

*Sixth Cooperative Idea***Against All Odds - Decreasing the Saudi-Iranian Rivalry for Regional Hegemony through and in the Wake of the JCPOA: Obstacles and Opportunities****Bernd W. Kubbig, Marc Finaud in Cooperation with Ali Fathollah-Nejad**

The dangerous spiralling of the rivalry between the Kingdom of Saudi Arabia and the Islamic Republic of Iran for hegemony/supremacy in the Middle East/Gulf is the factor that has the most negative impact on the entire region. The authors make the case for using the specific features and successful negotiations of the historic Joint Comprehensive Plan of Action (JCPOA) as a way to downgrade this bilateral rivalry. This agreement was the focal point of (pre-)negotiations especially between the United States and Iran that de-escalated the tensions between the two enemies and turned them – at least during the administration of President Barack Obama – into adversaries with an interest in selective cooperation. The agreement is living proof that formerly incompatible interests can be overcome. It is true, however, that, despite its complexity, the JCPOA can only have a limited influence on developments in the region. This is why the authors identify the roots of the intensifying Saudi-Iranian rivalry at the domestic, regional and international levels – with corresponding recommended steps to de-escalate this struggle. The prospects for such a positive scenario appear to be particularly promising if elites in both Riyadh and Tehran – especially since they are facing increasing domestic challenges to regime/government stability – opt to slow down or even reverse their countries' current course. A more assertive population, especially among women and the youth, has become a new factor for serious change. This may incentivise these elites to pursue less costly foreign policy approaches – including finding appropriate forums for serious dialogue, with de-escalating the mutually demonising rhetoric as the first step.

Background and Context: The Intensifying Saudi-Iranian Rivalry as the Main Feature of the Regional Security Dilemma

The focus on the intensifying rivalry between Saudi Arabia and Iran for regional hegemony/supremacy highlights the most significant conflict constellation in the Middle East/Gulf and its adverse impact on the entire region. At the same time, this approach allows us to reduce the complexities of the conflict in the region, which is best characterised as a specifically pronounced security dilemma with the Saudi-Iranian struggle as its most prominent feature. Our focus on this struggle has enabled us to identify both the factors that are escalating it and, accordingly, steps that could de-escalate this ultimately self-defeating security dilemma. 'Escalation' is the appropriate term to apply to all the relevant dimensions of the Saudi-Iranian struggle, among them the geographically broadening of its scope (reaching to Lebanon and Yemen), the mostly instrumentalised Sunni-Shia sectarian schism and the rhetoric of mutual demonisation.

Conceptualising the JCPOA as a Concrete Measure to Reduce the Rivalry

Against this challenging backdrop, the JCPOA between the E3/EU+3 (China, the European Union, France, Germany, Russia, the United Kingdom, and the United States) and Iran is a historic diplomatic result of determined diplomacy. Its successful features should, whenever possible, be applied to efforts to downscale Saudi and Iranian regional aspirations. This suggests the following key question: why did the JCPOA conflict parties manage to get to the negotiation table and behave in a constructive way so that an agreement could be concluded in mid-July 2015?

The lessons from the case-study-based Concepts of (Pre-)negotiations presented and summarized in Stein's "Getting to the Table" could help us to develop and systematise the positive standards that are required for a successful outcome. Among other things, the promising features of the JCPOA include the incentive-based approach that created the necessary political will to initiate talks, especially in the United States under President Barack Obama and in Iran after the election of his Iranian counterpart, Hassan Rouhani, in 2013. The agreement served as the focal point for both governments to start and conduct the secret informal bilateral talks in Oman that then led to the official negotiations. This experience may be

helpful for any attempt to de-escalate the Saudi-Iranian conflict.

Overcoming zero-sum thinking as a specifically negative characteristic of a security dilemma is embodied in many ways in the JCPOA, with its pragmatic flexibility, orientation towards compromise and built-in restraints. Finally, the JCPOA, as a cautious expression of selective cooperation, started to turn the Iranian-US relationship in the Obama era from one of general confrontation to one characterised by focused accommodation – at least at the negotiation table, where enemies became achievement-oriented adversaries. To be sure, the features and results of the JCPOA cannot be regarded as a blueprint for de-escalation in all contexts, but could undoubtedly serve as a checklist for future Saudi-Iranian (pre-)negotiations.

Because of its limits, the multilateral accord has to be embedded in the wider context and should therefore include issues affecting the domestic, regional and international levels. Two additional concepts will help us answer our broader central question: what circumstances might be conducive for Saudi Arabia and Iran to overcome the obstacles, conditions, and challenges presented in the checklist and encourage them to get together and initiate de-escalation measures? Our previously developed Concept of Limited/Overstretched Regional Hegemons ("Would-Be-Hegemons") allows us to look at these factors at the three levels. It starts from the premise that the aim of the

competition between the two countries is to stabilise and strengthen their respective regimes/governments by consolidating or even expanding their spheres of interest/influence (and in the case of Saudi Arabia, by rolling back Iranian influence). But the hegemonic aspirations of both competitors may collide with domestic challenges to regime/government stability, and in a positive scenario incentivise the rivals to start a meaningful dialogue on de-escalation measures.

The ‘Would-Be-Hegemons’ concept emphasises the limits of Saudi Arabia’s and Iran’s attempts to project their power. They are not real hegemonies such as the United States or China, which act on a global scale as security providers using the broad spectrum of foreign policy instruments that are available to them. To characterise the Middle East rivals as ‘Would-Be-Hegemons’ is conducive to a sceptical assessment of their domestic political problems and limited financial capacities, thus questioning their ability to achieve real gains. In an optimistic scenario (which is by no means assured) the basic security dilemma might work in favour of a de-escalation of the politically and financially costly competition. This perspective is endorsed by an insight from Rasler, Thompson and Ganguli’s Concept “How Rivalries End”/De-escalating Strategies, which stresses as a factor “Domestic resource crises - economic depression/stagnation”.

Identifying the Roots of the Rivalry – and Possible De-escalation Steps

We will now apply to both countries the above-mentioned actual and potential constraints as well as clashes between their domestic and foreign policy demands. The internal scenes in the Saudi kingdom and Iran, different as they are in many respects, are also characterised by strikingly similar politico-social, demographic, economic and financial problems. Women and the youth have become relevant players in both countries: their demands for greater freedoms, a more participatory role in a larger public space, and their calls for secure jobs and sound education can no longer be ignored. In Saudi Arabia, these societal actors could become a real threat to regime/government stability, unless Crown Prince Mohammed bin Salman is successful in implementing his far-reaching reforms. What is more, his announcement establishing before a more moderate Islam (if it is meant to also include the Shia) could significantly relax the sectarian divide and the terrorism/extremism that goes with it. In fact, this project could become a cooperative endeavour if it were picked up in a constructive way by Iran, which so far has always complained that its own efforts at downscaling the sectarian divide have fallen on deaf ears in the kingdom.

In the foreign policy area we see an overstretched Saudi Arabia in its dispute with Qatar and its war in Yemen. Riyadh’s objective of terminating the long-standing conflict with a self-confident and assertive Qatar has not been achieved. And the political cost – the danger of the breakup of the Gulf Cooperation Council as we have known it – is real. The same applies to the goals of its military intervention in Yemen, which has had a devastating impact on the poorest country in the Middle East/Gulf: Riyadh is mainly responsible for the world’s worst current humanitarian crisis. In both cases the kingdom’s activities display its fundamentally changed self-understanding from a once low-key coordinator and mediator for the entire region to an assertive actor with an increasing preference for foreign interventionism by military means.

Both politically and financially costly cases could force Saudi Arabia to take face-saving de-escalation measures. They may even threaten the unprecedented reformist initiative of Crown Prince Mohammed bin Salman, which thus far has been especially supported by women and the youth. To put it in a positive way: successful politico-social and economic reforms may turn out to be Saudi Arabia’s decisive advantage over Iran in the long term in two ways — they may lead to a sound and sustainable new social contract in Saudi Arabia itself, and they could become an attractive model for the wider region. In both cases regime/government stability would be improved.

As to Iran, the wave of protests of December 2017-January 2018, which primarily expressed urban discontent, is a time bomb that may explode again if basic socio-economic and political problems are not adequately resolved. The protests were also triggered by budget priorities that were seen as unacceptable in a context of corruption and cronyism. The potential threat to regime/government stability is obvious, since forcibly crushing protests may not prove to be a successful strategy in all circumstances. This may be aggravated if Tehran overplays its hand by becoming militarily entrenched in Syria and Iraq. Another case in point is Iran’s building of production sites for precision-guided missiles. If Tehran crosses the red lines laid down by the Israeli government, which regards those activities as a potential threat, it may risk provoking Israeli military actions that could add significantly to Iran’s political and economic costs in this area. Conversely, exercising restraint could be regarded as a first step toward a de-escalation strategy.

Yet one does not need to wait until domestic challenges force both rivals to downscale their escalating foreign policy activities. Therefore, initiating an (in)formal dialogue that is attractive to both

of them (especially Saudi Arabia, with its preconditions for sitting down at the negotiation table) would be an important step. The barriers could be lowered by framing conditions and key demands as a priority list of security concerns presented as a parcel, with the Iranians having their own list. In addition, such a bilateral forum could become an attractive way of clarifying controversial issues and misunderstandings, among them the roots of the conflict and its ever-intensifying spiral, as well as mutual allegations and suspicions, especially regarding interference in each other’s domestic affairs. The Joint Commission established by the JCPOA as a standing dispute mechanism could (despite its specifics) be helpful as a model in addressing – and possibly settling – concrete controversial issues. What is more, bilateral cooperation could be initiated step by step in the economic and environmental areas (with the latter impacting on both rivals).

And finally, proposals to discuss the fundamental problem of regional order by referring to the principles of the Conference and then the Organization for Security and Co-operation in Europe could become relevant for constructively dealing with the rivalry issue. These proposals certainly imply the presence of extremely demanding challenges that cannot be resolved easily. But they will ultimately boil down to the fact that the role of the United States is the central divisive issue between Saudi Arabia and Iran. Even with changing roles and policies under post-Obama administrations, the United States is likely to remain the most important extra-regional actor affecting the bilateral struggle.



The Next Practical Steps

Against this backdrop, this POLICY FORUM recommends tackling the regional order problem by starting with the Saudi-Iranian rivalry – it is these two countries that are primarily responsible for the region's spiralling conflict dynamics and their de-stabilising implications for the entire Middle East/Gulf.

As a first step, we suggest that the two countries downscale the hostile rhetoric they fling at each other and find pragmatic ways of getting together for low-key informal talks, as described above. Iran, with its JCPOA-related comparative advantage, should be the first to downscale its demonising rhetoric and apply to the Saudis the standards that made the multilateral JCPOA agreement successful, especially the elements of compromise and restraint. This would amount to pre-empting the Saudi Arabia's concerns regarding the JCPOA, which in Riyadh's view has made Tehran even more assertive in its foreign policy activities. Such behaviour would also constitute an important measure to preserve the milestone JCPOA agreement.

At the same time, the moderate faction of the elites in Tehran should present the controversial missile issue in a way that does not single out Iran: countries such as Israel and Saudi Arabia should be part of any regional design in this regard.

And if the rulers of the two rivals feel conceptually overwhelmed by the demands of the required effort, they should make use of the concepts and ideas provided by a number of Track II actors. ■

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