Israel and the Arab Gulf: An Israeli-Saudi Alliance in the Making?

Written by Martin Beck

Israel has recently been in top global news with the elections to the Knesset held on September 17, 2019. As they ended in a deadlock between incumbent prime minister Benjamin Netanyahu and his contender Benny Gantz, Netanyahu might face the end of his political career. In addition, US President Donald Trump's so-called "Deal of the Century" for the Israeli–Palestinian conflict, which is expected to be released shortly, has created quite a sensation (Asseburg 2019). In comparison, the Times of Israel's October 5 report on Israeli foreign minister Noam Katz's initiative to advance a non-aggression deal with several of the Arab Gulf states and members of the Gulf Cooperation Council (GCC) – Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates (UAE) – attracted little interest (TOI Staff and Ahren 2019; Ahren and TOI Staff 2019). However, in terms of a lasting impact on regional affairs in the Middle East, Katz's initiative bears much higher potential for structural change than Netanyahu possibly being voted out of office or Trump's "Deal of the Century."

With regards to Middle Eastern policies, Gantz is in line with Netanyahu, particularly as the two leaders basically agree on Israel's occupation of the Palestinian territories, and because they share a strong stand against the regime in Tehran. This includes Gantz's endorsement of containing Iran's Lebanese ally Hezbollah inside Lebanon and in Syria (Beck 2019a). What has been leaked about Trump's plan so far is that it attempts to buy off Palestinian political ambitions by disbursing financial aid (Chulov 2019). Thus, not much more is to be expected than the symbolic funeral of an idea – the two-state solution – that has already been clinically dead for years. Structural change in Middle Eastern affairs is unlikely to happen as an outcome of the deal as the Palestine Liberation Organization (PLO) has no leverage (Asseburg 2019; cf. Hadar 2019). As is argued in the remainder of this article, much more intriguing than all this are the potential regional repercussions of a non-aggression deal between Israel and the Arab Gulf countries headed by Saudi Arabia.

Israel's interest in normalizing its relations with the Arab Gulf

Israel has full diplomatic relations with only two Arab countries: Egypt signed a peace treaty with Israel in 1979 and Jordan did so in 1994. Benefits for Israel are manifest, in particular as the two by far longest international borders of Israel – in the East with Jordan and in the West with Egypt – have been completely calm for decades. Yet, there are limits with regards to all three basic dimensions of politics, which are to be addressed in the following: security, political economy, and legitimacy.

In the 1960s, Egypt's army posed the strongest regional security threat to Israel. However, Egypt never recovered from its disastrous defeat in the June War of 1967. Moreover, advancements in rocket technology imply that traditional policies of securing borders by land in the Middle East do not conform to the standards of modern security policies anymore. Major threats as perceived by Israel come nowadays from Iran and its allies in the Mediterranean respectively: strongholds of Hezbollah in Lebanon and Syria (International Crisis Group 2018). As Saudi Arabia and the United Arab Emirates (UAE) consider Iran and Hezbollah enemies, a strategic alliance with the Arab Gulf states would be in the interest of Israel.

In the 1950s and 1960s, Egypt also spearheaded Arab attempts at developing their economies by state-led
industrialization. However, Egypt and the other labor-rich but capital-poor Arab countries failed to successfully adjust their socio-economic systems to the imperatives of a world economic system driven by neo-liberal globalization. Egypt’s current crony capitalist system is not competitive and has lost touch with the dynamic forces of the global economy. The development paths the labor-poor but capital-rich Gulf states have been pursuing since the oil price revolution of the 1970s are rather flawed, too: Rather than primarily using the income generated from the oil sector to build strong, productive economic systems, they devoted the bulk of their resources to establishing distributional systems to legitimize their rule over their populations. However, the sheer volume of their natural resources provides them with a unique feature that constitutes a strong economic advantage in the global economy (Cammett et al. 2015: Chap. 7–9). Israel’s advanced high-tech-based economy could significantly benefit from economic cooperation with the Gulf states.

With regard to being recognized as a legitimate state in the Middle East, Israel was largely prevented from capitalizing on the 1979 peace treaty with Egypt because the Arab League condemned Cairo for stepping out of the Arab line of not recognizing Israel. The reason was that the PLO, then headed by Yasser Arafat, in alliance with all other Arab states, refused to accept the expulsion of Palestinians during the 1947–49 Palestine War as a fait accompli and demanded the end of the occupation and colonization of East Jerusalem, the West Bank, and the Gaza Strip that had been ongoing since 1967 (Smith 2017: Chap. 8).

In 1993, the PLO and Israel signed the Declaration of Principles, thereby launching a bilateral negotiation process with the aim of settling the Israel–Palestinian conflict. In the same year, then Israeli Foreign Minister Shimon Peres published his vision of a “New Middle East” in which Israel would enjoy fully normal relations with the Arab world, including fruitful economic exchange (Peres with Naor 1993). Yet, these hopes proved to be short-lived. They diminished in the wake of the deteriorating negotiation process with the PLO in the second half of the 1990s and finally vanished when the Second Intifada broke out in 2000. Thus, finally, the only Arab state that recognized Israel as a legitimate state in the Middle East in the aftermath of the Israeli–Palestinian rapprochement in the early 1990s was Jordan, which had had very good unofficial relations with Israel since its foundation anyway (Shlaim 1988). All other Arab states refrained from recognizing Israel and mostly stuck to the so-called Fahd Plan as endorsed by the Arab League in 1982, which is not to consider normalization before Israel ends its occupation (Kostiner 2009).

In 2002, shortly after the Oslo negotiation process broke down, the Arab League came up with an advanced version of the Fahd Plan that for the first time explicitly stated that – under the condition that Israel end the occupation and accept a sovereign Palestinian state – the Arab world was ready to “establish normal relations in the context of a comprehensive peace with Israel” (Al-Bab 2018). Yet, the Israeli government of then prime minister Ariel Sharon and all others who followed had a steadfast interest in not withdrawing Israel’s troops completely and not to repatriate all settlers from the occupied territories to Israel proper in the borders of 1949 (Beck 2019b). There is indeed an Israeli interest in establishing normal relations with the Arab world, but it is clearly subordinate in priority.

The Gulf States’ interests

The Israeli interest in normalizing relations with the Arab world is pronounced. Yet, what about the other side? In the aftermath of Israel’s rapprochement with the PLO, two Arab Gulf states – Oman and Qatar – agreed to host Israeli trade representation offices in their capitals (Rabi 2009; Ahren 2013). Although, as a response to Israeli policies toward the Palestinians, the two offices were shut down in 2000 and 2009, respectively, the fact that they were opened shows that the Gulf states have an economic interest in normalizing their relationships with Israel, the more so as recently high-ranking meetings on resuming formal ties took place in Oman (AIP 2019; AIP and TOI Staff 2019). They, like all other Gulf states, could indeed benefit greatly from Israeli high technology. However, Oman is a political lightweight in the Gulf and Qatar even a maverick among Arab Gulf states, which in 2017 became victim of a severe sanctions regime imposed by Saudi Arabia, the UAE, and Bahrain. Due to Saudi Arabia’s hegemonic position in the Gulf peninsula, an Israeli attempt at normalizing relations with the Gulf States in a sustainable way appears only promising if Saudi Arabia backs the approach. Thus, in the light of Katz’s initiative for a non-aggression deal with the Arab Gulf states, the question arises whether there are any indicators that Saudi Arabia might be accessible to Israeli solicitation to establish normal relations under continued occupation of the Palestinian territories.
Particularly in the realm of security, since 2016 severe changes in Saudi positions have indeed become observable. As the outcome of a Saudi Arabian initiative, in March the Arab League’s foreign ministers’ committee condemned Hezbollah as a terrorist organization, with only two members stipulating reservations: Iraq and Lebanon. The then Saudi Ambassador to Egypt, Ahmad Kattan, elaborated that Saudi Arabia would deal with Hezbollah as with any terrorist organization (Salem and Alsharif 2016). It is remarkable that the Arab League went much further than the European Union in its condemnation of Hezbollah and openly courted Israel. Netanyahu accordingly praised the Arab League’s declaration (TOI Staff and AfP 2016). Moreover, that Riyadh, in the wake of the Saudi-forced resignation of Saad Hariri as Lebanese prime minister in November 2017, issued a statement that Lebanon had declared war on Saudi Arabia (Perry and Barrington 2017), may well be interpreted as a speech act directed toward Israel: Riyadh candidly gave the green light to Israel to wage war against its northern neighbor at any time again (cf. Krämer 2017).

The most recent, major indicator of Saudi Arabia’s rapprochement with Israel is its positional change toward the Joint Comprehensive Plan of Action, which is colloquially known as the Iran Nuclear Deal. When the deal was fixed in 2015, Netanyahu was extremely outspoken in his criticism, whereas King Salman, albeit cautiously, welcomed it (Murphy, 2015). However, when in May 2018 Trump publicly announced the US decision to withdraw from the Iran Nuclear Deal, he received vehement applause from the governments of both Israel and Saudi Arabia (Sanger and Kirkpatrick 2018).

Conclusion

It could be shown that there are indicators pointing in the direction that the Israeli initiative for building a strategic alliance with the Arab Gulf states and with the backing of Saudi Arabia could become reality in the foreseeable future. The possible implementation of such an alliance would have several major repercussions on regional affairs in the Middle East. First, it would be a breakthrough for establishing normal relations between Israel and the Arab world. Second, the PLO would lose its only remaining power resource: its capability to obstruct normalization with Israel. Thus, one of the formerly most prominent national liberation movements in the Global South would have to face the threat of diminishing into political insignificance. Third, Egypt as a competitor of Saudi Arabia for leadership in the Arab world would lose relative power capabilities vis-à-vis the Gulf monarchy, as then both major Arab allies of the USA would have ties to the primary Middle Eastern US ally, Israel. Fourth, a strategic alliance between the Gulf States and Israel would be a first major step toward Israel’s transformation from being a middle power located in the Middle East into the leading Middle Eastern regional power, because such an alliance could facilitate the deployment of superior Israeli technology and know-how to the financially highly potent Gulf States. Thus, Peres’ vision of a “New Middle East” could come true in the end with no concession to the Palestinian people.

Sources


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**Martin Beck** holds a chair of Modern Middle East Studies at the University of Southern Denmark (SDU). His main research interests are international relations and the political economy of the Middle East, in particular regional power relations, the Israeli-Palestinian conflict, oil politics and comparative analyses of rentier states. His most recent publications include “On the Continuation of the Israeli—Palestinian Conflict”, in Isabel Bramsen, Poul Poder and Ole Waever (eds), *Resolving International Conflict: Dynamics of Escalation, Continuation and Transformation* (Abingdon: Routledge), pp. 200-214. In 2020, he served as co-Guest Editor for the special section “Fluctuating Regional (Dis-)Order in the Middle East” published in *Global Policy* 11(1); open access. His twitter account is @martinbeck23.