

REVISITING THE NATURE OF IRANIAN THREAT TO SAUDI ARABIA

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Abstract

The Saudi-Iran rivalry - much debated in International Relations and Security Studies discourses - is interestingly one where the state with superior material capabilities i.e. Saudi Arabia perceives a greater threat from the one falling lower on this scale i.e. Iran, rather than vice versa. Taking lead from the Balance of Threat theory, it has been assumed that the Iranian pro-revolution ideals are perceived as a threat by the Saudi regime. Methodologically, this study empirically evaluates the material power differential between Iran and Saudi Arabia, showing that a mere Balance of Power logic fails to explain the Saudi threat perception vis-à-vis Iran. Instead, the Saudi regime's construction of this threat is driven by a mix of societal-level insecurity and the weak state-society relationship within Saudi Arabia - offering Iranian asymmetric power a fifth column to be exploited for destabilizing the Saudi polity. To tackle the threat, Saudi Arabia needs to provide its masses basic freedoms to revamp its state-society equation; an ad-hoc carrot and stick approach is not a long-term remedy in the given case.

Keywords: *Saudi-Iran Rivalry, Balance of Power dynamics, Threat Perception, State-Society Relationship*

Introduction

The rivalry between Saudi Arabia and Iran has been the subject of much debate and research, and continues to be significant in the backdrop of instability in the Middle East. The rivalry is often traced back to the Iranian revolution of 1979, but in fact, its roots are identifiable in the ancient antagonism between the Arab and Persian civilizations. Both distinct civilizations have always felt insecure from each other and have

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tried to overcome the other's threat. The trend has continued till date and much like the earlier era, 'balance of power' is believed to be the most common and relevant explanation of this Saudi-Iranian tussle. In the regional context, for instance, the proponents of Regional Security Complex Theory (RSCT) have explained the Saudi-Iran relationship using the following argument: "the formation of regional security complex (RSC) derives from anarchical structure within which states-under the patterns of amity and enmity-engage in balance of power dynamics."¹

In line with this understanding given by RSCT, it is inferred that the Saudi-Iran relationship in the Persian Gulf region can be explained through power dynamics in which each state strives to balance the power of the other. Although the concept of 'patterns of amity and enmity' given by RSCT calls for studying threat perceptions, at the core, it is the differential in relative power capabilities that shapes these very threat perceptions. As per the dominant view, this essentially means that both rivals, i.e. Saudi Arabia and Iran have constructed an image of the other on the basis of measurement of relative power capabilities. Also this implies that the threat that Saudi Arabia perceives Iran to be posing is rooted in the rise in Iran's material strength.

The very fact that much of Saudi diplomacy (both in the region and outside it) aims at countering the Iranian threat, makes the nature of this threat important to be understood. It needs to be established whether the threat is caused by relative power/balance of power considerations or are there reasons other than Iran's material strength that make Saudi Arabia vulnerable to it; only then appropriate remedies can be proposed/enacted and the existing ones be revisited. This research contribution aims to revisit the balance of power explanation of the Saudi-Iran rivalry in an effort to explain if the power build-up dynamics truly explain the threat calculus of the former vis-à-vis the latter.

Conceptually, it has been assumed that a state's strength lies in its national cohesion. The nature of domestic level patterns of security relationship between the state and society informs the extent of this cohesion/ national strength. Closed political systems with no power-sharing between the state and society are vulnerable to exploitation by enemies. The resultant domestic fault lines offer space to the external elements for propagating their interests.

The pattern of security relationship between Saudi monarchy and its society has been based upon unquestioned loyalty to state for material benefits with no share of the masses in the political process. The Saud monarchy, therefore, has always remained sensitive to any regional alternative governmental model, which might attract Saudi domestic society. In this context, the Iranian regime's rhetoric of transporting

¹ Barry Buzan and Ole Weaver, *Regions and Power: The Structure of International Security* (Cambridge: Cambridge University Press, 2003), 45.

ideologically flavored revolution has remained a cause of great concern for the Saudi regime. This perceived vulnerability has been augmented by the wave of Arab Spring (2010-11). Within Arab societies the uprisings for political change have been triggered due to weak socio-economic conditions of the masses. Although the Saudi regime has managed to contain the domestic impacts of Arab Spring through utilizing its financial leverage, still, in the absence of resetting of political and security relationship with its society, it perceives Iranian threat as inevitable.

The article has been organized into three main sections. The first section establishes and defines a yardstick for measuring the relative power capabilities of states. A standard set of criteria has been chosen after evaluating the methodologies of previous researches by experts in the field, since different scholars have referred to different elements of power for gauging the power capabilities of states. In the next section, the standard criteria chosen have been employed to empirically measure and compare the power capabilities of Iran and Saudi Arabia. Based on this comparison, the last section analyzes the real nature of Iranian threat to Saudi Arab i.e. whether the above comparison reinforces the assertions of the balance of power dynamics at play between the two, or is the Saudi regime responsible for the construction of threat in the absence of an actual threat (posed by Iran's limited power capabilities vis-à-vis Saudi Arabia). This research argues that the real threat does not emanate from differential in power capabilities. The threat rather lies within Saudi Arabia's socio-economic and political system, which the Iranian regime is capable of exploiting through deploying asymmetric power via dissatisfied elements. These dissatisfied elements exist because the traditional pattern of security relationship between the regime and the masses no longer guarantees security of Saudi regime. The Saudi monarchy needs to remodel its relationship with its society by ensuring and sustaining security of the masses, which in turn requires the provision of socio-economic freedoms and a share in political power.

Measuring States' Power

Measuring power capabilities of states has always remained a matter of great interest for academics belonging to International Relations, Political Science and related fields. During the Cold War, a Balance of Power lens was predominantly utilized by scholars for studying almost all spheres of Great Power dynamics in all places. Different writers at various times have found specific indicators for measuring power capabilities of the states. For this piece of research four models have been studied, briefly described in the following lines.

The first significant yardstick for measuring power capabilities was determined by Clifford German. He included territory, workforce, resources, military personnel and possession of nuclear weapons as

measures of national power of state.² Since German's model was simplistic, therefore, it was further advanced by David Singer. According to his estimate of power capabilities, the sum of the measures of total population, urban population, steel production, fuel/coal production, military budget and military production³ constitute power of the state, which can then be compared with other states for determining relative strength.

Another model of measuring elements of national power was given by Ray Clive. It was in fact an improvement over Singer's model as it also included qualitative measures of power along with quantitative ones. He concluded that power of a state is determined through multiplying sum of critical mass, economic prowess and military strength with the sum of strategic purpose and national will. In this model, however, determination of strategic purpose and national will is tediously difficult.

The Chinese strategic scholars have also calculated formulas for measuring power of states. For instance, Chin-Lung Chang has calculated aggregate power of states by adding critical mass, economic strength and military strength and then multiplying the sum by 1/3. He calculated critical mass by adding two demographic elements of power i.e. population and area in the following formula:

$$\text{Critical Mass} = \frac{\text{Population}}{\text{World Population}} \times 100 + \frac{\text{Area}}{\text{World Area}} \times 100$$

Although in terms of quantitative analysis this measurement is easy as it ignores qualitative measures, still, the formula misses other important elements of national power like strategic fuel production, qualitative value of population and strategic significance of an area etc.

Based on these models of measuring state power it has been inferred that three variables stand significant for measuring power capabilities of states i.e. Military capabilities, Economic capabilities, and Population strength. Since the aim of this research is to compare the powers capabilities of Saudi Arabia and Iran without delving into discovering a new model for measuring power, therefore, the scope of the current comparison limits itself to these three selected measures. In addition, however, the measure of asymmetric power capability has also been utilized as it serves as a significant tool for understanding Iranian power in the region. The selected measures have been quantified by determining their respective variables and indicators for appropriate empirical analysis.

² F. Clifford German, "A Tentative Evaluation of World Power," *Journal of Conflict Resolution* 4, (1960): 138-144.

³ J. David Singer and Melvin Small, *The Wages of War, 1816-1965: A Statistical Handbook* (New York: John Willey, 1972)

Power Capabilities of Iran and Saudi Arabia: A Comparative Analysis

This section compares the power capabilities of both Iran and Saudi Arabia in line with the variables identified above, measuring these through the indicators utilized below.

Military Capabilities

The military capabilities of Iran and Saudi Arabia have been measured using three indicators including military strength in terms of military personnel, military equipment, and military expenditure. Iran outclasses Saudi Arabia in terms of military personnel as it has a strength of 9,34,000 compared to Saudi Arabia which has 2,56,000 military personnel⁴. Saudi Arabia's armed forces are much better equipped than Iran's (the Saudi military budget is roughly eight times that of Tehran), the Islamic Republic compensates by possessing a much larger force in terms of manpower.⁵ The military expenditures of the two states have been measured using three aspects: military expenditures from the period 2011-2017, military expenditure as a percentage of Gross Domestic Product (GDP) for the same period, comparison of percentage of global arms imports between 2008-12 and 2013-17, and comparative defence budgets.

The Iranian military expenditure from the period 2011-17 shows neither significant rise nor decline. From Fig.1, as shown below, it is evident that its military expenditure hovered between \$12.6 billion in 2011 to \$14 billion in 2017.⁶ However, from 2013 to 2015, the expenditure was curtailed to \$10 billion (approx.).⁷ The rise in military expenditure from 2016 onwards is due to the relaxation of international sanctions following the conclusion of Joint Comprehensive Plan of Action (JCPOA). In terms of percentage of GDP, the Iranian military expenditure remained within 2 to 3 percent with the exception of 3.1 percent in the year 2017.⁸

⁴ Global Firepower Index 2018, https://www.globalfirepower.com/country-military-strength-detail.asp?country_id=saudi-arabia & Iran.

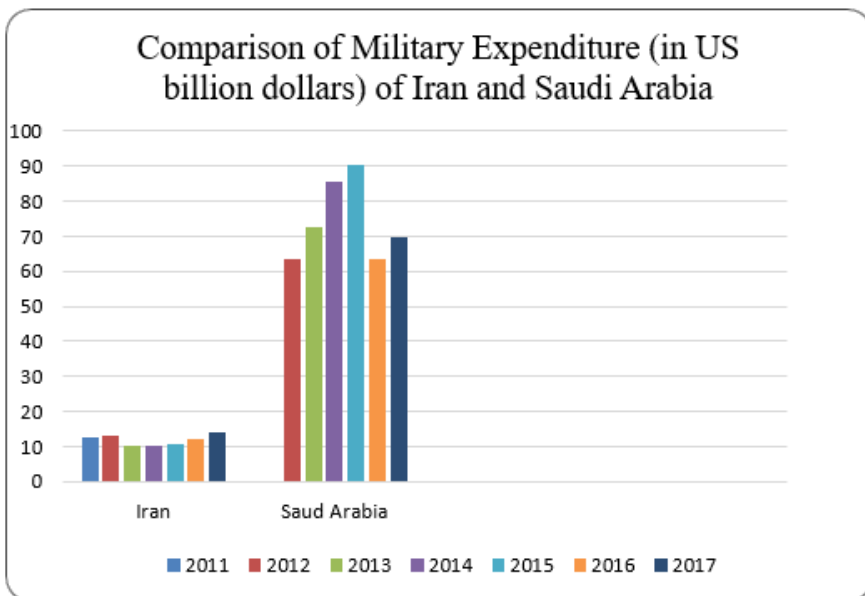
⁵ Justin McCauley, "The Asymmetry of Asymmetry in the Saudi-Iranian Rivalry," *Gulf State Analytics*, March 11, 2016, <http://www.ifimes.org/en/9151>

⁶ "SIPRI Military Expenditure Database - Data for all Countries 1988-1997," SIPRI 2018, https://www.sipri.org/sites/default/files/1_Data%20for%20all%20countries%20from%201988%E2%80%932017%20in%20constant%20%282016%29%20USD.pdf

⁷ Ibid.

⁸ "SIPRI Military Expenditure Database - Data for all Countries as Percentage of Gross Domestic Product 2003-2017," SIPRI 2018, <https://www.sipri.org>

Fig 1: Military Expenditure of Iran and Saudi Arabia



Source: Compiled by authors⁹

In contrast, Saudi Arabia’s military expenditure has shown not only a huge increase, but has remained exceptionally high in comparison to Iran. Fig. 1 is a testimony to the fact that Saudi military expenditure began rising from \$55 billion in 2011 and reached its climax at \$90.2 billion in 2015.¹⁰ Although it showed significant decline in 2016 and 2017 (\$63 billion and \$69 billion respectively), still, it has remained high in comparison to Iran.¹¹ In terms of percentage of GDP, the Saudi Military expenditure is way ahead of Iran. From 2011 to 2015 Saudi military expenditure as percentage of GDP has risen from 7.2 to 13.5 percent.¹² It then began to decline in 2016 when it was at 9.9 percent and in 2017 it was 10.3 percent.¹³ In 2017, Saudi Arabia became the third largest military spender of the world with spending 10 percent of its GDP on military build-up.¹⁴ Its military spending increased by 74 percent between 2008

⁹ Ibid.

¹⁰ “SIPRI - Data for all Countries 1988-1997,” SIPRI 2018.

¹¹ Ibid.

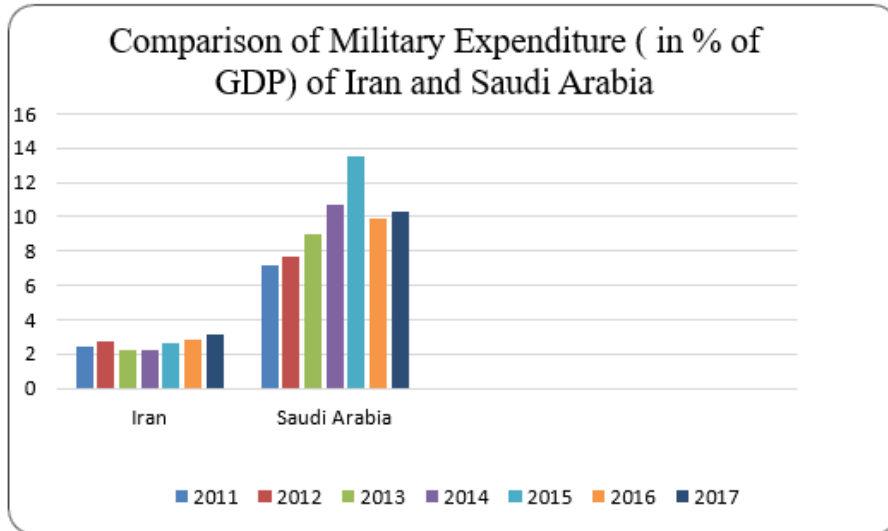
¹² “SIPRI, Data for all Countries as Percentage of Gross Domestic Product, 2003-2017,” <http://visuals.sipri.org/>

¹³ Ibid.

¹⁴ Ibid.

and 2015 and reached \$90 billion. Military expenditure fell by 29 percent in 2016 but again rose by 9.2 percent in 2017.¹⁵

Fig 2: Military Expenditure as Percentage of GDP of Iran and Saudi Arabia



Source: Compiled by authors¹⁶

Another indicator used for measuring military strength is the comparative percentage of global share of arms imports between the period 2008-12 and 2013-17. During the first period Saudi Arabia imported 3.4 percent of the global arms.¹⁷ However, from 2013-17 its share of global arms imports reached to 10 percent, which is an increase of 225 percent.¹⁸ During this period 31 percent of the total arms imports to the Middle East went to Saudi Arabia, whereas Iranian share has just been 1 percent.¹⁹ Saudi Arabia was the world's largest arms importer from 2013-17.²⁰ It imported highly expensive offensive arms during 2013-17 including 78 combat aircrafts, 72 combat helicopters, 328 tanks and 4000 armored vehicles.²¹ The defence expenditure for the year 2018 also shows a significant difference between Saudi and Iranian military expenditures.

¹⁵ Ibid.

¹⁶ <https://www.sipri.org/>

¹⁷ "Global Share of Arms Imports," Fact Sheet SIPRI, file:///E:/21%20Jan,%202019/fssipri_at2017_0.pdf.

¹⁸ Ibid.

¹⁹ Ibid.

²⁰ Ibid.

²¹ Ibid.

Saudi defence budget for the year 2018 has been \$56 billion as compared to \$6.3 billion for Iran.²²

So far as quality and effectiveness of military equipment is concerned, Iran lags behind Saudi Arabia or any of its competitors in the region. Its military lacks supporting equipment for invasion and subjugation of its neighbours. It is evident in its insufficient airpower and logistical capability to assert force outside its borders because it has ageing armor, artillery, aircraft, and major combat ships, and the ground forces have limited training and expertise for large-scale encounters.²³ It has been reported that out of its 300 combat aircraft, almost half have insufficient capability because of their extremely long range.²⁴ Nevertheless, Iran possesses remarkable asymmetric naval-air-assault force capability vis-à-vis Gulf States.²⁵ These capabilities include:

Several hundred small maritime patrol crafts armed with multiple rocket launchers, torpedoes, heavy machine guns, or in some cases guided missiles. In addition, Iran has a number of coastal-defense cruise missiles, some eighty-three armed and attack helicopters, three Kilo-class submarines, and an estimated force of 2,000 to 3,000 naval mines.²⁶

The Saudi military equipment in qualitative and quantitative terms is highly offensive in nature. Its US-made arsenal comprises of highly sophisticated military equipment including F-15SA fighter/attack aircraft, Advanced Medium Range Air-to-Air Missiles (AMRAAM), Joint Direct Attack Munitions (JDAM) and APACHE attack helicopters, which bolster its military strength against Iran.²⁷

²² Global Firepower Index 2018, https://www.globalfirepower.com/country-military-strength-detail.asp?country_id=saudi-arabia&Iran.

²³ Steven Pifer et al., *U.S. Nuclear and Extended Deterrence: Considerations and Challenges - Arms Control Series Paper 3* (Washington, DC: Brookings Institution, May 2010), 38; International Institute for Strategic Studies (IISS), *The Military Balance* 111, no. 1 (2011): 296, 298.

²⁴ Anthony H. Cordesman, "The Conventional Military," in *The Iran Primer: Power, Politics, and U.S. Policy*, ed., Robin Wright (Washington DC: United States Institute of Peace Press, December 2010).

²⁵ Anthony H. Cordesman, "The Saudi Arms Sale: Reinforcing a Strategic Partnership in the Gulf," *Center for Strategic & International Studies*, November 3, 2010.

²⁶ Alexander Wilner and Anthony H. Cordesman, "Iran and the Gulf Military Balance," *Center for Strategic & International Studies*, December 1, 2011, 32.

²⁷ Daniel K. Rosenfield, "Countering Iran with Arms Sales to the Gulf Cooperation Council States," *Institute for Defense Analyses*, 2012,13.

Similarly, United Kingdom (UK) based Storm Shadow air-launched cruise missiles add to its air power capability of offensive attack.²⁸ In a clear cut edge vis-à-vis Iran, laser- and global positioning system (GPS)-guided bombs allow for precision attacks on Iran's life-line import and export facilities in the Gulf. In defensive terms Saudi Arabia has more powerful counter-air and counter-air-defense systems.²⁹ The presence of offensive weapons enhances Saudi Arabian capacity to control escalation. For instance, with the help of Storm Shadow air-launched cruise missiles, Saudi Arabia could attack Iran's important economic facilities in the Gulf without sending air crafts for direct battle against Iranian air force. The offensive weapons would help Saudi Arabia in minimizing risk of further escalation. For example, air-launched cruise missiles and tactical ballistic missiles (ATACMS) increase its risk reduction capacity.³⁰

The above mentioned disproportionate offensive power capabilities of Saudi Arabia have been supplemented by the physical presence of US military bases. The US physical presence encircles Iran and leaves negligible chances of Iranian offensive adventurism against any of its allies, especially Saudi Arabia. It has been said that,

Many U.S. forces deployed to the region are supported by bases that are in close proximity to Iran. In addition to the port facilities in Manama, U.S. Navy ships frequent ports at Jebel Ali near Dubai in the United Arab Emirates. USCENTAF operates from a number of locations in the region, including al Udeid Air Base, Qatar, and al Dhafra Air Base in the United Arab Emirates. Al Udeid hosts the USCENTAF's CAOC, a critical command and control node for U.S. air and space operations throughout Central Command.³¹

Economic Capabilities

Determining economic strength of a state is not a simple and straight forward task as numerous macro and micro economic variables are suggested to determine economic capabilities. For simplicity, and by considering the nature of Iranian and Saudi Arabian economic systems, three variables have been selected for comparing economic strengths of Iran and Saudi Arabia. Economic growth, quantity of capital for import-

²⁸ Jeffrey Lewis, "Storm Shadow, Saudi & the MTCR," *Arms Control Wonk*, May 31, 2011, <http://lewis.armscontrolwonk.com/archive/4051/saudi-arabia-storm-shadow-the-mtcr>

²⁹ Daniel K. Rosenfield, "Countering Iran with Arms Sales," 15.

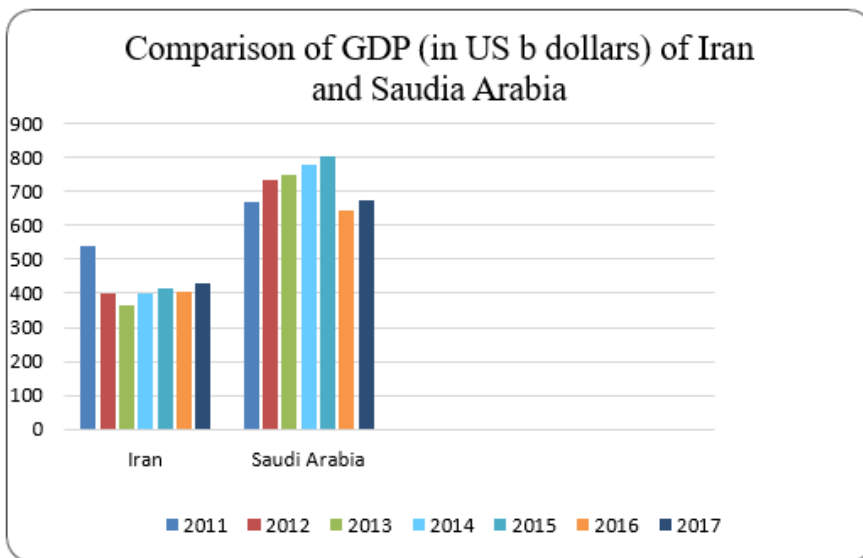
³⁰ *Ibid.*, 23.

³¹ Mark Gunzinger and Chris Dougherty, "Outside-In: Operating from Range to Defeat Iran's Anti-Access and Area-Denial Threats," *Center for Strategic and Budgetary Assessments CSBA*, 2011, https://www.files.ethz.ch/isn/154637/CSBA_SWA_FNL-WEB.pdf

export and natural resources of oil have been measured through values of indicators including Gross Domestic Product (GDP), economic growth rates, foreign exchange reserves, presence of oil reserves and oil production and consumption capacity.

The GDP of Saudi Arabia from the period 2011-17 has been phenomenally higher than Iran. Its GDP was \$669 billion in 2011 and kept on increasing till it reached \$805 billion in the year 2015.³² Then it started declining, still, its value was significant at \$674 billion in 2017.³³ The values of GDP have been quite impressive during the said period; however, the growth rate in Saudi economy has shown inconsistency. Fig. 4 clearly shows significant variations from 2011 to 2017. In 2011 the growth rate was 10 percent, but it fell sharply in the following years. The growth rate values from 2012 to 2014 have been 5.4, 2.7 and 3.6 percent respectively.³⁴ It increased to 4.1 percent in 2015, but again dropped to 1.6 percent in 2016 and in the year 2017 it went to a negative value of -0.86.³⁵

Fig 3: GDP of Iran and Saudi Arabia



Source: Compiled by the authors³⁶

In comparison, Iranian economic growth levels in terms of GDP and its growth rate has been significantly low during the same period.

³² World Bank National Account Data, <https://data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG?end=2017&start=2007>.

³³ Ibid.

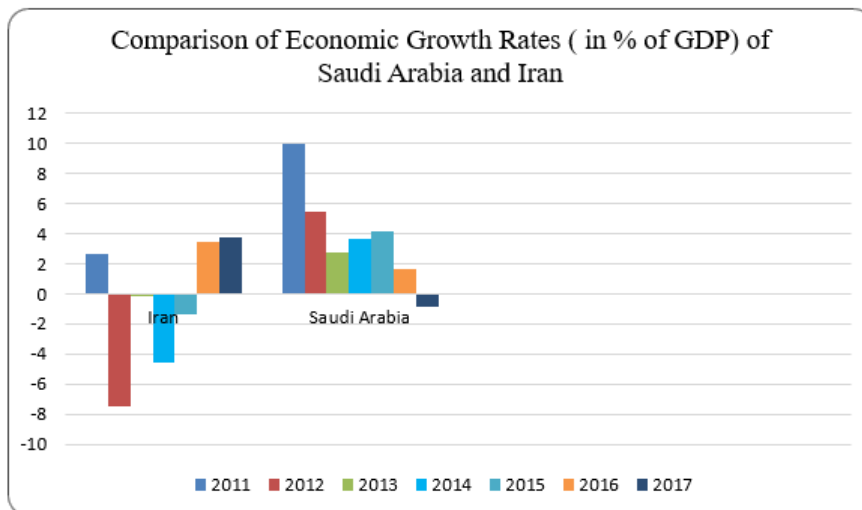
³⁴ Ibid.

³⁵ Ibid.

³⁶ Ibid.

Iran's GDP in 2011 was \$541 billion. It fell down to \$367 billion in 2013, after which it gradually grew from \$402 billion to \$428 billion in 2017.³⁷ The growth rate of Iran was 2.65 percent in 2011 but in the following years it remained in negative figures till 2015. In the next two years it grew and reached 3.76 percent in 2017.³⁸

Fig 4: Economic Growth Rates of Iran and Saudi Arabia



Source: Compiled by the authors³⁹

The fundamental reason for slow growth in the Iranian sector is the imposition of strict sanctions by the western world against alleged Iranian nuclear weapons programme. Since 2006, Iranian economy was under multilateral sanctions imposed by the United Nations (UN), the US and by the European Union (EU). Given the fact that oil prices were very high, Iran managed to undo the serious effects of these sanctions. However, the decline in oil prices from 2011 began to take high toll on the Iranian economy. Since then the rate of inflation, unemployment as well as oil production capacity and foreign direct investment have shown negative trends.

Unemployment rate since 2012 has risen from about 15 to 20 percent.⁴⁰ The rate of inflation also reached 23.9 percent in

³⁷ Ibid.

³⁸ Ibid.

³⁹ Ibid.

⁴⁰ "World Economic Outlook," *International Monetary Fund* September 2011, 198-203, <https://www.imf.org/external/pubs/ft/weo/2011/02/pdf/text.pdf>

2012⁴¹. Moreover, western investment was curtailed and the GDP rate also began to decline. Drop in oil prices reduced GDP rates, which resultantly impacted oil production capacity. It fell to 3.16 mb/d in 2012.⁴² The western sponsored sanctions made conditions tough for oil payments. Iranian regime had to adopt barter system for export of its oil.⁴³ Weak economy did not allow Iran to develop its oil fields and hence, production capacity remained significantly low.⁴⁴

The implementation of Joint Comprehensive Plan of Action (JCPOA) provided breathing space to Iranian economy; still, the accumulative effects of the sanctions require a long time to recover. And the possibility of re-sanctioning Iranian economy in the wake of recently concluded US decision of withdrawal from the JCPOA has further diminished chances of quick recovery of the Iranian economy.

The indicator used for measuring import/export capital capacity has been measured by studying foreign exchange reserves. Here again Saudi Arabia has huge reserves as compared to Iran. Foreign exchange reserves of Saudi Arabia in the year 2018 have been recorded at \$509 billion as compared to Iran's \$132 billion.⁴⁵ Saudi Arabia has yet another advantage in this aspect - in the form of presence of sovereign wealth funds, which have constantly been used as a cushion to offset the current account deficit.

The natural resource of oil which has been counted as the backbone of both countries' economies has been measured through its production level and reserves strength. Saudi oil production in the year 2018 has been recorded at 4 million barrel per day (mb/d) as compared to Iran whose production capacity in the year 2018 has been 4 mb/d.⁴⁶ As far as oil reserves are concerned Saudi Arabia is the largest country of the world in terms of possession of oil reserves with estimated strength of 266 billion barrels (bbl).⁴⁷ On the other hand Iran has 158 bbl. of oil under its soil.⁴⁸

⁴¹ "Exchange Rate Archive," *Iran's Central Bank*, http://www.cbi.ir/ExRates/rates_fa.aspx

⁴² "Charts of the Week," *Bianco Research*, 2012. <http://www.arborresearch.com/bianco/?cat=27&samplecat=7>

⁴³ Mahdieh Aghazadeh, "International Sanctions and their Impacts on Iran's Economy," *International Journal of Economics and Finance Studies* 6, no. 2, (2014): 25-41.

⁴⁴ Ibid.

⁴⁵ Global Firepower Index 2018, https://www.globalfirepower.com/country-military-strength-detail.asp?country_id=saudi-arabia&Iran

⁴⁶ Ibid.

⁴⁷ Ibid.

⁴⁸ Ibid.

Population

Numeric strength and quality of population is highly significant in comparing power capabilities of Iran and Saudi Arabia. The strength of a nation is still dependent on the quality of population even in the contemporary era of advanced technology. For measuring population three indicators have been selected i.e. total population, percentage of workforce between 15-64 years with respect to population, and ethnic diversity in population.

Iran is the most populous country in the Persian Gulf with estimated 82.021 million population.⁴⁹ Its percentage of workforce i.e. Males within the age group 15-64 is 37.8 percent.⁵⁰ Iran is an ethnically diverse population with Persians constituting 51 percent and remaining non-Persians including 24 percent Azeries and 7 percent Kurds. Although Azeries have gradually become part of the Iranian political and economic spheres, they still have been discriminated against in terms of their distinct ethnic origins. Azerbaijan has often been accused of instigating separatist aspirations among the Iranian Azeri population.

Similarly, the Kurds have been continuously suppressed for their alleged collusion with Saddam's Iraq against the Iranian territorial integrity. Furthermore, the Balochies, although constituting only 2 percent of the population,⁵¹ have also been considered potential domestic threats as they have been accused by successive Iranian regimes of being exploited by external elements for targeting Iranian political integration.

In contrast Saudi Arabia has a total population of 28.5 million⁵² and 39 percent of population (male only) is aged between 15-64 years.⁵³ The Saudi population is less diverse as compared to Iran as it has 73 percent Saudi nationals.⁵⁴ However, important factor is the presence of the 6 percent Shia population,⁵⁵ which is considered as an element being used by Iran against the Saudi regime. The demographic presence of Shias in the oil producing eastern provinces of Saudi Arabia causes further insecurity to the Saudi regime as subversive activities by these elements can become a hurdle in the way of oil production, which happens to be the primary source of Saudi economy.

⁴⁹ Global Firepower Index 2018, https://www.globalfirepower.com/country-military-strength-detail.asp?country_id=saudi-arabia.

⁵⁰ "Chapter Seven: Middle East and North Africa," *The Military Balance* 118, no. 1, (2019): 333.doi: 10.1080/04597222.2018.1416983, ISSN: 0459-7222.

⁵¹ Ibid.

⁵² Firepower Index 2018.

⁵³ "Chapter Seven," *The Military Balance*, (2019): 358.

⁵⁴ Ibid.

⁵⁵ Ibid.

Asymmetric Power Capabilities

History of strategic competition of states shows that they resort to asymmetric strategies when lacking parity in conventional military strength. It affirms the argument that asymmetric strategies are most of the times used in defence. As discovered in the preceding sections, Iran's power capabilities vis-à-vis Saudi Arabia and the US are insignificant, therefore, Iran has developed asymmetric power capabilities. These capabilities have been reflected in its use of regional proxies, indigenous manufacturing of asymmetric weapons like ballistic missiles and rockets, and development of capabilities to have a potential for choking the strait of Hormuz. All these capabilities have then been projected through propaganda devices and the rhetoric for ensuring effective deterrence.

Quds Force, external wing of Islamic Revolutionary Guards Corps (IRGC) has specialized in "Unconventional Warfare". It organizes, and finances pro-Iranian proxies such as: the Popular Mobilization Units in Iraq, foreign Shiite militias fighting on behalf of Iran's ally Syria, the Lebanese Shiite group Hezbollah, Houthi rebels in Yemen and Palestinian Islamic Jihad etc.⁵⁶ The Quds force also assists allied regimes in Iraq and Syria against insurgencies and revolutionary movements.⁵⁷ The importance of the Quds force has been summed up as follows:

One plank of Iran's defense strategy is "forward defense," led by the special operations Quds Force of the IRGC. The strategy involves the use of regional allies and proxies, known as the "axis of resistance," as leverage to weaken, bog down, deter or fight Iran's enemies away from its soil.⁵⁸

The indigenously produced rockets and ballistic missiles add to the asymmetric strength of Iran. "The geostrategic reality is that Iran has the ability to attack major centers of oil production in Saudi Arabia's oil-rich Eastern Province (EP) in response to any Saudi and/or Western aggression. A single effective rocket strike on Saudi Aramco's Abqaiq facility, for instance, would send the international oil trade into complete disarray."⁵⁹

Iran's geostrategic location around the strait of Hormuz is yet another one of its strategic edges vis-à-vis its enemies. The strategic importance of the Strait of Hormuz lies in the fact that about one-fifth of the world's oil passes through it. It is said that, "Iran has developed capability of choking this strait through mines and unconventional naval

⁵⁶ Justin McCauley, "The Asymmetry of Asymmetry in the Saudi-Iranian Rivalry," *Gulf State Analytics*, March 24, 2016.

⁵⁷ Ibid.

⁵⁸ Ibid.

⁵⁹ Justin McCauley, "The Asymmetry of Asymmetry in the Saudi-Iranian Rivalry."

tactics against enemy warships, such as swarming enemy warships with small, low-cost watercraft and speedboats armed with anti-ship missiles and torpedoes.”⁶⁰ However, there is an important geostrategic lapse in Iran’s defence also. Almost all of Iran’s oil terminals and four principal ports are situated in the Persian Gulf, accounting for 9/10 of all imports.⁶¹ These facts can become cause of its vulnerability in case of full-fledged encounter against its enemies.

The presence of ballistic missiles in Iran is viewed as highly dangerous by its enemies in the region. In terms of quality “although Iran’s large arsenal of short and medium-range missiles and rockets currently lack the accuracy of modern precision guided missiles (PGMs), they could still be used as effective terror weapons against urban areas throughout the Persian Gulf region”. Iran has the ability to target the thick populated cities of Gulf States and US military bases in the region with ballistic missiles. “While Iran presents ballistic missiles as defensive weapons, its enemies consider them an offensive threat.”⁶² Gunzinger and Dougherty opine that “although Saudi Arabia is geographically much larger than Qatar, Bahrain, Kuwait, and the UAE, 82 percent of its population is located in Riyadh, Jeddah, Mecca, and Medina, increasing its vulnerability to Iranian ballistic missile attacks.”⁶³

Iran has the capability of attacking vital economic assets of all GCC states like desalination plants and coastal facilities supporting transportation of oil and gas through the strait of Hormuz.⁶⁴ A highly significant asymmetric capability of Iran lies in its command and control of pro-Iranian activists in the Gulf States.⁶⁵ Although limited in strength, these activists exploit reservations of politically and socially disgruntled Shias in the Gulf authoritarian political systems. Similarly, Iran’s support to militant groups fighting for the Palestinian cause also gives it sentimental support in the Gulf public streets where the people have been

⁶⁰ Chase Winter, “Iran’s Military Power: What you Need to Know?” *DW*, August 6, 2018, <https://www.dw.com/en/irans-military-power-what-you-need-to-know/a-43756843>.

⁶¹ Michael Eisenstaedt, “Deter and Contain: Dealing with a Nuclear Iran - Testimony before the Committee on Armed Services,” *U.S. House of Representatives*, February 1, 2006.

⁶² *Ibid.*

⁶³ Mark Gunzinger and Chris Dougherty, “Outside-In: Operating from Range to Defeat Iran’s Anti-Access and Area-Denial Threats,” *Center for Strategic and Budgetary Assessments (CSBA)*, 2011.

⁶⁴ Daniel K. Rosenfield, “Countering Iran with Arms Sales to the Gulf Cooperation Council States,” 2012, 3-4.

⁶⁵ Frederic Wehrey et al., *Dangerous But Not Omnipotent: Exploring the Reach and Limitations of Iranian Power in the Middle East* (Santa Monica, CA: RAND Corp., 2009), XIX–XX.

disappointed over the status-quo oriented policies of the Gulf rulers' vis-à-vis Arab cause in Palestine.⁶⁶

Assessing the Nature of Threat

The preceding discussion has established that the power capabilities of Iran do not match Saudi Arabia. Saudi Arabia outclasses Iran in terms of conventional military strength. Its offensive armaments have a clear cut edge over Iranian weaponry. Moreover, the US military presence around Iran provides a tangible deterrence to the Saudi State vis-à-vis Iran. Iran has not yet acquired nuclear weapons and the implementation of JCPOA in 2016 has delayed Iranian course to nuclearization. Although the Trump administration's decision of abandoning the nuclear deal might put Iran back on the nuclear path, still, the presence of all other major powers in the deal and re-sanctioning of Iranian economy would halt Iranian nuclear aspirations.

Two years period of the nuclear deal did not allow Iranian economy to recover from the effects of decade long stiff sanctions, and again the US based sanctions are on the horizon. Moreover, Iran's constant involvement in the Syrian crisis and its financial backing of proxies elsewhere has drained its economic strength. In the absence of strong economic base no state can develop state of the art conventional military power and Iran is no exception. Therefore, on the basis of this analysis it can be inferred that the balance of power dynamics in strict terms of conventional power capabilities do not offer best explanation of Iran-Saudi tug of war in the region and for Saudi threat perception regarding Iran.

It is, however, pertinent to accept that the asymmetric power capabilities of Iran and its strategy of low level aggression using its fifth column forces in the form of non-state actors do pose a serious threat to Saudi Arabia. Although this dimension of power cannot be explained through balance of power dynamics, it still needs to be explained through the logic of balance of threat dynamics.

The balance of threat perspective has been offered by Stephen Walt and claims that threat is driven not just by the imbalance in the relative material power capabilities. Rather it is the combination of aggregate power capabilities, geographical proximity and aggressive intentions, which explain threat perception.⁶⁷

Applying the variable of aggregated power capability it has been found earlier that only asymmetric power capabilities of Iran cause insecurity to Saudi Arabia. Geographic proximity is considerable in this case as the Iranian regime does have the capability of targeting important

⁶⁶ Ibid.

⁶⁷ Stephen Walt, *The Origin of Alliances* (New York: Cornell University Press, 1987), 22-26.

Saudi public and economic infrastructure bases, although it does not have the capacity to launch full scale invasion. It is also relevant to note that Iran has always defended its asymmetric capabilities for deterrence purposes. Its ballistic missiles, rockets, mines, and small sea boats along with its potential ability of choking strait of Hormuz have been projected by the Iranian strategists as means for raising costs on its enemies' misadventures.

The third variable of aggressive intentions requires explanation as contrary to Iranian claims of defensive measures. This is where the monarchy in Saudi Arabia frames a domestic discourse that helps manufacture and securitize the Iranian threat at domestic level. Saudis' have always portrayed Iranian actions as offensive and geared towards Saudi destabilization. Crown Prince Muhammad Bin Salman categorically referred to Tehran as aiming at the "control of Islam's holiest site in Mecca", encouraging his countrymen by saying that "...we will work so that the battle is for them in Iran, not in Saudi Arabia"⁶⁸. It is with particular reference to Iran's financial and advisory backing to its proxies, which has been perceived as a source of insecurity by Saudi Arabia. Iran has been accused of supporting pro-Tehran groups in Bahrain, particularly during the 2011 uprisings.

Similarly, Iran has been perceived as the instigator of Saudi based Hezbollah and Houthis in Yemen. These groups have been accused of instigating insurgencies and revolts threatening the Gulf regimes. Such charges are evident from statements of the Saudi Foreign Minister, Adil Al-Jubeir where he claims Iran as acting in violation of UN Security Council resolutions, when it supports "the Houthis in Yemen,...send[s] Shiite militias to fight in support of Bashar al-Assad in Syria, that's action...plant[s] terror cells in Bahrain and in Saudi Arabia and in other places.... The action is more important than the words."⁶⁹ Saudi rhetoric is based on the argument that Iran aims to transform the political systems in Gulf States through its ideological based revolution.

From explanation of these three variables it is plausible to argue that the perceived Iranian strategy of causing regime change through support of proxies is the real threat, which needs to be balanced by Saudi Arabia and through means other than simple military build-up. Saudi Arabia has been trying to balance this threat by focusing on countering Iran's strategies. It had vehemently opposed initiation of nuclear deal on the plea that sanctions relief through the deal would provide Iran financial cushion, which it would use in furthering subversive activities. Riyadh has been associating anti-regime movements with terrorism by labeling Iran

⁶⁸ Taimur Khan, "Saudi Prince Muhammad Bin Salman's Warning to Iran," *The National*, May 3, 2017.

⁶⁹ Saudi Foreign Minister, "Iran is the Biggest Sponsor of Terrorism," *Defence News*, February 21, 2017.

as a terror sponsoring state. Using the same pretext Saudis have been calling for collective action against Iran as evident from the foreign minister's pledge that, "We see Iran facilitating terrorist organizations, so the challenge is how we collectively coordinate our efforts."⁷⁰

Important to note is that Saudi Arab's official rhetoric reflects its 'outward oriented' approach in countering Iranian threat. Iranian threat reflected in the form of weakening its enemies through its sponsored groups has a significant internal/domestic dimension. The exploitation of internal elements cannot succeed unless there is a level of dissatisfaction within domestic constituencies. The masses' satisfaction with the regimes produces loyalty and this loyalty of the people to regimes is the backbone of national strength. The Arab Spring has established that the closed political systems lacking socio-economic freedoms are the real threat in the Arab World. Although, the financial strength of the Arab Gulf states managed to subside the onslaught of Arab uprisings, still, the insecurity to regimes lies in the nature of government in these monarchies.

Saudi Arabia dealt with the wave of Arab Spring by using carrot and stick policy not only within its territory but also in its immediate neighborhood. At the domestic level it distributed billions of dollars for buying-off loyalty of masses. It accommodated millions of its citizens by placing restrictions on foreign nationals. The new crown prince Muhammad bin Salman initiated a drive against corruption and apprehended hundreds of alleged corrupt people including royal princes. His 'Vision 2030' envelopes structural reforms and diversification of the economy. On the other hand, the dissenters - accused of challenging writ of Saud monarchy - have been ruthlessly accused and the blame of instigation has been leveled against Iranian regime. At the regional level also, the Saud monarchy has financially and militarily helped like-minded regimes against dissenters. Saudi military assertion in Bahrain and Yemen and its huge financial cushions to Arab regimes, like Oman, and Bahrain are cases in point.

However, neither at the domestic level nor in the regional setting any efforts have been made to comprehend the fault lines, which ultimately expose the disgruntled elements to subversive devices of Iran. The Arab Spring has shown that in the contemporary global world run by information technology and advanced communication, the masses could not be satisfied on the basis of traditional patterns of security relationship. If in the past the people remained loyal to the regimes on the basis of state security and material benefits, the current expectation of masses regarding their security concerns have changed. The process of intense globalization through advancement of electronic and social media has

⁷⁰ Muhammad Bazzi, "The Great Debate: Saudi Arabia faces many Threats, and Iran isn't at the Top of the List," *Reuters Blog*, May 28, 2015.

made masses realize that their true security lies in their share in decision making in line with a democratic model.

The contemporary Arab populace with matured awareness demands a sustained and protected structural arrangement of security relationship with the state in which loyalty to the governments is based upon populations' access to socio-economic and political rights. Unless the Arab regimes in general and Saud regime in particular do not revamp their security relationship with their masses on the lines of power sharing formula the highly aware but unsatisfied segments of their societies would remain vulnerable to instigation and engineering of Iranian propaganda through asymmetric strategies.

Conclusion

In a nutshell, it is argued that nature of insecurity to Saudi Arabian regime lies in the fragmented nature of the state's security relationship with its masses. This is being claimed based on the in-depth research aimed to find whether it is the material power differential between Iran and Saudi Arabia that shapes the latter's threat perception vis-à-vis the former. In fact, there are internal factors or more appropriately the domestic political dynamics shaping this threat perception since Iran fails to emerge as a threat in term of power capabilities only. The real threat lies in the challenged and difficult to manage pattern of the security relationship between the Saud regime and masses. This weak bond of the Saudi state with their society makes them vulnerable to Iran's use of asymmetrical power capabilities and strategies, which might manifest in the shape of greater popular resentment and uproar against the Saudi monarchy.

Instead of looking outwards for addressing this sense of insecurity the Saud regime needs to focus inwards by transforming the pattern of security relationship with Saudi society. This relationship requires a remodeling along democratic lines where the masses are made stakeholders in the over-all well-being of the society, the regime and the country at large; moreover, security needs to be ensured through promoting socio-economic and political development. This reframing and revival of the relationship between the regime and the masses would result in political integration, making those who govern more confident about the loyalties of the ones being governed. This in turn would shrink the operating ground available for Iranian use of asymmetric power capabilities aimed at destabilizing the Saudi polity. The ultimate outcome of this new policy line will be a modification of Saudi threat perception vis-à-vis Iran – which otherwise fails to be capable of threatening the former given the power asymmetry favoring Saudi Arabia.

