directly involved, it simply needed to be in a position to insure it reaped the benefits from the resulting chaos. Following the assassination, Saudi Arabia and Iran were forced to re-examine each other’s intentions and aspirations in Lebanon, but both were desirous of avoiding confrontation with the various factions engaged in the local rivalry.

A conflict did clearly emerge between Iran and Saudi Arabia when Iran and Syria chose to back the March 8 Alliance comprising Hezbollah, Amal, and Michael Aoun’s Free Patriotic Movement; while Saudi Arabia chose to support the March 14 Alliance, because of suspicions that Syrian President Bashar al-Assad had been involved in alHariri’s assassination. Subsequently, antagonism between these two factions has acted as a mirror for that between Saudi Arabia and Iran. Factions in Lebanon welcome perceptions of conflict, as they can make use of external involvement to refrain from compromise. The consequence being, that some commentators argue that the future of Lebanon will be decided in Damascus, Riyadh and Tehran.32

Notwithstanding the antagonism associated with the issue of power brokering in Lebanon, Saudi Arabia has identified cooperation with Iran as crucial to effecting a peaceful power-sharing agreement between the factions in Lebanon. Such an agreement would be expected to serve to bolster Saudi Arabia’s influence and weaken Syria’s.33 Iran has also identified the potential benefits of cooperation with Riyadh; in particular, as a

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32 Theodore W. Karasik Frederic Wehrey, Alireza Nader, Jeremy Ghez and Lydia Hansell Saudi-Iranian Relations since the Fall of Saddam: Rivalry, Cooperation, and Implications for U.S. Policy (Santa Monica, CA: RAND Corporation, 2009), 79.

means to preserve the standing of Hezbollah.\textsuperscript{34} Arguably, attempts to resolve the dispute have been largely for political show, although a series of closed-door diplomatic efforts did take place, including envoy visits to Tehran and Riyadh in early 2007 involving Prince Bandar bin Sultan, Secretary-General of the Saudi National Security Council, and Ali Larijani, Secretary of Iran’s Supreme Council for National Security.\textsuperscript{35} Regardless of Iran’s perceptions of any cooperation, negotiations sent a clear signal that collaboration was helpful in reducing potential violence and producing agreements on power sharing; at least in the short term.

The ‘July War’ between Hezbollah and Israel, which lasted 34 days from 12 July 2006, was not categorised by international bodies as a traditional Arab-Israeli war, because it was between a state and a militant group. However, the war can be regarded as a struggle between Saudi Arabia and Iran to assert regional leadership, with notable impact on bilateral relations between the two major Gulf powers. Instead of supplying weapons and funds to militant groups, Saudi Arabia utilised its oil-rich economic power to expand its influence in post-war Lebanon by providing economic assistance (up to $1 billion was sent directly to the Lebanese Central Bank, with an initial pledge of $1.5 billion). The Saudi Development Fund also sent additional funds to assist in the development of an infrastructure; it also suggested paying for one year’s education for all Lebanese students.\textsuperscript{36} Criticism from Riyadh of Iran’s involvement in the Hezbollah-Israeli war centred on the perception that it reflected a desire on the part of Iran to expand its power in Lebanon,

\textsuperscript{34} Ibid.
regardless of the actual benefits to local people, and the negative outcomes war would bring to the area.\textsuperscript{37} Most certainly, the 2006 war fulfilled several Iranian objectives. It enabled Iran to utilise Hezbollah to further its network and influence in Lebanon, it provided a platform for competition between Iran and Saudi Arabia, and because the war proved a failure for Israel in terms of realising its goals, it promoted Hezbollah’s reputation and that of its Iranian sponsors. Despite the supposed benefits to Iran, the 34 days of war resulted in 1100 Lebanese deaths, the destruction of 10,000 homes and $3-5 billion-worth of damage to the local economy. Saudi Arabia was able to cite these figures to the other states in the Gulf to criticise Hezbollah’s strategy of violence.\textsuperscript{38}

President Ahmadinejad of Iran visited Lebanon in October 2010 to strengthen Iran’s links with Hezbollah. The visit lasted two days, and was held in southern Lebanon near the Israeli border, where a number of roads had been built by Iran.\textsuperscript{39} In Lebanon the majority of the Shia community see Iran as an important ally (despite its lesser financial contribution to the country than Saudi Arabia).

After the ‘July war’, Hezbollah attempted to weaken and contain its Sunni front by reaching out to Saudi Arabia.\textsuperscript{40} Hezbollah officials and the minister of labour, Muhammad Fneish, paid a visit to Riyadh after the 2006 war, and in 2008 Hezbollah agreed a memorandum of understanding with the Salafi Belief and Justice Faction, which was

\textsuperscript{37} After harsh criticism, Hezbollah leader Hassan Nasrallah was forced to express regret over his original strategy in August 2006. See Royal Saudi Embassy in Beirut, “Saudi Interest in Lebanon after July War (Classified),” ed. Saudi Embassy (Riyadh: Ministry of Foreign Affairs, 2007).
\textsuperscript{38} P. Bouckaert and N. Houry, \textit{Why They Died: Civilian Casualties in Lebanon During the 2006 War: Lebanon} (Human Rights Watch, 2007).
\textsuperscript{40} Beirut, “Saudi Interest in Lebanon after July War (Classified).”
represented by the son of prominent Salafi cleric Dai al-Islam al-Shahhal.\footnote{41 T.F. Mühlbacher, Demokratisierung und Partizipationsfähigkeit in Unruhigen Zeiten: Der Fall Libanon (VS Verlag für Sozialwissenschaften, 2009). 386.} According to one commentator, this agreement was driven by Hezbollah’s fear that the Lebanese Christians were acute strategic rivals. One expert argued that Hezbollah should be able to share the jihad at a minimum level with the Sunnis.\footnote{42 B. Maréchal et al., The Dynamics of Sunni-Shia Relationships: Doctrine, Transnationalism, Intellectuals and the Media (Hurst, 2013). And Rand interview with Lebanese analyst, Beirut, February 2008.}

The continuous expansion of Hezbollah in Lebanon, resulting in Iran’s consolidation of its position in the Levant, has been of concern to Saudi Arabia.\footnote{43 Frederic Wehrey, Saudi-Iranian Relations since the Fall of Saddam: Rivalry, Cooperation, and Implications for U.S. Policy. 85. This perception is also present in the West. See Pierre Roussel, ‘Hezbollah’s Coup d’Etat’, Le Figaro (Paris), 9 May 2008.} The Lebanese government worked to assert its dominion and its solid position as a ‘micro-state’.\footnote{44 Mühlbacher, Demokratisierung und Partizipationsfähigkeit in Unruhigen Zeiten: Der Fall Libanon. 386.} In May 2008, Hezbollah moved into the Sunni fortification of West Beirut in May 2008, and the principal media outlet owned by Saad alHariri was ransacked.\footnote{45 Frederic Wehrey, Saudi-Iranian Relations since the Fall of Saddam: Rivalry, Cooperation, and Implications for U.S. Policy. 85.} This action sparked violence and limited the scope of cooperation between Iran and Saudi Arabia; highlighting how rapidly local dynamics can undermine efforts at rapprochement. Although Hezbollah ended its military action two days later, the confrontation affirmed its status as the country’s undoubted political power.

Hezbollah’s penetration into the military in Lebanon has marked a new chapter in Saudi-Iranian antagonism. In May 2008, Qatar attempted to bring Iran and Saudi Arabia to the table to assist them to reach a diplomatic solution.\footnote{46 Ibid. 85.} However, some groups inside Lebanon characterise Iran as an intruder rather than an ally, and have consequently sought
the support of Saudi Arabia to balance Tehran (at least in terms of economic aid). The subject of aid can be used to highlight Hezbollah’s allegiance to Iran at the expense of its people, as observed by Saudi Arabia. Despite its provision of greater substantial financial assistance to Lebanon post-2006 than Iran, the Hezbollah leader has publicly underlined his gratitude to Iran only.\textsuperscript{47} This action aligns the political vision of Hezbollah as aligned with Iran, distancing it from the needs of the Lebanese people. Pro-Saudi politicians, including former Prime Minister Fouad Siniora, have commented that Hezbollah ignored the role of Saudi aid in rebuilding Lebanon after the 2006 war.\textsuperscript{48} In January 2010, the Saudi foreign minister, Prince Saud al-Faisal, officially commented that if it should come to a separation or division of Lebanon, Lebanon would no longer be a “model of peaceful coexistence between religious, ethnicities and different groups”, which would be “a loss for the Arab nation”.\textsuperscript{49}

Following the 2006 war, and the 2010 Israel-Lebanon border clash in August, pro-Iranian groups clearly adopted a position of confrontation with Israel and the US. The moderates also recognised the political significance of cooperating with Iran to fight Israel. As a result, Prime Minister Saad alHariri, son of the assassinated, pro-Saudi, former Prime Minister Rafik alHariri, visited Tehran officially in November 2010 to promote economic and political ties between the two nations.\textsuperscript{50} Hezbollah post-2006, with support from Iran, has successfully marketed itself as a ‘heroic’ opponent of Israel and the US. Together they have systematically obtained power in the Lebanon by democratic means; arguably, the

Iranian Shia leadership, together with their Shia allies from Lebanon and Syria, are simply utilising anti-US policy to aggrandise themselves and achieve their political ambitions at the expense of people on the ground.

Meanwhile, Saudi Arabia is also guilty of employing strategies to protect its interests in the region, by supporting allies such as Al-Hariri. Indeed, some commentators argue that peace in Lebanon would be an obstacle to the expansion of both Saudi and Iranian power and influence in the region.

6.4 US Led Invasion of Afghanistan and Iraq

When the US announced that it would invade Afghanistan and Iraq, Iran sided with the US, while the majority of Arab nations, including Saudi Arabia, opposed both ventures, arguing that it would destabilise the whole region and bring chaos.51 This was the first time since the 1979 revolution it that Iran found it politically advantageous to cooperate with the US. On 9 February 2002, former President Ali Akbar Hashem Rafsanjani was quoted as saying that Iranian forces would cooperate with the US to defeat the Taliban.52 In addition, Mohammad Ali Abtahi, the Iranian Vice-President for Legal and Parliamentary Affairs, stated on 15 January 2004 at a conference ‘The Gulf and the Challenge of the Future’, that Iran would help the US in Iraq and Afghanistan, insuring Kabul and Baghdad would fall quickly.53 According to analysis carried out by Hossein Mousavian on May

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52 M. Olimat, China and the Middle East: From Silk Road to Arab Spring (Taylor & Francis, 2012). 140.
2013, Iran fully supported the US invasion of Afghanistan, serving as the fundamental liaison at the 2001 Bonn Conference; both countries set as their main goal in Afghanistan the toppling of the Taliban regime.\textsuperscript{54} The decision to align itself with the US was a pragmatic one by Iran; although seemingly in accordance with the moderate views of Rafsanjani detailed in the previous chapter, it also suited the desires of the conservatives within the country who strongly desired a definitive defeat of Saddam Hussein as a means to achieving more power in the region.

Iran’s interests in Iraq were evident, as discussed elsewhere in this thesis in reference to the Iran-Iraq war, but it is useful here to introduce its interest in Afghanistan briefly. Iran shares one of the region’s busiest trade borders with Afghanistan and people on the both sides of the border speak similar languages and share religious and cultural values. As a neighbouring state and regional power, Iran has a strategic stake in Afghanistan, which has long been a source of instability for Iran. Under both the Shah and Ayatollah Khomeini, Iran was willing to pursue almost any measures to keep western Afghanistan out of the hands of its enemies. In 1996, for instance, Iran’s National Security Council voted in an emergency meeting to invade Afghanistan and capture Herat to prevent the Taliban from marching on Iran’s border. Ultimately, the Taliban threat subsided and Iran had no need to invade, but the vote was evidence of Iran’s commitment to keep that part of Afghanistan neutral at the very least. There have also been complaints from Iran that the Helmand River from central Afghanistan lacks proper management, meaning its flow was unstable when it entered Iran. This has been a key area of conflict between the

two neighbours, and one of the main issues that Iran might have expected to solve by further involvement in Afghan politics after US withdrawal.

In 2002, Iran promised US$ 560 million at the Tokyo Conference for the Reconstruction of Afghanistan. In addition, US$ 100 million was pledged at the 2006 London Conference. The majority of the Iranian financial aid in Afghanistan has been given over to infrastructure projects, such as transportation links between Iran, Afghanistan, and the Central Asian Republics; this corresponds with Iranian national interests.55

Afghan President, Hamid Karzai, who is Sunni Muslim (7 December 2004 - 29 September 2014), has tried to position himself as a neutral figure in his dealings with the key regional powers to avoid being seen as a US-supported president. He has worked hard to characterise himself as a national president protecting his own country’s interests.56 Officially, there were friendly relations between Karzai and Iran in recognition of Iran’s support during the Soviet invasion and during the confrontations in the 1990s with the Taliban. However, Iran’s deportation of Afghan refugees, as well as suspicions that Iranian agents are backing rebels in Afghanistan, has tested the amiability of two nations’ relationship.57

After the Russian invasion, Saudi Arabia made several attempts to exert a strong influence on Afghanistan. The Kingdom of Saudi Arabia was a major provider of funds and supported the mujahedeen fighters. Saudi Arabia was also the second of only three

countries to recognise the Taliban government, extending official recognition on 26 May 1997. Nevertheless, after the removal of the Taliban, Saudi Arabia, in a characteristically pragmatic move, altered its approach, cooperating with the Karzai government to become a major partner in the Afghan reconstruction. Saudi Arabia co-Chaired the International Conference on Reconstruction Assistance to Afghanistan held in Tokyo on January 21-22, and pledged $230 million to development in Afghanistan. Saudi Arabia also supported many infrastructure projects, critical to rebuilding the war torn country; for example, the main highway project is funded mainly by the US and Saudi Arabia. Behind the scenes, Saudi Arabia also attempted to increase its religious influence. The largest mosque in Afghanistan was financed by Saudi Arabia; it is anticipated that the 24 hectare mosque complex, which will be located at Maranjan Hill (in central Kabul), will be capable of accommodating 15,000 worshippers at a time.

Saudi economic cooperation and political support for the post-Taliban regime in Afghanistan has brought the Saudi-Afghan bilateral relationship to a new, higher level, which has enable the Saudi leadership to balance the power and influence of Iran in Afghanistan post-US-withdrawal. Competition between Saudi Arabia and Iran for a role in Afghanistan’s future is expected to continue to be fierce, as around eighty-five per cent of the population in Afghanistan is Sunni and fifteen per cent Shia. Understandably, this struggle for influence has a corollary for the Saudi-Iranian bilateral relations.

In terms of Iraq, Iran and the US shared a mutual goal in the form of the removal of Saddam Hussein, however, cooperation between the US and Iran was evident in Iraq

before, during, and after the invasion of 2003. It has been claimed that some Iraqi opposition leaders had acted as intermediaries, and that the US would not have invaded Iraq if it had not reached a prior agreement with Tehran.\textsuperscript{59} Without further evidence, this argument might seem uncertain, given that George W. Bush had included Iran in his designation of an ‘Axis of Evil’, which he also applied to Iraq, North Korea.\textsuperscript{60} However, there were a number of reasons for the US to seek cooperation from the Iranians. First, Saudi Arabia opposed the invasion, despite also favouring the removal of Saddam Hussein. Although the UN Secretary-General Kofi Annan that the invasion, led by the US and other coalition nations, was illegal, both the US and UK dismissed this characterisation.\textsuperscript{61} Before the invasion, the US presented a report about Iraq amassing WMD before the UN Security Council, claiming Iraq was breaching UN Security Council Resolution 1441.\textsuperscript{62} However, ten years later, no evidence has yet been found to substantiate the WMD claims. On 18 March 2013, \textit{The Guardian} strongly criticised Tony Blair, noting that no evidence of WMD had been found before he decided to join the US invasion of Iraq.\textsuperscript{63}

On 4 November 2002, the then Saudi Arabian foreign minister, Prince Saud al-Faisal, clarified, in an interview with CNN, that Saudi Arabia would not offer the American

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\textsuperscript{61} Blanchard, “Saudi Background and U S Relations.” 30.


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military the use of Saudi territory to invade Iraq, and that it would not participate in the war.\textsuperscript{64} Saudi’s main concern was that the US would leave behind a divided and unstable Iraq, ruled by Shia and influenced by Tehran; moreover, Saudi Arabia preferred a policy of non-interference in the affairs of other Arab countries. Saudi Arabia believed that supporting the war would equate to political suicide. Thus, in view of Saudi Arabia’s non-involvement, US victory could best be assured by taking the risk of siding with Ali Hosseini Khamenei’s Shia-controlled Iran, to remove their common enemy Saddam Hussein. Moreover, the removal of Sunni Saddam Hussein from power, would bolster the minority, and weakened, Shia population in Iraq, fulfilling the political needs of both the US and Iran. Despite this rationale, the longstanding enmity between the two nations raises questions regarding the extent and duration of any cooperative effort between them.

Indeed, from the start of Operation Iraqi Freedom in 2003, and despite the fact that the Bush government initiated the invasion and alliance, his administration periodically complained about Iran’s mischievousness and interference in Iraq’s politics.\textsuperscript{65} Dramatically, on 29 August 2007, President Bush authorised American military personnel in Iraq to “confront Tehran’s murderous activities”.\textsuperscript{66} President Bush took this stand with the aim of confronting Iran over alleged support for Iraqi insurgents, based on two major accusations: (i) that Tehran was arming militants; (ii) that the Quds army from Iran’s Revolutionary Guards had been supplying Iraqi extremist groups. President Bush stated,

“Iran has long been a source of trouble in the region”.\textsuperscript{67} Furthermore, the US Ambassador to Iraq, Ryan Crocker, reported to Congress that Iran’s role in Iraq is harmful.\textsuperscript{68} General David Petraeus went further, stating that both Iraq and the coalition leaders suspected Iran was using the Iranian Republic Guard Corps Quds force to transform Shia militia extremists in Iraq into a Hezbollah-like force to serve Iran’s interests by destabilising the country.\textsuperscript{69}

However, it is difficult to believe that Iran would engage in such acts, firstly because Iran was not in a position to face the consequences that would result from proof of any such involvement. Secondly, because Iran shared the same interests in Iraq as the US, i.e. removing Saddam Hussain from power and removing all destabilising factors. However, it is still commonly believed that as Iraq settled into a disturbing pattern of violence and disorder, Iran sought benefit from the conflict in the neighbouring state. Ultimately, it is undisputed that Tehran’s priority was to prevent Iraq once more emerging as a Sunni Arab-dominated military and ideological threat. Thus, the empowerment of a friendlier Shia regime was an essential strategic objective for Iran. It seems that with the fall of the Taliban in Afghanistan and Saddam in Iraq, Iran’s two principal regional enemies were eliminated, thereby encouraging Iranian leaders to seek regional hegemony, an aim destined to antagonise Saudi Arabia, and challenge Saudi-Iranian bilateral relations. In reaction to Iran’s manoeuvres in post-Saddam Iraq, Saudi foreign minister Saud al-Faisal

\textsuperscript{69} “Congressional Record," (Government Printing Office, 2007). Check number is correct
emphasised the need to keep Iraq from being occupied by Iran; he stated that having driven Iraq out of Kuwait, we are now handing it over to Iran without good reason.70

In the aftermath of the war, Adel Abd al-Mahdi, an important figure within SCIRI, declared that neither a Shia nor an Islamic government is wanted in Iraq.71 However, despite all official clarifications from the Shias within the Iraqi government, Iran appears to have formed tacit links with Muqtada al-Sadr, even supplying his Mahdi Army. Concerning the relationship between Iran and the Mahdi Army, the National Intelligence Estimate, published in August 2007, suggested Iranian support for Shia militants and particularly the JAM (Jaysh al-Mehdi) had intensified.72 In contrast to their relations with SCIRI and Da’wa, Iranian connections to Sadr are believed to be opportunistic, based on a shared opposition to US occupation. One of the characteristics of Iran’s foreign policy is that it leaves as many options as possible available, supporting a need to improvise as and when the opportunity arises.

Saudi officials felt that Iran’s power and influence in Iraq provides Iran with significant leverage when dealing with Western powers.73 In other words, for Iran, Iraq is a political tool that balances its negotiative power against the US and other Arab countries such as Saudi Arabia, as well as being the ideal neighbouring territory in which to

70 Al-Faisal, “Speech: The Fight against Extremism and the Search for Peace @ Council on Foreign Relations.”
accomplish the first step in its plan to spread revolution. It is reasonable to assert that Iran does not offer Iraqi people a true alliance to their benefit.\textsuperscript{74}

Although Saudi Arabia was not comfortable with the rise of Shites, or seen another way, Iranian headway in Iraq, it has not supported or built relationships with the militias in Iraq; instead it has dealt with the leadership directly. Saudi Arabia has been able to maintain comparatively better relations with the Iraqi leadership under Saddam than it has currently.\textsuperscript{75} As mentioned above, Saudi Arabia expressed its opposition to the invasion of Iraq, and it is now evident that Saudi-Iranian relations have become more antagonistic and distant following the 2003 invasion. It is now more than ten years since the invasion, and it is arguable that had the invasion not happened in 2003, the Iraqi people (at least the majority), would now be living in more stable conditions.\textsuperscript{76} However, Iran has certainly seen huge political benefits from the war.

Alongside the above mentioned hostilities and manoeuvres, Iran has suggested that it is ready, with the help of its friends and neighbours in the region, such as Saudi Arabia and others, to seek solutions to benefit the region.\textsuperscript{77} In line with this objective, Iran has sent a number of diplomats to Riyadh to gain Saudi and GCC backing. However, a relationship of mutual trust must be rebuilt based on consistency between words and actions, and consideration of the other side’s interests. In the other Gulf States, responses to Saudi-Iranian relations tend to reflect a bias towards Saudi Arabia, because the Kingdom’s foreign policies have historically not only benefitted its own people, but also those in the

\textsuperscript{74} Alhamoudi Abdulrahman, Iraq since 2003 and Its Effect on G.C.C. (Riyadh: Obeakan, 2012). 117.
\textsuperscript{75} Ibid. 119.
\textsuperscript{77} Abdulrahman, Iraq since 2003 and Its Effect on G.C.C.
rest of the region. In regard to Iran, the Gulf States attitude could best be described as one of ‘limited hospitality’.

In summary, although Iran has a history of troubled relations with its neighbours, its relations with no other neighbouring country have been as tortuous and complicated as its relations with Iraq. For example, Iraq’s Ba’thist regime, which took power in 1968, was uncomfortable with the Iranian Pahlavi dynasty, but on the other hand, post-1979 Iran’s theocrats found Saddam Hussain reprehensible. During the war of the 1980s, Iran and Iraq were considered natural antagonists, and their relations were full of friction and tension. However, post-Saddam Iraq, the Iraqi government, with its empowered Shi’ite majority, is likely to emerge as a close ally, or even a subsidiary, of the Iran. This benefit to Iran has been at the expense of chaos in Iraq, and marked an attempt to subordinate the role of the Kingdom of Saudi Arabia in the region. By contrast, the actions of Saudi Arabia, while also in its own national interests, have not resulted in the sacrifice of the populations of other countries or disrupted the region as a whole.

6.5 The Iranian Nuclear Threat and Saudi Arabia’s Response

After the chaos in post-Saddam Iraq and Iran’s political gains in Iraq and Lebanon the next most contentious issue, affecting Saudi-Iranian diplomatic relations is Iran’s continued pursuit of nuclear weapons. Iran’s defiance of the international community and continued pursuit of nuclear weapons is a political statement in itself and a source of pride. Saudi Arabia considers Iran’s nuclear ambition an existential threat.78 Saudi officials feel

that if Iran managed to acquire nuclear weaponry it would tip the balance of power in Iran’s favour and Iran may show conventional or unconventional aggression towards the Kingdom.

Disregarding numerous condemnations and restrictions by the UN, Iran has continued to pursue its nuclear development plans. The Saudi regime considers this action as an overture to contesting the regional influence of Saudi Arabia.\textsuperscript{79} The prospect of a nuclear-armed Iran has long been recognised as a serious threat, not only to the Gulf region, but also to the world. The Iranians, are also aware of this, as Saudi Arabia and the surrounding Gulf countries are forced to consider the nuclear issue when forming foreign policies to deal with Iran. To some extent, Iran has enhanced its influence over the policy making processes of its regional neighbours and even the US, as the Gulf countries have sought to manage the nuclear threat by avoiding confrontation and being more accommodating towards Iran than they would otherwise be; e.g. by publicly declaring their opposition to a US strike, and calling for a WMD-free zone in the Middle East and the Gulf. Tehran has displayed an understanding of how its nuclear ambitions represent a useful tool to expand its influence, albeit while recognising the need to manage its Gulf neighbours with sensitivity.\textsuperscript{80}

It has been claimed that behind Iran’s nuclear programme are five possible rationales: (i) Energy needs and economic development; (ii) pride, prestige and regional politics; (iii) protection from foreign intervention; (iv) ambition to boost regional influence;


\textsuperscript{80} Ibid.
and (v) mitigating threat within domestic politics through ‘nuclear diversion’, avoiding a crisis of legitimacy for the regime.81

Saudi Arabia, as the leading Sunni-Muslim country in the region and in the world, has always declared its opposition to the Iranian nuclear programme. Saudi concerns about, and responses to this issue have had an inevitable impact on other countries in the Gulf region. Despite some criticism of Tehran’s intentions, decision-makers in Riyadh seem to be convinced that cooperation is likely to be more productive than opposition and confrontation.82 These policies are mainly driven by fear of the potential chaos resulting from a US strike on Iran. Saudi Arabia is also sensitive to GCC divisions concerning the perceived threat posed by a nuclear-armed Iran, and debates over whether there should be serious concern about Iran’s next step.83

At the time of writing, Saudi Arabia, along with the other Gulf States are facing a dilemma. They not only wish to eradicate the nuclear threat posed by their aggressive neighbour, but they also fear the consequences of US intrusion by way of military strikes; not just in Iran, but elsewhere in the region, affecting its security and economy.84 Therefore, following Saudi Arabia’s lead, the leaders of the Gulf state have preferred to call for a dialogue with Iran on nuclear issues to reduce tensions.85 Saudi foreign minister, Prince Saud al-Faisal, warned of the dangers of using force against Iran and emphasised that all

81 Uriel Abulof, "Revisiting Iran’s Nuclear Rationales," International Politics 51, no. 3 (2014).
82 Frederic Wehrey, Saudi-Iranian Relations since the Fall of Saddam: Rivalry, Cooperation, and Implications for U.S. Policy, 67.
85 Affairs, "Iran's Nuclear Ambitions and Kingdom of Saudi Arabia."
the Gulf States want to turn the Middle East into a nuclear-free zone.\textsuperscript{86} Although Saudi Arabia and its Arab neighbours have huge concerns about Iran’s nuclear intentions, even considering whether to obtain their own nuclear deterents, Saudi Arabia and Iran have maintained dialogue with each other to manage the threat. Both countries have their own motives for such an approach. Iran has the cover of Saudi ‘approval’ for sustaining its nuclear power, and Saudi Arabia is working to prevent the involvement of the US military. Such practicalities have thus far effectively kept tensions under control.\textsuperscript{87} Though leaked diplomatic cables suggest otherwise, Saudi Arabia and the Gulf States have publically denounced any attack on Iran to eradicate supposed nuclear installations.

Nonetheless, aiming to gain further political benefits both internally and externally, relatively peaceful exchanges have been translated and recycled by Iran to try to garner regional support for its nuclear programme. From Iran’s viewpoint, Saudi Arabia’s and its other regional neighbours’ conciliatory attitudes have been welcome; leading the Iranians to state that Saudi Arabia accepts the ‘peaceful’ nature of its nuclear programme.\textsuperscript{88} On 9 April 2009, National Nuclear Technology Day, the then Iranian President Ahmadinejad declared the progress of the nuclear program, stressing he would not delay his plans for the enrichment of uranium. He also clarified that Iran was willing to negotiate with other countries concerning the nuclear issue.\textsuperscript{89} Saud al-Faisal on numerous occasions stated that Saudi Arabia hopes to solve the Iranian nuclear crisis in a peaceful way.\textsuperscript{90}

\textsuperscript{86} Frederic Wehrey et al., \textit{Dangerous but Not Omnipotent: Exploring the Reach and Limitations of Iranian Power in the Middle East}, Project Airforce (Santa Monica, CA: RAND Corporation, 2009). 145.
\textsuperscript{87} AlFaisal, "Role of Saudi Arabia in G.C.C.: Memoirs (Arabic)."
\textsuperscript{88} Wehrey, "A Nuclear Iran: The Reactions of Neighbours."
\textsuperscript{90} al-Faisal, "Iran's Nuclear Ambition and Saudi Responce (Arabic-Classified)." 11.
efforts of the ‘Three Plus Three’ or ‘Five Plus One’ group discussion regarding a possible peaceful solution to the nuclear issue. However, arguably, Iran has interpreted these gestures to suit its own ends.

In order to manage the nuclear threat from Iran, while also maintaining a peaceful dialogue as an effective way to limit tension, Saudi Arabia (at present the country with the most influence in the region), may have to consider acquiring an equivalent nuclear capability to balance Iran, and to support both its own national security and regional stability. Therefore, the Gulf nations and Saudi Arabia in particular, might be forced to examine the extent to which the Iranian nuclear issue might affect the strategic climate of the Gulf going forward. Saudi Arabia’s decision to join the Nuclear Non-Proliferation Treaty in 1988 was more from political than tactical considerations; it is more than likely that the Saudis will pursue their own weapons programme, for the last decade or so it is known that Saudi Arabia has actively started to evaluate the necessity and possibility of acquiring nuclear weapons. Reports from the Saudi ministries of foreign affairs and defence reports suggest that, in order to cope with the Iranian nuclear threat, the government in Riyadh has decided to acquire nuclear capability as a deterrent, by seeking formal protection from countries who have an existing nuclear capability by allyng with them, and endeavouring to achieve a nuclear-free regional agreement in the Gulf area.

It is worth noting that Iran’s ambitions to acquire nuclear weapons have sparked an arm race elsewhere in the Gulf region, as following the Saudi lead, the other states in the

91 Ibid. 13.
92 Kemp and Gay, War with Iran: Political, Military, and Economic Consequences. 175.
Gulf have responded similarly by revealing the intention to launch a joint nuclear research programme. This announcement has had significant implications for Iran. The Gulf nations, who had previously rejected any form of nuclear activity, are now considering developing their own military programme to counter the nuclear threat from Iran. The UAE, Bahrain, and Kuwait went even further, by determining to enter into joint negotiations with the International Atomic Energy Agency (IAEA) to discuss the formation of their own separate civil nuclear programmes. Thus, Iran can deduce that these states’ programmes will not be allied to Saudi Arabia’s, and therefore, that they would never be coerced to join Iran by nuclear threat. It should also be mentioned here that the US has provided warranties to support Saudi Arabia, which have been a major incentive for the Kingdom to restrain its ambitions to develop its own nuclear capability.

In summary, the Iranian venture to develop a nuclear capability is an issue of grave concern, not only for Saudi Arabia, but also for the global geopolitical landscape. Iran’s nuclear programme is regarded widely as an attempt to gain geopolitical influence in the region and in the wider Muslim world. In response, Saudi Arabia has signed the Nuclear Non-Proliferation Treaty and has been an opponent, at least publically, of nuclear weapons in the Middle East, demanding a Nuclear Weapon Free Zone in Middle East. Although it has been claimed in different quarters that Saudi Arabia is actively seeking acquisition of Nuclear weapons, studies of nuclear proliferation have not identified Saudi Arabia as a country of concern. Nonetheless, despite the official stand to oppose nuclear weapons and the military use of nuclear technology the Kingdom of Saudi Arabia has shown some

96 al-Faisal, "Iran's Nuclear Ambition and Saudi Response (Arabic-Classified)."
intentions to acquire access to such weapons through its allies. It must be noted here that the race to acquire WMD in the Gulf region will not only threaten the shaky peace in the region, but will likely eradicate the opportunity to benefit from economic prosperity, Moreover, in the present context, the acquisition of nuclear capability appears to be more a case of pride than a desire borne out of plans for geopolitical gain.

6.6 Economic and Oil Issues After 2003

It is impossible to gain a clear picture of the current state of Saudi-Iranian bilateral relations and the position of both countries on the regional and international stage without addressing the economic standing afforded by their oil (and gas) reserves. In particular, Saudi Arabia’s prominence and economic influence in the Gulf region, and its strategic position in terms of providing security for its oil reserves, should never be underestimated.

Saudi Arabia has the world’s largest proven oil reserves, and the Saudi oil giant Aramco is the most profitable oil company in the world, with the largest sustainable production capability infrastructure at around 12.5 million bpd, and the world’s largest spare capacity with an estimated 2.5 million bpd (70 per cent of the current worldwide-unused capacity). Saudi Arabia is the only G20 member from the Arab World, Middle East and the Gulf region, and has unrivalled power in OPEC. According to IMF figures, Saudi Arabia’s GDP accounts for 20% of the accumulated GDP of the Middle East and North Africa region and around 25% of the Arab nations’ GDP. This makes the country the engine of the regional economy. 50% of the stock market in the MENA region is funded by the Saudi stock market. Five out of the top ten regional companies are Saudis. The Saudi

Central Bank holds the world’s largest foreign exchange reserves, worth around 850 billion dollars and 500 billion are in private hands. As in other matters, religious and political, Iran has attempted to challenge Saudi Arabia’s dominance in the economic field, mainly on issues such as oil pricing. Moreover, since 2003 competition from Iraq on the subject of oil has become increasingly fierce. Recently, Iran has also linked up with Russia to establish a similar cartel to OPEC to oversee gas production and export, to enhance its influence and gain allies in the region.

In seeking to distance themselves in terms of capability and potentiality Iran and Saudi Arabia have opted for different approaches, Iran has taken a short term view, whereas the Saudis are focused more on long-term considerations. The major difference between the two largely relates to trends in oil reserves and production capacity. According to the latest analysis, Iran has 136 billion barrels of oil reserves, while Saudi Arabia has 267 billion barrels. In addition, World Energy Outlook has forecasted that Saudi Arabia’s output will rise from 10.2 mb/d (million barrels per day) in 2007 to 14.4 mb/d by 2015 and 15.6 mb/d by 2030. In comparison, Iran’s production is likely to shrink by 10 to 15 per cent per year, because of the weaker industrial infrastructure, government mismanagement and the soaring domestic demand (6% annual growth). Another important factor explaining the ‘short- or long-run’ difference in the two nations’ policies are production costs. The cost of extracting a barrel of oil in Saudi Arabia is reportedly $2 to $3, one of the lowest in the world, whereas in Iran the cost is approximately $15 dollars a barrel because of Iran’s

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99 al-Faisal, "Saudi Foreign Policy Today’, Lecture at Middle East Policy Council.” 33.
bloated and inefficient oil sector. Consequently, Iran has a vested interest in maximising its oil profits over the short term, while its market position is still relatively strong. Meanwhile, the Saudis are moderating oil prices to meet the challenge from non-OPEC producers such as Russia, the US, China, Mexico, Canada, Norway, and Brazil, and to ensure that developed nations will not shift or expand their sourcing to alternative non-OPEC nations.

It is worth noting at this point that it has been claimed that Saudi Arabia is waging a price war explicitly to hurt Iran’s economic interests; yet this claim has been denied by Saudi officials. While Iran wants to see higher oil prices to meet its domestic needs, it is believed that the Iranian youth population is expanding dramatically, and will constitute a much larger proportion of society in the next decade. Consequently, a higher national income generated from higher oil prices in the short term would enable Tehran to pacify its highly frustrated youth population with subsidies and grants.

Another major feature of this energy antagonism is the anticipated future oil policy of Iraq. Iraq has 115 billion barrels of proven oil reserves and is the fifth biggest producer globally. Therefore, whoever has most influence their, whether Iran or Saudi Arabia, will have a significant partner in OPEC discussions, not to mention the other strategic and ideological benefits that such influence within Iraq would bring. Thus, along with

102 Frederic Wehrey, *Saudi-Iranian Relations since the Fall of Saddam: Rivalry, Cooperation, and Implications for U.S. Policy*. 72.
103 In March 2008, there were reports that Saudi cuts in production came at the behest of US Vice President Cheney during his visit to Riyadh and were explicitly targeted at Iran. ‘Latent Saudi–Iran Oil Price War Seen’, APS Diplomatic News Service, 24 March 2008.
104 Keith Crane, Rollie Lal, and Jeffrey Martini, *Iran’s Political, Demographic, and Economic Vulnerabilities* (Santa Monica, C.A.2008).
geopolitical factors, economic motivations are also heightening the two countries’ competition over Iraq.

An additional factor-affecting Saudi-Iranian friction is foreign investment in Iran, and its geopolitical consequences. The infrastructure of Iran’s energy sector is chaotic, and foreign investment from the west is not forthcoming, due to US sanctions against Iran. There is a high possibility that Russian cooperation may fill this vacuum. Russia has a direct interest in Iran’s oil profits, because such profits would provide Iran with sufficient foreign currency to purchase its advanced conventional weapons. To intensify Russian-Iranian oil cooperation would thereby reinforce the developing political-military relations between the two states. This arrangement is one that will increase Saudi concerns about Iran’s rising influence in the Gulf.106

Aside from oil, natural gas and liquefied natural gas (LNG) constitute a challenge to Saudi policy in the Gulf. The market for LNG offers a possible benefit to Iran, as indicated by the plans to create an Iranian conceived OPEC-like gas cartel. On 29 January 2007, the Iranian Supreme Leader, Ali Khamenei, issued a formal proposal, stating that Iran and Russia should establish a group similar to OPEC, simply because they have the world’s largest proven natural gas reserves.107

Saudi Arabia did not respond officially to this proposal; however, behind closed doors officials of the Saudi Ministries of Foreign affairs, commerce, petroleum, and mineral resources have discussed the possibility of such a cartel and its potential effect upon the region. Although in late October 2008, energy representatives from Russia, Qatar,

106 In July 2008, Russia’s Gazprom signed a deal to develop Iran’s South Pars gas field and oil projects in the Caspian and Azadegan region.
107 Frederic Wehrey, Saudi-Iranian Relations since the Fall of Saddam: Rivalry, Cooperation, and Implications for U.S. Policy, 74.
and Iran announced a step-forward in discussions concerning the cartel, marking the most significant meeting on issue topic since Khamenei’s proposal. Nevertheless, evidence suggests the likelihood of any OPEC-like body emerging appear bleak, because in contrast to oil, the supply of gas is on the basis of fixed long-term contracts, which makes it difficult to control prices in the short term. These restrictions may leave Iran coordinating gas policy with Russia, while Saudi Arabia and the other Gulf nations continue to continue their own various independent national projects.

Despite this rivalry and posturing, it is clear that if Saudi Arabia and Iran joined hands they could not only increase their own national revenues, but also contribute to the security of the world oil supply and contribute to world growth in general.

6.7 THE REVOLUTION IN SYRIA AND SAUDI ARABIA-I Ran relations

Syria is a very important country in the Levant, sharing its borders with Israel, Lebanon, Jordan, Turkey and Iran. Although Syria is home to a majority Sunni Muslim population (60% of the total), the country’s ruling party is considered to be anti-Sunni.

Iran’s position on Syria is based on a three-decade history of cordial diplomatic relations, since the establishment of the Islamic Republic. Following the success of the Iranian Revolution, Syria was among the first, of two, Arab states to provide support for Tehran both diplomatically and militarily during the Iran-Iraq War.\(^{108}\) Iran has publically declared that it will fight alongside Syria to oppose any attack by Israel.\(^{109}\) Syria has

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regularly supported Iran’s position on major issues. However, on occasions Syria has taken an opposing stand; for example, in Iraq, the Assad regime provided support to secular leader Ayad Allawi, maintaining friendly relations with Iraqi Ba’athists unwelcome in Tehran.110

As mentioned above in section 6.3, Iran supports Hezbollah in Lebanon and the Syrian regime was and still does offer a bridge between Iran and Hezbollah. However, it is worth noting that Syria has shown independence from Tehran on foreign policy issues; e.g. in 2004 Syria supported the Saudi stand against Shia insurgency in Yemen, known as the Houthi Rebellion. Syria also sided with Saudi Arabia to protect public facilities in Bahrain in March 2011; also regarded as a break with Tehran.

The majority of the evidence shows Syria has moved closer and closer to Iran since 2000, becoming one of its very few valuable allies in the region.111 This relationship has served Iran’s goals in Lebanon, enabling it to establish a militarily and politically strong Hezbollah. Syria has also played a crucial role in Hezbollah, obtaining aid from Iran. For Iran, friendship with Syria involves a calculated balancing act, rather than an underlying loyalty; it is a pawn in its expansion plans, as siding with Syria supports is provision of aid to Hezbollah in Lebanon.

Saudi Arabia was once the major donor to Syria,112 but Saudi-Syrian relations rapidly deteriorated under the rule of Bashar al-Assad.113 Although his father had six years

112 Frederic Wehrey, Saudi-Iranian Relations since the Fall of Saddam: Rivalry, Cooperation, and Implications for U.S. Policy. 89.
113 Ibid. 89.
to prepare him to be future president following his elder brother’s death in a car crash in 1994, these preparations failed to turn Assad into the leader his father would have wished for. Since he has been in power, the country has taken a very different direction from that pursued when his father was in power, both internally and externally.\textsuperscript{114} Although, as mentioned above, Syria has long been a beneficiary of Saudi Arabian aid, Bashar al-Assad has shown no political wisdom in his dealings with Saudi Arabia, or indeed the majority of his neighbours.

Tensions rose between Iran and Syria following the 2003 US invasion of Iraq, because despite Syria and Iraq’s longstanding animosity Syria used its rotating seat on the United Nations Security Council to attempt to stop the invasion. However, since the Iraq war, Syria has directed its foreign relations away from Saudi Arabia and towards Iran by supporting the Shia in Iraq.\textsuperscript{115} As described earlier in this chapter, the assassination of former Lebanese Prime Minister Rafik al Hariri on 14 February 2005\textsuperscript{116} worsened Saudi-Syrian relations, although there is very limited evidence to suggest that Syrian intelligence agents plotted the assassination Saudi Arabia continued to accuse Syria. In the first of two reports, UNIIIC implied the Syrian government was implicated.\textsuperscript{117} Al Hariri had a very close relationship with Saudi Arabia, and his leadership was of geostrategic importance to Saudi Arabia. Soon after the assassination, Saudi Arabia renewed backing for UN Security Council Resolution 1559 (2 September 2004), ordering Syria to withdraw its armed forces

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\begin{itemize}
\item \textsuperscript{114} Abdullah Abdulrahman AlHaqan, “Syria under Bashar; a Comparative Study of Syrian Foreign Policies under Two Assads (Arabic),” Faculty of Social Sciences (AlRiyadh: King Saud University, 2014). 1.
\item \textsuperscript{115} Ibid. 7.
\item \textsuperscript{116} E. Karsh, M. Kerr, and R. Miller, Conflict, Diplomacy and Society in Israeli-Lebanese Relations (Abingdon: Taylor & Francis, 2013). 79.
\end{itemize}

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from Lebanon, supporting US diplomatic attempts to remove the Syrian military and intelligence services.\textsuperscript{118}

On 30 July 2010, Saudi King Abdullah and Assad made a joint visit to Beirut to calm tensions created by the feared response to the expected indictment by the UN STL of Hezbollah associates for the assassination of former Prime Minister Rafiq alHariri.\textsuperscript{119} Surprisingly, the STL did not simply hold Syria accountable for alHariri’s assassination, but instead issued arrest warrants for four Lebanese suspects, who were members of Hezbollah. Hezbollah responded to the STL indictment with fury, denying the accusation, while pro-Hariri groups requested Lebanese cooperation with the STL.\textsuperscript{120} The assassination of Rafik alHariri not only dramatically changed relations between Saudi Arabia and Lebanon, as explained above, but also deeply damaged its relations with Iran. Furthermore, Syrian involvement in Lebanon after the 2006 August war further angered Riyadh. Bashar al-Assad even publicly opined that those who failed to support Hezbollah in Lebanon should be regarded as ‘half-men’.\textsuperscript{121}

It seems that the alHariri tribunal in Lebanon was a tactical act by Saudi Arabia. It was intended to isolate Syria and restrict Iran’s influence. Meanwhile, elsewhere the improved relationship between Saudi Arabia and Turkey also played an important role in providing important leverage to separate Syria from Iran. It seems that Saudi Arabia achieved its goals, as at the 2009 Arab summit in Kuwait, Syria was isolated due to its


\textsuperscript{121} Michael Slackman, "Islamic Radicals Spread Instability across Middle East - Africa & Middle East," The New York Times, September 18 2006.
rejectionist attitude over Gaza. Saudi government documents show that Syrian inclination towards Iran further strained the Saudi-Syrian relationship.\textsuperscript{122} In responding to Syria and its backer, Iran, Saudi Arabia sent a low-level delegation to the conference. In addition, the Arab States, including Saudi Arabia, believed Syria would not cease its diplomatic moves toward Iran, and would likely continue to facilitate Iran’s intrusion into the Lebanon, and Israeli-Palestinian problems. The conference rejected Syria’s proposal to invite Iran to the Arab League meeting, considering this as further meddling by Iran in Arab issues. Saudi Arabia sent a low level delegation to the Damascus summit.\textsuperscript{123} During the summit Iran proposed bridge building between Syria and Saudi Arabia, but the Saudi delegation declared that Saudi Arabia had no need of Iran’s help in furthering Saudi-Syrian relations, as the two nations had always enjoyed direct and robust relations.\textsuperscript{124}

Despite Saudi Arabia and Syria being founding members of the Arab League established in 1945, all countries had short spells of cordial diplomatic relations. For example, in 1950s and 1960s, as a result of the policies of Egyptian president Gamal Nasser and of the Cold War, Saudi Arabia and Syria were in rival camps in the 1950s and 1960s. In November 1970, Hafiz Al-Assad resumed power in Syria and diplomatic negotiations between two countries were opened and renewed. However, Syria’s alliance with the Islamic Republic of Iran during the Iran-Iraq War again led to strained relations with Saudi Arabia at the beginning of the 1980s. In 1982, King Fahad became Saudi ruler and developed a special bond with Assad and it continued throughout his reign. During this

\textsuperscript{122} Anonymous, "Saudi Iran Relations: A New Dawn (Arabic)."
\textsuperscript{123} Frederic Wehrey, \textit{Saudi-Iranian Relations since the Fall of Saddam: Rivalry, Cooperation, and Implications for U.S. Policy}, 90.
period, Syria actively advocated the Taif agreement, supporting the Saudi stand concerning ending the civil war and re-establishing the Lebanon’s political system.

The damage to the Saudi-Syrian relationship was caused by the February 2005 assassination of the pro-Saudi Lebanese Prime Minister Rafik alHariri, as explained above. After this, the Israel-Lebanon war in 2006 further damaged relations, since Syria overtly advocated Hezbollah. Relations between Saudi Arabia and Syria were further strained in August 2008, when the Saudi Arabian ambassador was called back to Riyadh and withdrawn in protest over Syrian forces’ crackdown on anti-government demonstrators. Furthermore, King Abdullah boycotted the Arab League’s summit held in Damascus in 2008.

It is not only in his foreign relations that Assad transformed Syria from ally to the majority of the Arab nations, to foe. Internally, economic failure brought increasing opposition to his reign. Public protests against his leadership were frequent, leading both Saudi Arabia and Iran to fear that Syrian unrest and ensuing civil war might threaten them both. This motivated both countries to seek to reconfigure Syria’s relations with them. Tehran certainly had more to lose from the collapse of the Assad regime. Iran, in spite of the fact that Assad was ostracised and criticised by the majority of countries in the region, did not hesitate to proffer its supports to a dictator who was killing his own people in order to remain in power.\(^\text{125}\)

Before the Syrian civil war broke out in 2011, protesters used slogans such as ‘nobility and reform’, ‘fulfil our demands’, and ‘embrace the opposition’ to express their

opinions to the government peacefully. However, they were treated cruelly by the Assad government.\textsuperscript{126} The revolution in Syria has caused Saudi Arabia to re-evaluate its own dealings with the Syrian leadership, leading to a hard-line attitude. Saudi King Abdullah labelled the violence “unacceptable” and requested “an end to the killing machine and the bloodshed” that the regime in Syria has unleashed against its population.\textsuperscript{127} Furthermore, in early August 2011, Saudi Arabia, Kuwait and Bahrain recalled their ambassadors to Damascus to protest Assad’s slaughter of his own citizens.\textsuperscript{128} An early détente with Damascus was seen as vital to draw the two sides into possible conversation, but this was impossible, because what Assad has done to his own people is entirely contrary to the views and beliefs held by Saudis and the wider Muslim world. Saudi Arabia believes that the president of Syria has killed his own people, showing little concern for their rights; not only should he be condemned, but his continuance in power is a serious concern.

Although it is more symbolic, the UN, US, EU, and all Arab nations have condemned Iran and Iraq for backing the Assad regime. US officials also reproached Iran for sending advisers to Syria, and for equipping Syrian security forces with riot gear and surveillance equipment.\textsuperscript{129} Unlike Iran, Saudi Arabia, together with the UN and US, has provided direct aid to those Syrians who have suffered during the civil war. On 30 January 2013, Saudi Arabia pledged $300 million to help Syrians who had suffered during the two years of conflict.\textsuperscript{130}

\textsuperscript{126} Samer Abboud et al., eds., Syria from Reform to Revolt, vol. 1, Political Economy and International Relations (Modern Intellectual and Political History of the Middle East) (Syracuse, NY: Syracuse University Press, 2014). 158.

\textsuperscript{127} Indyk, Lieberthal, and O'Hanlon, Bending History: Barack Obama's Foreign Policy. 177.

\textsuperscript{128} Ibid. 177.

\textsuperscript{129} S. O'Hern, Iran's Revolutionary Guard: The Threat That Grows While America Sleeps (Lincoln, N.E.: Potomac Books Incorporated-University of Nebraska Press 2012). 95.

The direct involvement of Hezbollah in the Syrian civil war has demonstrated that it is not just a force for self-defence, as formerly claimed, but an agent serving Iran’s interests in the region, particularly in the Levant. Saudi officially suggests that Hezbollah’s involvement in Syria is to execute Iranian policy.

In summary, Syria (the Levant as a whole) has been witness to an explicit rivalry between Saudi Arabia and Iran. Saudi Arabia has taken every possible step to counter Iranian efforts to gain geopolitical advantages through the actions of Hezbollah in the region. The situation in the Levant has led Saudi Arabia and Iran to support local rival forces; however, they have also occasionally found grounds to work cooperatively to protect their own interests. In Levant and around the Gulf, both countries are guilty of using local rival groups for their proxy war. Ironically, perhaps, both powers have stated that they act in the name of God, despite the fact that their respective actions and inaction have been instrumental in bringing about the deaths of thousands of Muslims in both Syria and the Lebanon.

6.8 Gulf Region and Saudi-Iranian Relations

Aside from their differing roles in the disputes in Lebanon and Syria, Saudi Arabia and Iran have also opposed one another elsewhere the region. In this context, it is likely that Iran has most to benefit by supporting groups such as Hezbollah and Hamas etc., as promoting conflict has proved a means for it to maximise its political power, as explained above. However, traditionally the most significant arena for Saudi-Iranian disagreement has been the Gulf, with competition and confrontation most recently extending to attempts to make an impact in post-Saddam Iraq. In the quest for Gulf influence, Saudi Arabia has
thus far achieved a greater level of political influence over the decisions and policies of local nations than Iran.

Both Jordan and Egypt regard Hamas as a threat to their own stability, and for this reason, Iranian influence is seen to endanger the region as a whole.\textsuperscript{131} Jordan and Saudi Arabia share common concerns over the development of Iran’s impact in the region, especially its involvement in Gaza. Considering the significance of the Palestinian population in Jordan (700,000), as well as the memory of the 1970 Black September civil war, Amman is apprehensive about Hamas’s empowerment. It fears that violence, or even war, may result if the trend continues.\textsuperscript{132} Jordanian officials also fear that Iran has enhanced its influence in Jordan through proselytisation among Sunnis, although evidence of this is limited.\textsuperscript{133} Amman officials, echoing Saudi views, opine that Iran has replaced Al-Qaeda as Jordan’s most urgent security threat; leading it to seek to change its portfolio of alliances.\textsuperscript{134}

Despite Saudi Arabia continuing to play a determinant role in the Arab world and the Gulf region, any increase in Iran’s impact on its neighbours draws attention. In response, Saudi Arabia has, therefore, consistently pursued efforts to resolve conflicts through peaceful means; e.g. the Peace Initiative for the Palestinian-Israeli issue, approach to the Iran nuclear issue, and cooperation with Iran in Lebanon. To this end, Riyadh has sought to establish strong ties with other Gulf monarchies to maintain the stability of the

\textsuperscript{131} Frederic Wehrey, \textit{Saudi-Iranian Relations since the Fall of Saddam: Rivalry, Cooperation, and Implications for U.S. Policy}. 85.
\textsuperscript{134} Curtis R. Ryan, "The Odd Couple: Ending the Jordanian-Syrian ‘Cold War’," Middle East Journal 60, no. 1 (2006).
The evidence put forward in this thesis suggests that the desire to maintain balance in the region has been a lynchpin of Saudi foreign policy since 1929.

Meanwhile, as the first Shia governing power in the world, Iran has continuously used its political and religious colour to solicit Shia support from its neighbours. By adding a religious angle its motives can be clouded, enabling it to successfully penetrate other nations to build Iranian influence. A considerable problem in this regard is that the GCC, as an organisation, lacks a united strategy with which to deal with the increasing Iranian influence, despite expressing alarm about its negative influence and threats. Small states such as Bahrain and Kuwait, where there is large percentage of Shia citizens, often regard themselves as more vulnerable to Iranian subversion than their neighbours, simply because Shia communities look to Iran for spiritual guidance.  

Another country drawn into the competitive and acrimonious relationship between Saudi Arabia and Iran in recent years is Yemen. Yemen has great military, political and economic importance to Saudi Arabia, resulting in part from their 700-mile shared border. This geographical feature means that, any attempts to destabilise Yemen could be directly interpreted as attempts to destabilise Saudi Arabia. Yemen is also significant because of its position relative to the major shipping routes. Thus, maintaining its stability is a top concern for Saudi Arabia, the region and the US. However, the international community along with Saudi Arabia witness that Iran has infiltrated in Yemen and encouraged the Shia population to champion their rights, using them as a proxy to make geopolitical gains. The Yemeni people are geopolitically and culturally closer to Saudi Arabia than Iran, but events

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135 Kramer, Surrogate Terrorists: Iran's Formula for Success. 10.
precipitated by the Yemen government in 2011 gave Iran an opportunity to destabilise the region and especially the Kingdom of Saudi Arabia.

In 2011, a clash took place between the Yemeni government and Yemen’s Houthi minority, who reside in the Saada province in the northern part of the country. Officials in both Saudi and Yemen condemned the Houthi leadership’s attempts to move away from the principles of moderate Shia Islam to a more militant type of Twelver Shiasm based on the Iranian model.\(^{136}\) Saudi Arabia has considerable influence in Yemen, due to its financial commitment to the Yemeni economy (which stood at SAR 6.34 billion or US $ 2.17 in 2011).\(^{137}\) The Saudi and Yemeni governments have often complained about the support Iran provides the Houthi rebels, including financial and material aid, as well as training (either direct from Iran or through Hezbollah).\(^{138}\) Aid provided to the rebels in Yemen is characterised by Saudi commentators as an attack not only the Yemeni government, but also on the Kingdom.\(^{139}\) This conflict resulted in Saudi Arabian intervention in support of the Yemeni government in November 2009, when it was reported that rebels who had tried to cross into Saudi territory had killed two Saudi border guards. Riyadh decided to take military action against the Houthis in what was regarded as the biggest battle for Saudi forces since the 1991 Gulf War.\(^{140}\) The Sana’a government also agreed to Saudi military strikes, and Saudi forces used heavy artillery and air bombardment, followed by the deployment of infantry in mopping-up operations.\(^{141}\) The battle ended after around two


\(^{139}\) Ibid.


months: the Houthis withdrew from a Saudi border village and a ceasefire was agreed. Most certainly, these events fuelled antipathy between the Iranian and Saudi governments.

6.9 Conclusion

As mentioned earlier, Saudi Arabia and Iran are the two most important countries in the Muslim world. Saudi Arabia promotes the Sunni sect of Islam while Iran supports the Shia sect of Islam. From 1929-1979 both countries enjoyed cordial relations based on mutual respect, and differences in policy were tolerated; e.g. Iran had diplomatic relations with Israel, while Saudi Arabia supported anti-Israel stance of PLO. Both countries followed a shared vision of economic development and prioritised the welfare of their people. However, the 1979 revolution changed this accord, as the new Iranian religious leadership chose to promote its vision of Islam by negating and opposing all those who dared to challenge their point of view, as described in Chapter 2 to 5. This caused friction, and Saudi Arabia felt threatened, although looking back probably to an undue extent, prompting various policies of retaliation to protect her interests. For the last 35 years, both countries have fought proxy wars, which have cost the lives of innocent people from other nations.

This chapter has explored how the challenges faced by Muslim countries around the world have been manipulated by both Saudi Arabia and Iran to promote their own interests, and has explained the resultant effects on their bilateral relations. This review has identified a limited tendency toward cooperation between Saudi Arabia and Iran, in recognition of the need for pragmatism. For example, in Lebanon, their short-term collaboration on power sharing saw a temporary collaboration. When striving for more
pragmatic approaches, both Riyadh and Tehran have recognised the value in working together within the current economic context to bring stability to the region.\textsuperscript{142} Frederic Wehrey et al., has pointed out that in particular, cooperation to benefit the economies of each country is the single factor most likely to result in a future détente. However, any agreement would need to follow the resolution of the current situations in Syria and Egypt, where Saudi Arabia and Iran are backing opposing sides. Indeed, in the context of recent events, the two countries’ competition for hegemony seems to be fiercer than ever.

Iran’s nuclear ambitions, its different energy policies, its aggressive influences and involvements in Iraq, Palestine, Lebanon, and Syria, have brought continuous threats, instability and violence to the Gulf. By contrast, Saudi Arabia, being the location of Islam’s two holy cities and single most important regime in terms of impact in the Islamic world acts from a sense of a great responsibility, not just to its own people but to the region, as it works to counter Iranian advances. Crucially, it is important for both Riyadh and Tehran to be aware that the rivalry inherent in their relationship provides opportunities for undesirable outside intrusion (i.e. US and Russian) into regional affairs. This international interest has further complicated the situation faced by all the nations within the region, as they seek to formulate policies aimed at confronting regional and internal situations. Nonetheless, it is felt that outsider involvement is currently very relevant, e.g. without international condemnation of Iran’s nuclear plans, Saudi Arabia would be left with no choice but to acquire its own capability to counter the threat from Tehran. However, most assuredly, as long as Saudi Arabia feels force to muddle with the affairs of other countries, such as Lebanon, Iran will continue to follow the route it has taken to promote the Shia

\textsuperscript{142} Frederic Wehrey, \textit{Saudi-Iranian Relations since the Fall of Saddam: Rivalry, Cooperation, and Implications for U.S. Policy}, 91.
sect. Thus the future of the Saudi–Iranian relationship, and its ongoing influence in the region, and indeed the world, is uncertain.
GENERAL CONCLUSION

Since forming diplomatic relations in 1929, Saudi Arabia and Iran, the two major regional players in the Gulf, have experienced a number of turning points in their bilateral relationship, prompted by both internal and external factors. These were reviewed and are now evaluated in this conclusion in view of the four research questions given in the introduction: (1) What is the history of the Saudi-Iranian bilateral relations? (2) What are the underlying influences that have shaped Saudi-Iranian bilateral relations? (3) What were the major differences between Saudi-Iranian bilateral relations pre- and post-1979, and why? And (4) What impact do Saudi-Iranian bilateral relations have on the Gulf region and the Muslim world?

After presenting the years 1929 to 1979 as a time of general accord in Chapter 1, (providing a basis to answer questions (1) and (3)) the remainder of the thesis illustrated the uneasy course of the relationship in reference to more recent historical events (as a basis for answering questions (2), (3) and (4)) following the Khomeini revolution of 1979 (Chapter 2), including the Iran–Iraq war (Chapter 3), Iraq’s occupation of Kuwait (Chapter 4), the US invasion of Iraq and Afghanistan (Chapter 5), and the role of the two powers relative to civil wars in areas such as the Yemen in 1962–5, Oman in 1968–73, Lebanon in 1975–90, and the current conflict in Syria (Chapter 5).

It is apparent from the evidence presented, that Saudi Arabia and the other states of the region who share its primary goals of peace and stability have experienced success in
both the regional and international context. Meanwhile Iran, since it embraced radical ends, and other states driven by extremist motives and expansionism (such as Iraq), have been more prone to pursuing violence as a primary course of action, leading them to struggle to make alliances and strengthen the position of their populations on the international stage. This judgment, while arguably subjective, is based on the facts presented herein, and the enduring truth that whenever either Saudi Arabia or Iran have pursued a pragmatic foreign policy, they have been successful in establishing their regional positions, to the benefit of their peoples.

From 1929 to 1979, the Saudi rulers, in line with Saudi Arabia’s ongoing policy of rationalism, realism and pragmatism, carefully negotiated the shifting positions and aims of the Shah’s of Iran and their political manoeuvres, as described in Chapter 1. This period of friendly bilateral relations was a reflection of the similar government structures in the two countries, and their complimentary foreign policies and domestic goals. At this time, sectarian divisions were not emphasised, nor did they arise as an important factor in joint discussions. The four Saudi Kings and the two Iranian Shahs developed an effective relationship with both sides making efforts to build up trust and respect, based on a common understanding of the need for peace and stability within the Gulf region. During this era, Mohammad Reza Shah visited Saudi Arabia four times, and the Saudi Kings visited Iran three times, in addition to numerous reciprocal ministry visits and the sending and receiving of delegations. During this period, both countries faced common threats in the forms of the spread of Arab radicalism and the intrusion of communism in the region. Both nations worked together to limit conflict when compromise was required; as shown

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1 AlFaisal, "Role of Saudi Arabia in G.C.C.: Memoirs (Arabic.)" 23.
in Chapter 1, this mutual understanding was based on three motives: they faced common threats, they shared similar views on how to develop their economies, and they had common goals for their countries.

Several milestones in the areas of religion, the economy and diplomacy marked the two countries’ cooperation. During the first period discussed (King Abdulaziz, 1929-1953) the first Islamic Conference in 1926 ensured decades of stability in the performance of the Hajj, and the 1929 Friendship Treaty initiated a positive bilateral diplomatic relationship; in the second period (King Saud, 1953-1964) came the foundation of the World Islamic League in 1962; and the third period marked the most fruitful cooperation (King Faisal, 1964-1975) with the establishment of OPEC in 1960, the foundation of the Iran-Arab Friendship Association in 1965, the Median Line agreement in 1968, the establishment of the Organisation of Islamic Countries (OIC) in 1969, and the agreement on the Bahrain dispute in 1970. The final period (King Khaled, 1975-1982) was comparatively shorter because of Mohammad Reza’s exile in 1979, signalling the end of the amicable relationship. Over the five decades, Chapter 1 revealed the two countries had shared common views and positions on events that led to regional crisis or war: for example, on the situation in Egypt, the Lebanese crisis, the Yemen civil war, the Oman crisis, and the two Arab–Israeli wars. Despite cooperation, however, the two neighbours also had numerous disagreements. The disputes over Bahrain and the three UAE-claimed islands, Iran’s de facto recognition of Israel in the 1950s and 1960s, and the Shah’s ambitions in terms of Iranian military expansion in the region in the 1970s. In general, however, throughout this period, the two countries built a good framework for cooperation.

With the overthrow of Mohammad Reza Shah and the commencement of the Khomeini era, 1979 marked a turning point in the Saudi–Iranian relationship, as explained
in Chapter 2. Despite the congratulatory message sent by King Khaled soon after the new government in Iran was founded, the Iranian supreme leader repeatedly and openly articulated revolutionary and hostile slogans toward Saudi Arabia and the other Arab nations in the Gulf.\(^3\) Iran’s new government moved the country away from its former policies of cordiality and pragmatism, transforming its foreign relations with Saudi Arabia and other Arab nations into rhetorically adversarial ones.\(^4\) The result of the policies of the new regime were that Iran found itself isolated, not only from the other countries of the region, but also in the Muslim world due to its unpopular revolutionary sloganising and posturing. WWII, one of the most catastrophic wars in human history in terms of casualties, ended with the foundation of the UN and the notion of a shared international responsibility for world peace, embracing all political leaders and their governments. This was not reflected in the regional context of the Middle East, as Khomeini had no desire to bring peace to the Gulf or the Middle East as a whole.

Despite a discourse of conflict that has endured from 1979 to the present, neither war, nor indirect military intervention or violence, has seen the realisation of Khomeini’s aspirations (see Chapter 6 for some discussion and qualification of this). In other words, Iranian efforts to export their version of Islam have achieved little in nearly four decades. Meanwhile, the people of Iran have suffered from the miscalculated adoption of a revolutionary ideology and practices, motivated largely by Khomeini’s extreme personal ideology and ambition. During the 1979 to 2014 period, bilateral relations have not suffered from any such change in Saudi Arabia. The Kingdom did not experience any serious

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changes to its political system, nor did it alter its willingness to cooperate with any country for the sake of the Kingdom and the security and stability of the region.

Thus, the author argues here, in answer to the second research question posed, that Saudi-Iranian bilateral relations have principally been influenced by internal shifts in power within Iran, and the consequent foreign policy directions pursued by its two Wali-e Faqih and its seven presidents. Historically, Saudi Arabia and Iran have more in common in the areas of religion and culture than what divides them, as borne out by the good relations experienced during the period 1929 to 1979 and the instances of cooperation since (see Chapters 3, 4, 5 and 6). Therefore, we argue here that, were the conservatives and officials in Iran to moderate their rhetoric, and minimise revolutionary propaganda and interference in the other Arab countries of the Gulf, then the region would experience greater stability and prosperity, to the benefit of all. The apparent division within Iran between the conservatives and the moderates in terms of their foreign policy has confused the Arab countries in the Gulf, including Saudi Arabia, making it difficult for them to understand Iran’s ambitions, affecting their actions adversely.

This research presented some evidence of the possibility of a future détente, based on events since 1979, in Chapter 5. In particular, 1991 was a turning point in relations, as the rivals became allies in response to Saddam Hussein’s invasion of Kuwait. Driven by internal need, resulting from the enormous cost of the eight-year Iran-Iraq war, Iran’s rational politicians, Rafsanjani and Mohammad Khatami, successfully helped improve Saudi–Iranian rapprochement from the start of 1991 onwards. In this period, two outcomes were achieved in terms of cooperation: in 1991, Saudi–Iranian relations were restored; and the two countries signed a security agreement in 2001. There was also collaboration on oil related issues through OPEC. This marked a promising turn of events for the region
However, Chapter 5 went on to show, how the invasion of Afghanistan in 2001 and the invasion of Iraq in 2003 saw the rift between Saudi Arabia and Iran widen once more, as the two nations took different views. As the relationship has deteriorated, the peace and stability of the region have caused deep concern globally. In 2005, a change of Iranian president, moving the country toward a conservative position triggered another downturn in the bilateral relations that the two governments had established during their rapprochement in the 1990s. Saudi-Iranian relations have continued to deteriorate because of Iran’s involvement in Iraq, Syria, Lebanon and Bahrain, and because of its nuclear plans. In addition, we wish to observe that, religiously, Saudi Arabia is, by virtue of its geography, the cradle of Islam, as the two holiest sites in Islam lie within its borders. Therefore, actions on the part of Iran to try to undermine the historical Islamic position of Saudi Arabia are of no benefit to either Iran or the region, as such an act will only divide Muslims. By contrast, cooperation between Saudi Arabia and Iran would certainly benefit all Muslims, regionally and worldwide.

In answering research question (4) the evidence presented in this thesis from Chapter 2 onwards revealed that on the international stage also, Iran’s position changed dramatically after 1979. The two Shahs had established close relations with the US, but Khomeini tried to export his Shia revolution, while opposing the US and the other countries in the Gulf region.5 The criticisms of the US should be understood in the context of the fact that during the Iran-Iraq War, Khomeini acquired arms from the US via Israel. In more recent developments, since the fall of the USSR, Iran has moved closer to Russia, and during the Syrian civil war Russia openly backed the Syrian government, supporting Iran

and Hezbollah in Syria, while the US, France, EU, Saudi Arabia and the other Arab countries supported the Syrian people. The civil war in Syria continues, with disastrous and tragic consequences being reported daily. In 2013, the US reversed its military tactics in opposition to the Bashar government, and scheduled peace talks. The peace talks in Geneva 2 on 22 January 2014 carried the weight of huge expectations from various parties, most especially in relation to the aim of a ceasefire in the civil war in Syria, which has already cost more than 100,000 lives, causing millions of refugees and displaced people since 2011.

It is important to mention here, at the close of this thesis, that to improve the ability of the Gulf nations to work together to resolve regional issues without recourse to international powers beyond the Middle East, it is increasingly critical that Saudi-Iranian relations take on a more cooperative character. Thus, going forward it is hoped that the historically proven ability of Saudi Arabia and Iran to work together to build better relations for the security and peace of the region triumphs. However, writing from a Saudi perspective, it seems contingent on Iran that it first adopt a friendly foreign policy to strengthen its relationships with the Arab countries of the region, and to reduce the potential to draw Saudi Arabia into conflict with it, by allowing the countries of the Levant to negotiate peace without interference. If such policies were to emerge, then history demonstrates that Saudi Arabia would follow suit, by pursuing peace to benefit its people, the Arab states, Muslims, and the world as a whole.
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