**CDS / GSM**

024 JOINT 16 E

Original: English



NATO Parliamentary Assembly

SUB-COMMITTEE ON

DEMOCRATIC GOVERNANCE

AND

MEDITERRANEAN AND MIDDLE EAST

SPECIAL GROUP

**MISSION REPORT**

**RIYADH, SAUDI ARABIA**

18 – 20 JANUARY 2016

www.nato-pa.int 29 January 2016

This Mission Report is presented for information only and does not necessarily represent the official view of the Assembly. This report was prepared by Paul Cook, Director of the Mediterranean and Middle East Special Group.

# Introduction

### Saudi Arabia is deeply concerned about the threat posed by Daesh[[1]](#footnote-1), remains very committed to countering terrorism in any form and sees Iran as the primary source of instability in the Middle East. These were the core messages Salman bin Abdulaziz Al-Saud, the King of Saudi Arabia, some senior representatives of the Gulf Cooperation Council and key Saudi government officials and politicians, delivered to a NATO PA delegation during its visit to the Kingdom from 18‑20 January 2016. Lord Jopling, Chairman of the Committee on the Civil Dimension of Security, and the French MP Gilbert Le Bris, Chairman of the Mediterranean and Middle East Special Group, led the NATO PA delegation which consisted of 23 parliamentarians from 13 NATO countries.

# The Challenge in Syria and Iraq

### One of the leitmotivs from discussions with Saudi officials and analysts was that the West is not doing enough to find a resolution to the crisis in Syria. There is a feeling that things were moving in the right direction until the Russians decided to intervene. Russia’s active military support for Assad has made a resolution of the situation all the more elusive. The Saudis would like to see a concerted international effort to work diplomatically to prevent Russia from blocking progress in Syria. The Saudis do not believe a resolution to the crisis is possible as long as Assad remains as the head of the Syrian government. Unfortunately, Russia seems dedicated to strengthening Assad’s hand, and the Syrian opposition does not have the same degree of commitment from the international community.

### Saudi officials and experts want to see a diplomatic solution to the crisis but this has become ever more difficult. Russia’s military support has emboldened Assad and made him even more intractable. It is improbable that the Sunni and Kurds could be reconciled under Assad’s authority and, therefore, he will have to go if there is to be any hope of establishing peace. Like Russia, Iran is providing valuable military support to Assad and has sent Iranian forces and proxies to fight legitimate opposition groups. For Iran, Syria is the critical stepping stone to Lebanon where it exercises a great deal of leverage through its ties to Hezbollah.

### Members of the delegation pointed out on several occasions that despite the serious tensions between Saudi Arabia and Iran, a way needs to be found to encourage these two important countries to cooperate on Syria. The diplomatic process necessarily engages Iran, Russia, Saudi Arabia and the West and broad international agreement will be essential to achieving a favourable outcome.

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### Members of the delegation acknowledged in discussions with their Saudi counterparts the real and critical challenges of fighting a land war in Syria and several acknowledged that the chances of deploying Western troops into that theater are currently remote. Forces regarded as Christian, Kurdish or Shia simply would not be welcome in many Sunni regions, and this poses a genuine policy conundrum. Delegation members asked Saudi officials if their government was positioned to support ground forces from a range of Sunni majority countries such as Egypt, a country with which Saudi Arabia currently enjoys close ties. For the moment, this too seems unlikely and the Kurdish forces currently operating in the region are very unlikely to move beyond Kurdish lands. Egypt is participating in the air campaign against Daesh, but it would be asking too much of that country, which Saudi Arabia strongly supports, to engage on the ground. At the same time, Hezbollah and Iranian Quds forces are operating unimpeded on Sunni territory in Syria and this reflects the kind of asymmetry at play in the conflict.

### Although Saudi Arabia shares Israel’s concerns about Iran, this has not shifted Saudi views of Israeli policies toward the question of Palestine. Saudi leaders continue to see Israeli policy on matters such as settlements as a source of extremism in the region. The problem, however, has, for the moment, been overshadowed by the crisis in Syria and Yemen. But the Saudis would like Europe and particularly the United States to re-engage the parties to look again for ways to achieve a viable two-state solution to that intractable and enduring problem.

# The Fight Against Terrorism

### Saudi Arabian authorities broadly agree that Daesh poses an existential threat to the countries of the region. It has worked hard to counter its propaganda and fund raising efforts in Saudi Arabia, and this is neither fully understood nor appreciated in the West.

### There appears to be a widening gap between the reality of contemporary Saudi Arabia, which has changed substantially over the past decade, and Western perceptions of the Kingdom, which remain conditioned by the involvement of some Saudi citizens in the September 11 attacks. Western diplomats who met with the delegation are convinced that the Saudi government is very dedicated to fighting terrorism, has decisively blocked funds intended for terrorist groups like al-Qaeda and Daesh, and has recently put together a coalition of 34 largely Islamic countries to ensure a united front in this struggle. Although the announcement was seen as rather hasty, the idea is that this will become a kind of clearing house for countries with resources to dedicate to the fight against terrorism. It will certainly take some time before this coalition becomes fully operational and, before that happens, it will have to agree on common policies.

### Saudi Arabia has also enacted the region’s strictest and most effective financial rules, making it extremely difficult to fund terrorism from the Kingdom. Western governments have welcomed this effort. The Saudi government is also developing a narrative of a peaceful Islam impervious to the siren call of terrorist temptation. This is a notion that it is employing at a large deradicalisation centre for those convicted of involvement with terrorism (see below). The government has established awareness programmes across the country, and has also launched a comprehensive review of the education system to ensure that the messages communicated to Saudi students are consistent with this effort to counter the message of extremists.

### But according to a number of Saudi interlocutors and observers of Saudi politics, this progress is often unrecognised in the West. Moreover, events like the execution of 47 prisoners found guilty of a range of crimes including terrorism do not generate a great deal of sympathy for the Saudi position. The international media, for example, has focused on the plight of a Shia cleric who was among those put to death for crimes that many observers believed fell well short of terrorist conspiracy. That said, it is important to recognise that Saudi Arabia has been a victim of a number of terrorist attacks and it is certainly a target of both al-Qaeda and Daesh.

### The delegation had an opportunity to visit Prince Mohammad bin Nayef Counselling and Care Center where those convicted of terrorism and who have served their sentences are then sent for the purposes of deradicalisation. The operative idea is to draw from modern psychology and psychiatry as well as Muslim teachings to redirect those who have engaged with radical terrorist groups both towards more moderate expressions of Islamic teaching and productive and positive engagement with society. The effort is complementary to the judicial system, and the Center’s leaders claim an 80% success rate. There have nonetheless been several noted cases of recidivism. The Center has sparked interest among Western and regional governments which also face the challenges of radicalised youth drawn to Daesh and other terrorist groups.

### The Prince Mohammad bin Nayef Counselling and Care Center confronts a range of challenges, in part, because it has to cope with a wide variety of cases. It has worked with extremely dangerous former prisoners held by the United States in Guantanamo Bay but also self-radicalized “Lone Wolves”. The Center accepts these people only after they have served their prison sentences, although their term at the Center is ordered by judges. Whether the so-called “beneficiaries” will be paroled after their tenure at the Center depends on the progress they make. Some are asked to remain at the Center for further counselling and some are returned to prison depending on their release stipulation. More than 3,000 beneficiaries have passed through the Center, 122 of whom had also been held in Guantanamo and were considered the most dangerous of those who have passed through the Center. Of the known recidivists, 15 were subsequently recaptured, five are now dead and four are still wanted. The Saudis do not mix these prisoners with the normal prison population.

### The Center draws on the Muslim faith and Sharia principles as well as Saudi cultural traditions, art therapy and sport to carry out its work. The staff includes a range of experts Imam who seek to impart a very different view of the faith to the beneficiaries by engaging directly with the texts. The Center has produced books, videos and websites to share its findings and methods. It has published religious inspired works to explicitly refute what it calls the false religious arguments that extremists have used to justify their actions. The Center also works closely with the families of these extremists so that they become active participants in the process of rehabilitation.

# The challenge posed by Iran

### Virtually every Saudi official who met with the delegation expressed Saudi Arabia’s deep concerns about Iran. The country’s leaders feel that Iran remains a revolutionary power dedicated to overthrowing the regional order. Iran has exploited what the Saudis openly describe as growing U.S. and European reluctance to project power in the region. Saudi officials believe that it is actively working to destabilise Bahrain, Lebanon, Syria, Iraq and Yemen either directly with its own forces or through proxies like Hezbollah. Saudi officials support the efforts in Vienna to find a political solution to the crisis in Syria and feel that Iranian and Russian military support for the Assad regime are making it very difficult to end the conflict. The Iranians are now playing upon the threat of Daesh to offer protection to Shia living in the Gulf and this is seen as a provocation in the region. Evidence of arms smuggling from Iran to the region represents yet another source of tension.

### Saudi experts also see the crisis in Iraq as a failure of Western resolve and an indication of Iranian meddling. The Iran-supported al-Maliki government, in particular, was highly sectarian and posed a genuine threat to the Sunni minority in that country. The Saudis are convinced that stability in that country rests on building a more inclusive government and a fair distribution of wealth, both of which would represent perhaps the best means of countering Daesh in that country.

### Saudi experts believe that the West has failed to appreciate the degree to which Iranian authorities wish to establish a kind of hegemony over the region. They believe that despite the nuclear deal, Iran remains captive to a highly ideological group of sectarian revolutionaries committed to fomenting instability in order to undermine the authority and interest of its rivals, including Saudi Arabia. From the Saudi perspective, the recently signed nuclear deal has been an exercise in naive wishful thinking and is premised on the false hope that Iran will somehow change as a result of the concessions the international community has extended it. The Saudis worry that this logic is delusional and dangerous, particularly given the factionalism inside Iran and the powerful leverage that the more extreme elements continue to exercise within that opaque ruling structure. They detect Iranian fingerprints in Bahrain, Lebanon, Syria and Iraq and do not see Iran’s presence in these countries as benign. To the contrary, Iran, they argue, hopes to destabilise all of these countries and will use sectarianism to achieve this end.

### Iran is now testing long-range ballistic missiles with a range of 3,000 km. It will be very difficult to ensure that such systems are not nuclear capable and it is worrying that Iran is moving forward on this programme precisely at a time when it seeks to assure the international community that it has abandoned its nuclear weapons programme. Saudi officials repeated that they are not in a position to gage intentions and are compelled therefore to focus on Iranian behaviour which, from their perspective, remains a genuine source of concern.

### Not surprisingly, Saudi officials are deeply worried about the recent nuclear deal as it does not eradicate Iran’s nuclear programme, fails to address the problem of Iran’s ballistic missile programme and grants Iran access to resources that it will likely use to further its strategic ambitions at the cost of regional security. Moreover, the international community will find it very difficult to restore sanctions even in the face of evidence that Iran had violated the terms of the agreement. Thus in 15 years, Iran could well return to the nuclear game and it could do so from a position of significantly increased international leverage and strength. Saudi Arabian officials are unconvinced that Iran will be deterred from developing its nuclear capacities over the coming 15 years and will be emboldened to meddle in the affairs of its neighbours.

### Despite these tensions, neither Iran nor Saudi Arabia would contemplate engaging in a direct war and both recognise that such a conflict would be catastrophic. The tension is thus played out diplomatically or militarily in other theatres like Yemen and often via proxies. Saudi Arabia has avoided war for several decades and the events in Yemen have been somewhat traumatic. But they are convinced that the current Iranian regime is almost genetically revolutionary and sectarian and that the real key to regional peace ultimately lies in political transition in that important country.

### Acknowledging Saudi concerns, members of the delegation nonetheless noted that the region was so fraught with tension that innovative ways have to be found to foster dialogue between Iran and Saudi Arabia. The crisis in Syria is a case in point as some degree of regional unity must be struck in order to begin to resolve that tragic conflict which is threatening regional peace and stability—a crisis that now has begun to spill over into Europe.

# Yemen

### The civil war in Yemen was also an important theme of discussions. Saudi Arabia’s perspective on that conflict is influenced by its rivalry with Iran and it attributes the crisis there, at least in part, to Iranian meddling. The internationally recognised government of that country was pushed out of the capital Sana’a by Houthi rebels who enjoy Iranian support and Iranian weaponry including fixed wing and Scud missiles. These were used to attack the Presidential residence. The Saudis as well as the international community saw this as an attempt to assassinate the legitimate president of the country. Saudi officials claim that they launched the intervention at the request of the legitimate government, but they were also very concerned about military incursions and exercises along their border. Indeed the Saudi border with Yemen remains very fraught and in meetings at Majlis as-Shura, Saudi counsellors suggested that had numerous incursions on Saudi territory launched by the Houthis. There is a strong sense that these attacks are conducted with the complicity of Iran.

### For Saudis, the tragedy of the recent upheaval in Yemen is that the country had been on the verge of agreeing a constitution and an important set of institutional reforms including a decision to create a federal state recognising the country’s diversity. The Houthis and the People’s Party Congress had all agreed to this and the UN had expressed it support through several resolutions. The Houthi attacks on government forces undermined this process and plunged the country into turmoil, a set of events that was understood to threaten regional security. Once the Houthis entered the capital city, their cooperation with Iran further increased and by 26 March 2015 the Saudis judged that intervention was essential to safeguarding their own security. That intervention has posed enormous challenges and required an intensive Saudi military and diplomatic effort. The goal has been to restore the integrity of the country and Saudi analysts suggested to the delegation that roughly 75% of the country is now ostensibly under government control, although there are evident security vacuums as well. Ultimately, the Saudis hope to see the legitimate government of Yemen return to Sana’a.

# The Oil Economy and the Need for Economic Diversification

### Saudi Arabia’s greatest long-term challenge does not relate to the legitimacy of the regime, as is sometimes argued, but rather the country’s capacity to generate jobs for the 300,000 young Saudis who enter the job market each year. The state cannot continue to employ 80% of those entering the job and the private sector will have to play an ever increasing part here. On the economic front, the delegation learned that Saudi Arabia is committed to diversifying its economy so that is becomes less reliant on oil revenues which swing wildly with global price fluctuations. With 300,000 Saudis entering the job market each year, neither the state nor the oil sector is positioned to provide employment to these young people. Failure to generate new jobs, however, constitutes a long-term threat to domestic stability. The country’s leaders thus recognise that a more diversified economic base will be essential to maintaining prosperity and stability over the long run. Roughly 200,000 young Saudis are now studying abroad to acquire the knowledge, skills and the linkages needed to achieve this goal. This process has already begun and the Deputy Speaker of the Majlis told the delegation that between 2000 and 2015 non-oil revenues in Saudi Arabia increased by 250%. He also noted that the young generation is pursuing advanced study at an unprecedented level and many are taking technical and scientific degrees. This, he said, was a critical step toward building the non-oil economy. Another member of the Majlis added that ultimately Saudi Arabia will need to invest the money it has generated from oil sales to build this new economy.

### The Gulf region, however, has significantly outperformed Iran which has mismanaged its assets and isolated itself from the global economy. Per capita income in Iran has shrunk dramatically over the past decade while it has grown significantly throughout the Gulf.

### It costs roughly 5 US$ to extract a barrel of high quality crude oil in Saudi Arabia and this means that it continues to make profit even in a period of low oil prices. It has not sought to contain the recent price fall, in part, because it has a longer term interest in knocking out high cost producers from the market—including shale oil and arctic oil producers. The goal is to put the Gulf region right back at the centre of global energy markets and to bolster the region’s political and economic leverage. This process is just beginning and several speakers suggested that no price rises are likely in the near term. The Saudis want to recapture global market share and are using the pricing mechanism to do so.

# The Gulf CooPERATION Council

### The delegation visited the secretariat of the Gulf Cooperation Council (GCC) and met with its Assistant Secretary General Abdel Aziz Abu Hamad Aluwaisheg who provided an overview of the GCC’s work. He noted that the organization was founded 34 years ago to foster greater unity and integration among six Gulf countries across a range of policy areas. The Secretary General argued that great progress has been on many parallel tracks and that the six member countries have achieved a marked degree of unity and integration.

### The institution has sought to allow these parallel tracks to work independently of each other to maximize the chances for progress. Progress has been possible even when political relations among the six have been tense. This was the case in 2002 when member states agreed to building a customs union and to start down the road toward monetary convergence. In 2008, the customs union became a common market although monetary integration has not yet been achieved. Efforts are also made on the economic front to forge common strategies and to legislate uniform laws and regulations. Not only has the GCC established a common external tariff, it has also sought to eliminate a range of non-tariff barriers.

### The results of these efforts are tangible. Trade among the member states has increased from 22 billion US$ in 2003 to 155 US$ billion today. The citizens of Gulf countries can now move freely across the borders and can also work and reside in other member states. A system of national treatment has been established which also reduces trade frictions and encourages deeper exchange. This freedom of movement, however, does not apply to 20 million migrants or guest workers living and working in particular Gulf countries. The GCC also works on sectoral integration in areas such as infrastructure, the electric grid, water, rail, port and airport compatibility, transport and communications compatibility.

### All the GCC countries are aware that oil is a finite resources and that overreliance on the revenues it generates leaves them vulnerable to the vagaries of global commodity markets and insufficiently prepared for the long run. Economic diversification has become a leitmotiv throughout the region, and the GCC is leading a regional effort to turn this aspiration into a reality. There is a shared recognition that oil alone will not sustainably employ the region’s growing population and it is important to create conditions needed to foster new industries. Proper management of the region’s huge sovereign wealth funds will be essential in this regard.

### The GCC has also become a key player in regional security. Cooperation on military matters began soon after the institution’s founding. In 1984, the GCC create a joint military force of 10,000 soldiers divided into two brigades called the Peninsula Shield Force. It was based in Saudi Arabia near the Kuwaiti and Iraqi borders. These forces took part in the liberation of Kuwait. In 2000, members signed a Joint Defence Treaty in Bahrain which gave regional defence matters an indivisible character. In 2012, the Council established a maritime operation centre which also works with partners such as the United States to monitor the waters of the Arabian Peninsula. A joint military command has also been established to better integrate regional air, sea and land forces.

### Member states are convinced that the nature of the threat to the region has shifted with Iran’s nuclear and missile programmes and that this demands member states develop a capacity to react very quickly in times of crisis. It remains committed to keeping the region free of weapons of mass destruction.

### At the same time, cross border trafficking and international crime pose a constant challenge, and the defence doctrine of the GCC accordingly recognizes the links between internal and external threats. Accordingly in 2012, the GCC established a police force coordination capacity to deal with cross border police matters. The staff will be located in the United Arab Emirates will work with Europol and Interpol. The goal is to make this group operational by 2016.

### The organisation itself is governed by a Supreme Council and includes a commission for dispute settlement, an advisory commission to the Supreme Council, a Ministerial Council and a range of technical committees that work across the full range of areas in which policy is coordinated, including matters related to finance and banking, industry and commercial arbitration, humanitarian aid, nuclear proliferation and counter-terrorism and counter-piracy. It is actively reaching out to similarly structured institutions like the EU, MERCOSUR and ASEAN, as well as important powers like the United States and France with which it has established strategic partnerships. It is working toward forging a similar agreement with China. The GCC has also struck important relations with Turkey, ASEAN, Australia and Japan while fostering deeper economic ties throughout much of the Arab world.

### But the dynamics of these relations are changing. The share of GCC trade with the United States has fallen from 15% to 8% since 1992 and for the EU the decline has been from 24% to 12%. At the same time, China’s share has risen from 2% to 11% and India’s from 3% to 11%. These are significant shifts and they are likely to condition GCC relations with the rest of the world. The delegation visit overlapped with an important visit of China’s President to the Saudi Kingdom, during which a number of important commercial deals were signed. China’s energy needs and its growing economic and political clout are keenly sensed in the Gulf region and this is altering both political and economic calculus there.

# Women’s Rights in Saudi Arabia

### Women’s role in Saudi society is changing more rapidly than is often understood in the West. In meetings at the Majlis as-Shura, the delegation met with some of the 30 women the King recently named to this consultative Assembly. They communicated to the delegation that women are playing a growing role in Saudi politics and economics and are now pushing for reforms, including the right to drive, to better reflect this evolving reality. But old guardianship strictures, which codify the right of men to oversee the lives of women, persist and this puts the country very much at odds with Western human rights traditions. But change seems inevitable. Today an estimated 420,000 women own their own business and women are now entering the professions in ways that are unprecedented. Social attitudes are changing more quickly than the legal system. Today there are more women graduates from university than men and it is now a point of pride for families to have daughters with advanced degrees. This is new to Saudi society.

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1. Daesh, the Arabic acronym, will be mainly used to refer to the armed terrorist group also known as

   The so-called Islamic State or ISIS. [↑](#footnote-ref-1)