Introduction

The U.S. has now been continuously at war in the Gulf region since it invaded Iraq 2003, a period of sixteen years. It has had major military commitments in the Gulf region, however, since the British withdrawal in 1971. It has faced the imminent threat of war since at least the beginning of the Iran-Iraq War in 1980, it fought a low-level “tanker war against Iran in 1987-1988, fought a major war against Iraq to liberate Kuwait in 1990-1991, and maintained a military presence to protect Iraq’s Kurds and force Iraq to comply with UN resolutions from 1991 to 2003. Seen from this perspective, the U.S. has had major military commitments in the Gulf region for nearly half a century.

This report addresses the unclassified and open source data available on the forces and trends shaping current U.S. military commitments to the Gulf. These data provide considerable insight into the affordability of maintaining such commitments, the probable size of actual U.S. deployments, and the real world burden sharing issues involved. The information available is limited, however, by two critical problems:

- The lack of any consistent strategy, commitment to given national security interests, and focus on military and strategic effectiveness at the highest levels in the U.S. government, and focus on transactional advantage and burden sharing that is not tied to any assessment of military need and effectiveness.
- A lack of consistent reporting on U.S deployments, force costs, and data other than total military personnel.
- A focus on military and security issues that ignore critical political and economic problems that have turned Lebanon, Syria, Iraq, Iran, and Yemen into “failed states” at the civil level coupled to sectarian and ethnic tensions which receive minimal attention relative to a focus on extremism by non-state actors with little or no attention to the impact of state terrorism by governments like those of Iraq and Syria.

An Unstable Region where Civil Violence May Dominate

The report opens by providing a list of the key factors that could involve the U.S. in future conflicts or crises in the region. It provides maps showing the region involved, and a comparison of current U.S. and Iranian basing capabilities. It provides a map that highlights two U.S. bases, located in Bahrain and Qatar that can play a critical role in managing a crisis, clash, or war in the Gulf region. It is clear that if one only considers the challenge posed by Iran, the U.S. and its Arab strategic partners have a major challenge as long as Iran is a hostile power.

The Shrinking Cost and Economic Burden of US Military Force

The report then shows the trends in the cost of U.S. military commitments relative to total federal spending and the U.S. GNP. It provides an overview of current U.S. military commitments in the Gulf region, and attempts to put them in perspective relative to the burden on U.S. forces, the Federal budget, and the U.S. defense budget. It shows that for all the focus on cost of U.S. wars in the Gulf and other regions, that has been comparatively limited change in the defense, and other national security share of the Federal budget since 1950, and that virtually all of the growth in the total federal budget has been driven by the steady expansion of spending on American civil economic and social programs and spending.
In contrast, military’s share of total federal spending has remained surprisingly constant in comparison to the rises in civil social and economic spending since 1950, and its share of the GNP and total federal spending has steadily declined.

No reliable data are available on the current costs of U.S. deployments in the Gulf, but it is clear that massive drops have occurred in the overall cost of war fighting since FY2008. The cost of U.S. overseas contingency outlays (OCO) for the U.S. fighting in Iraq and Syria peaked in FY2008 at $148 billion, but has dropped sharply since, and is projected to be only $7 billion in FY2020. It is also clear that the number of U.S. military personnel deployed in all U.S. wars dropped seriously.

**The Shrinking Size of US Overseas Deployments**

Major cuts have taken place in the number of U.S. military forces deployed overseas since the end of the Cold War, and in the number deployed in the Gulf region since the U.S. withdrew most of its land combat forces in 2011. Graphs based on DoD data show that only 9% of U.S. forces are now deployed in Permanent Change of Station positions overseas. Only 14,611 of these personnel are deployed in the Middle East and North Africa (MENA) region. If combat personnel and personnel at sea are added, the total only seems to rise to average levels around 24,000, with some 17,000 on land.

In contrast, an IISS estimate for 2018 is higher. It shows these totals as 25,500 in Gulf countries, and 36,954 in MENA and Other Gulf-related countries -- plus more at sea.

**The Rising Burden Borne by Gulf and Arab States**

Arab Gulf GCC states spent $135.6 billion on defense. This was 7 times the estimate for Iran. Saudi Arabia alone spent $82.9 billion – far more than the estimated total military budget for Russia.

Every Gulf Arab GCC state spend far more than 2% of GDP on military forces. Saudi Arabia and Oman spent over 10% of their GDP. At least Seven Arab Gulf countries spent a higher percentage of their GDP than the U.S.

Arab Gulf states provided 374,800 military personnel. The U.S. provided well under 50,000

**Committing the right forces to the Gulf offers the U.S. a long list of potential strategic benefits to the U.S.**

- Counter/Limit/Reverse Iranian influence and deter or defeat Iran, use of Syrian, Hezbollah, and Yemeni proxies
- Limit Arab tensions and self-destructive fault lines, provide more effective coordination and leadership of Gulf/GCC forces
• Maintain stable flow of 20% of world oil supplies, 4.1 TCF of LNG: Critical to stability of U.S. and Global economy.

• Steady flow of Gulf Oil and Gas critical to U.S. economy and jobs

• Provides options to limit level of escalation: Threats, proxy, limited war, major war

• Helps contain Russian, Turkish, Chinese presence/influence/arms sales

• Major strategic leverage relative to China, support of India, access to Indian Ocean, impact on SE Asia.

Arms Sales Benefits to U.S. (Data on Gulf state offsets and value of services not available)

U.S. arms sales and transfers provide critical military advantages in interoperability and standardization, and ease of joint operations. They also involved massive sales revenues:

• The Arab Gulf GCC states signed $100.200 billion in new arms agreements between 2008 and 2015. Saudi Arabia alone spent $61.9 billion

• The Arab Gulf GCC states requested $3.7 billion more in 2016.

• They then requested a total of $48.4 billion more in arms sales request signed after President Trump was inaugurated in January 2017.
An Unstable Region where Civil Violence May Dominate
Evolving Deployments in an Era of Growing Complexity

- Risk of actual conflict at very different levels of intensity: Major war, limited war, proxy uses of forces, threats with military gestures, low-levels attacks.
- Serious reduction in Gulf exports of petroleum, LNG and impact on global economy, critical U.S. imports of Asian manufactured goods.
- Continuing Gray Area operations and clashes: Ranging from proxy forces and low-level to sabotage to naval encounters in the Gulf and missile strikes on key infrastructure and military target.
- Steady increase in numbers and quality of missile forces: Ballistic, cruise, RPVs, air-launched, Sea-launched; precision-strike/smart warhead, and in different forms of missile defenses.
- Equal rises in air forces: Strike/attack, fighter, IS&R, precision strike.
- Improvements in surface-to-air missile forces (SAMs) and dual capable BMD and SAM forces.
- Expansion of air-sea operations to cover entire Gulf/Gulf of Oman/Indian Ocean/Red Sea – Naval surface, missile, air, smart mine, submarines, submersibles.
- Struggle for control of Iraq: Sectarian, Ethnic, Extremist, PMFs, proxies, Iran, U.S.
- Struggle for control of Syria: Idlib, Kurdish areas. Uncertain ability to unify rebuild, develop, and stabilize.
- Resurgence of extremism/ISIS, AQAP, other.
- Use of, or development of, Nuclear, chemical, (BW?) forces.
- Precision targeting of critical petroleum, economic, desalination, other infrastructure and military targets; Use of weapons of mass effectiveness.
- New forms of cyber warfare, electronic warfare, attacks on critical nodes/sensors.
- Competing roles of outside powers: US/Europe, Russia, Turkey, Syria, China: presence/influence/arms sales/advisors/active military role
- Uncertain future nature of U.S., British, French presence and power projection.
- Arab strategic partner disunity and self-destructiveness: boycott of Qatar, distancing of Oman, Kuwait neutral, UAE tensions with Saudi.
- Turkey vs. Kurds. Kurdish tension in. Iraq and Iran.
- “Failed state” political and economic upheavals — and potential internal conflicts — in Syria, Lebanon, Iraq, Iran, Yemen.
- Yemen civil war, struggle for control of Yemen: Iran Houthi, Yemeni government, Saudi Arabia, UAE, AQAP, other internal factions.
- Ethnic and sectarian, internal and local tensions and conflict: Syria, Iraq, Bahrain, Saudi; Interactions with Egypt, Jordan, Palestinian internal issues.
- Evolving reality of Shi’ite “axis”: Hezbollah, Syria, Iraq, Iran.
- Impact of sanctions vs. military action, “wars” of intimidation.
Broader Gulf Military Theater

Source: https://www.geographicguide.com/asia/maps/middleeast.htm
Key Iranian and U.S. Military Bases

U.S. Bases
- Navy
- Army
- Air Force

Iranian Bases
- Navy
- Army
- Air Force

Iranian Areas of Influence
- Iranian Proxy Forces
- Militant Forces Supported by Iran

Palestinian Territories
- West Bank
- Gaza

5th Fleet
CAOC Air
The Shrinking Cost and Economic Burden of US Military Forces
Defense as a Percent if Total federal Spending and GDP
(In Constant FY 2012 Billions of $US Dollars)

Defense as a Percent of Federal Spending and the U.S. GDP

The Cuts in the Cost of U.S. Wars and Troop Levels In Operation Inherent Resolve (OIR) against ISIL and the Iraqi Civil War

Changing Cost of Gulf + MENA OIR Conflicts
The Shrinking Size of US Overseas Deployments
Trend in U.S. Overseas Military Deployments: 60 Year Low in 2016

Notes: Estimates are as of Sept. 30 in each year. Figures represent U.S. active-duty Army, Navy, Marine Corps and Air Force personnel overseas. They exclude the U.S. Coast Guard, National Guard, reserve and civilian personnel, as well as troops in the U.S. and its territories.

Most U.S. troops overseas are in Europe or Asia

Number of active-duty personnel by region in 2016.

Notes: Estimates are as of Sept. 30, 2016. Figures exclude the U.S. Coast Guard, National Guard, reserve and civilian personnel, as well as troops in the U.S. and its territories. Source: Defense Manpower Data Center.
U.S. Military Deployments in the Gulf and NATO in 2016

9% of U.S. Forces are Deployed PCS Overseas
Total in U.S: 1,957,664 (91%). Total Overseas: 189,865 (9%). Total Worldwide: 2,147,529

These troop counts are as of June 2019, and do not account for recent announcements of new troop deployments, except for current deployments to Syria, Iraq, and Afghanistan which are not included in the DoD database, and which are therefore filled in from reports. Furthermore, these numbers are based on soldiers’ permanent stations and does not account for temporary duty (TDY) locations.

U.S. Forces Deployed PCS On-Land in Middle East
Total Overseas: 189,865 (9%). Total in MENA: 14,211 (0.7%)

Current Total U.S. Military Deployments in the Gulf

(9,300 + 7,629 = 16,929 Less Personnel at Sea: Total seems under 24,000.

Some estimates put total for MENA + Afghanistan as high as 40,000-60,000)

IISS Estimate of Nominal U.S. Deployments in the MENA/ Gulf Region in Early 2019
(25,500 in Gulf, 36,954 in MENA, Other Gulf-Related, Less Personnel at Sea)

<table>
<thead>
<tr>
<th>Location</th>
<th>Command/Commander</th>
<th>Personnel</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>US Central Command</strong></td>
<td><em>Operation Freedom’s Sentinel</em> 8,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>ARABIAN SEA</strong></td>
<td>US Central Command</td>
<td>25,500</td>
<td>1 SSgn; 1 DDGHM; 1 LSD; Combined Maritime Forces; TF 53: 1 AE; 2 AKE; 1 AOH; 3 AO</td>
</tr>
<tr>
<td><strong>BAHRAIN</strong></td>
<td>US Central Command</td>
<td>5,000; 1 HQ (5th Fleet); 2 AD bty with MIM-104E/F Patriot PAC-2/3</td>
<td></td>
</tr>
<tr>
<td><strong>BRITISH INDIAN OCEAN TERRITORY</strong></td>
<td>US Strategic Command</td>
<td>300; 1 Spacetrack Optical Tracker at Diego Garcia; 1 ground-based electro-optical deep space surveillance system (GEOdSS) at Diego Garcia</td>
<td></td>
</tr>
<tr>
<td><strong>DJIBOUTI</strong></td>
<td>US Africa Command</td>
<td>4,700; 1 tpt sqn with C-130H/J-30 Hercules; 1 spec ops sqn with MC-130H/J; PC-12 (U-28A); 1 CSAR sqn with HH-60G Pave Hawk; 1 CISR UAV sqn with MQ-9A Reaper; 1 naval air base</td>
<td></td>
</tr>
<tr>
<td><strong>EGYPT</strong></td>
<td>MFO 454; elm 1 ARNG recce bn; 1 ARNG spt bn</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>IRAQ</strong></td>
<td>US Central Command</td>
<td>5,000; 1 div HQ; 1 cav bde(-); 1 EOD pl; 1 atk hel sqn with AH-64D Apache</td>
<td></td>
</tr>
<tr>
<td><strong>ISRAEL</strong></td>
<td>US Strategic Command</td>
<td>1 AN/TPY-2 X-band radar at Mount Keren</td>
<td></td>
</tr>
<tr>
<td><strong>JORDBAN</strong></td>
<td>US Central Command</td>
<td>2,300; 1 FGA sqn with 12 F-15E Strike Eagle; 1 CISR UAV sqn with 12 MQ-9A Reaper</td>
<td></td>
</tr>
<tr>
<td><strong>QATAR</strong></td>
<td>US Central Command</td>
<td>10,000; 1 bbr sqn with 6 B-1B Lancer; 1 ISR sqn with 4 RC-135 Rivet Joint; 1 ISR sqn with 4 E-8C JSTARS; 1 tkr sqn with 24 KC-135R/T Stratotanker; 1 tpt sqn with 4 C-17A Globemaster; 4 C-130H/J-30 Hercules; 2 AD bty with MIM-104E/F Patriot PAC-2/3</td>
<td></td>
</tr>
<tr>
<td><strong>SAUDI ARABIA</strong></td>
<td>US Central Command</td>
<td>500 (3,000-THAAD)</td>
<td></td>
</tr>
<tr>
<td><strong>SYRIA</strong></td>
<td>US Central Command</td>
<td>Operation Inherent Resolve 2,000+; 1 ranger unit; 1 mne bn; 1 arty bty with M777A2; 1 MRL bty with M142 HIMARS</td>
<td></td>
</tr>
<tr>
<td><strong>TURKEY</strong></td>
<td>US European Command</td>
<td>1,700; 1 tkr sqn with 14 KC-135; 1 ELINT flt with EP-3E Aries II; 1 air base at Incirlik; 1 support facility at Ankara; 1 support facility at Izmir</td>
<td></td>
</tr>
<tr>
<td><strong>UNITED ARAB EMIRATES</strong></td>
<td>US Central Command</td>
<td>5,000; 1 ftr sqn with 6 F-22A Raptor; 1 ISR sqn with 4 U-2; 1 AEW&amp;C sqn with 4 E-3 Sentry; 1 tkr sqn with 12 KC-10A; 1 ISR UAV sqn with RQ-4 Global Hawk; 2 AD bty with MIM-104E/F Patriot PAC-2/3</td>
<td></td>
</tr>
</tbody>
</table>

Source: IISS Military Balance 2019, p. 60-62
Potential Strategic Benefits to the U.S. of Continued Commitment to the Gulf
Strategic Benefits to U.S.

- Counter/Limit/Reverse Iranian influence and deter or defeat Iran, use of Syrian, Hezbollah, and Yemeni proxies
- Limit Arab tensions and self-destructive fault lines, provide more effective coordination and leadership of Gulf/GCC forces
  - Coordination of joint operations battle management, C3, Intelligence, Surveillance and Reconnaissance
  - Critical in checking irregular warfare, gray area and proxy threats
  - Critical to effective air and missile defense
  - Key to coordinated naval-air-missile operations
- Maintain stable flow of 20% of world oil supplies, 4.1 TCF of LNG: Critical to stability of U.S. and Global economy.
  - Helps to secure Gulf, Gulf of Oman, Indian Ocean, Red Sea, Suez (See following three slides)
- Steady flow of Gulf Oil and Gas critical to U.S. economy and jobs
  - 6 of 15 top importers from U.S. come from Asia states dependent on Gulf oil and gas: China, Japan, South Korea, Hong Kong, Singapore, Taiwan.
  - 6 of 15 top exporters to U.S. come from Asia states dependent on Gulf oil and gas: China, Japan, South Korea, Hong Kong, Singapore, Taiwan.
  - Import dependence on Asian manufactures far higher than past dependence on crude oil imports. CIA estimates total U.S. imports equaled $2.631 trillion in 2017, or 13.5% of GDP. 41% came from Asian countries dependent on Gulf oil. (U.S., Census Bureau, CIA, International Trade Administration. Retrieved 13 July 2018.)
- Provides options to limit level of escalation: Threats, proxy, limited war, major war
- Helps contain Russian, Turkish, Chinese presence/influence/arms sales
- Major strategic leverage relative to China, support of India, access to Indian Ocean, impact on SE Asia
- Helps bring stability to Iraq: Sectarian, PMFs, Ethnic, Extremist, Iran, U.S., Civil war
- Provides ability to limit impact of failed governance, weak economic development, internal conflicts, and political upheavals
- Key advantages in containing and defeating ISIS, AQAP, other-Extremism
- Limits risk of nuclear crisis, chemical weapons, (BW?)
- May help end Yemen War, aid recovery
Rising Defense “Burden” Borne by Gulf and Arab States
CSIS/IISS Estimate of Gulf Defense Expenditures in 2018
(in billions of constant 2018 $USD)
(Arab Gulf states spent $135.6 billion on defense. This was 7 times the estimate for Iran.)

Note: UAE estimate is authors’ estimate.
Source: Adapted by the authors from IISS, Military Balance 2019, Chapter Seven, “The Middle East and North Africa.”
CSIS/IISS Estimate of Gulf Defense Expenditures as Percent of GDP in 2018

(Every Gulf Arab state spend far more than 2% of GDP on military forces. Saudi Arabia and Oman spent over 10% of their GDP. Seven Arab states spent a higher percent of their GDP than the U.S.)

At least Seven Arab Gulf countries spent a higher percentage than the U.S.

Note: UAE estimate is authors’ estimate.
Source: Adapted by the authors from IISS, Military Balance 2019, Chapter Seven, ”The Middle East and North Africa.”
Total Active MENA Military Manpower in 2018
(Arab Gulf states provided 374,800 military personnel. The U.S. provided well under 50,000)

Note: UAE estimate is authors’ estimate.
Source: Adapted by the authors from IISS, Military Balance 2019, Chapter Seven, "The Middle East and North Africa."
Strategic Impact of Gulf Petroleum Exports: U.S. Imports, Gulf Exports, Gulf Reserves, Gulf Revenues
American Net Petroleum Import Dependence is Down; Gulf Imports Only Equaled 1.6 MMBD in 2018

How much petroleum does the United States import and export?

In 2018, the United States imported about 9.94 million barrels per day (MMb/d) of petroleum from nearly 90 countries. Petroleum includes crude oil, hydrocarbon gas liquids, refined petroleum products such as gasoline and diesel fuel, and biofuels including ethanol and biodiesel. Crude oil accounted for about 79% of U.S. gross petroleum imports in 2018, and non-crude oil petroleum accounted for about 22% of gross petroleum imports.

In 2018, the United States exported about 7.80 MMb/d of petroleum to about 190 countries and 4 U.S. territories, of which about 27% was crude oil and 73% was non-crude oil petroleum. The resulting net imports (imports minus exports) of petroleum were about 2.34 MMb/d.

The top five source countries of U.S. petroleum imports in 2018 were Canada, Saudi Arabia, Mexico, Venezuela, and Iraq.

<table>
<thead>
<tr>
<th>Import sources</th>
<th>Gross imports</th>
<th>Exports</th>
<th>Net imports</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total, all countries</td>
<td>9.94</td>
<td>7.80</td>
<td>2.14</td>
</tr>
<tr>
<td>OPEC countries</td>
<td>2.85 (29%)</td>
<td>0.31</td>
<td>2.54</td>
</tr>
<tr>
<td>Persian Gulf countries</td>
<td>1.58 (16%)</td>
<td>0.05</td>
<td>1.53</td>
</tr>
<tr>
<td><strong>Top five countries</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Canada</td>
<td>4.20 (43%)</td>
<td>&lt;0.01</td>
<td>3.19</td>
</tr>
<tr>
<td>Saudi Arabia</td>
<td>0.90 (9%)</td>
<td>&lt;0.01</td>
<td>0.89</td>
</tr>
<tr>
<td>Mexico</td>
<td>0.72 (7%)</td>
<td>1.10</td>
<td>-0.38</td>
</tr>
<tr>
<td>Venezuela</td>
<td>0.59 (6%)</td>
<td>0.12</td>
<td>0.47</td>
</tr>
<tr>
<td>Iraq</td>
<td>0.62 (6%)</td>
<td>&lt;0.01</td>
<td>0.61</td>
</tr>
</tbody>
</table>

Note: Ranking in the table is based on gross imports by country of origin. Net imports volumes in the table may not equal gross imports minus exports because of independent rounding of data.


Source: adapted from EIA, https://www.eia.gov/dnav/pet/hist/LeafHandler.ashx?n=PET&s=MKTZTUSPG2&f=a
In the Reference case, the United States becomes a net exporter of petroleum liquids after 2020 as U.S. crude oil production increases and domestic consumption of petroleum products decreases. Near the end of the projection period, the United States returns to being a net importer of petroleum and other liquids on an energy basis as a result of increasing domestic gasoline consumption and falling domestic crude oil production in those years.

- The United States became a net natural gas exporter on an annual basis in 2017 and continued to export more natural gas than it imported in 2018. In the Reference case, U.S. natural gas trade, which includes shipments by pipeline from and to Canada and to Mexico as well as exports of liquefied natural gas (LNG), will be increasingly dominated by LNG exports to more distant destinations.

The High Oil and Gas Resource and Technology case represents a potential upper bound for crude oil and NGPL production, as additional resources and higher levels of technological advancement result in continued growth in crude oil and NGPL production. In the High Oil Price case, high crude oil prices lead to more drilling in the near term, but cost increases and fewer easily accessible resources decrease production of crude oil and NGPL.

- Conversely, under conditions with fewer resources, lower levels of technological advancement, and lower crude oil prices, the Low Oil and Gas Resource and Technology case and the Low Oil Price case represent potential lower bounds for domestic crude oil and NGPL production. Changes in economic growth have little impact on domestic crude oil and NGPL production.

Scale of Sudden Oil Price Changes in Past Crises and Wars

Strategic Impact on Petroleum Supplies:
Gulf and MENA Oil Reserves by Country and Production in 2018

Oil Reserves by Gulf and MENA Country
(in thousand million barrels)

Oil Production by MENA Country
(in thousands of barrels per day)

Note: Annual changes and shares of total are calculated using thousand barrels daily figures.


BP, Statistical Review of World of World Energy 2019, pg. 16.
Strategic Impact on Natural Gas Liquids (NGL) Supplies:
Gulf and MENA NGL Reserves by Country and Production in 2018


Relative Petroleum Export Income and Income Per Capita in 2018

Note: Value for Qatar is estimated by the authors.
Strategic Importance of Gulf Exports and the Strait of Hormuz

There are limited options to bypass the Strait of Hormuz. Only Saudi Arabia and the United Arab Emirates have pipelines that can ship crude oil outside the Persian Gulf and have the additional pipeline capacity to circumvent the Strait of Hormuz. At the end of 2018, the total available crude oil pipeline capacity from the two countries combined was estimated at 6.5 million bpd. In that year, 2.7 million bpd of crude oil moved through the pipelines, leaving about 3.8 million bpd of unused capacity that could have bypassed the strait.

<table>
<thead>
<tr>
<th>Operating pipelines that bypass the Strait of Hormuz, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pipeline name</td>
</tr>
<tr>
<td>-----------------------------------------------</td>
</tr>
<tr>
<td>Arabian-Yemeni Natural Gas Liquids Pipeline</td>
</tr>
<tr>
<td>Abu Dhabi Crude Oil Pipeline</td>
</tr>
<tr>
<td>Petrochina (East-West Pipeline)</td>
</tr>
<tr>
<td>TOTAL</td>
</tr>
</tbody>
</table>

Source: U.S. Energy Information Administration, based on tanker tracking data published by ClipperData, Inc.

Volume of crude oil and condensate transported through the Strait of Hormuz

In 2018, the United States imported about 1.4 million bpd of crude oil and condensate from Persian Gulf countries through the Strait of Hormuz, accounting for about 18% of total U.S. crude oil and condensate imports and 7% of total U.S. petroleum liquids consumption.

Source: Adapted from Justine Barden, "The Strait of Hormuz is the world's most important oil transit chokepoint," Energy Today, June 20, 2019, https://www.eia.gov/todayinenergy/detail.php?id=39932
The Strategic Importance of the Bab el-Mandeb

The Bab el-Mandeb Strait is a sea route chokepoint between the Horn of Africa and the Middle East, connecting the Red Sea to the Gulf of Aden and Arabian Sea. Most exports of petroleum and natural gas from the Persian Gulf that transit the Suez Canal or the SUMED Pipeline pass through both the Bab el-Mandeb and the Strait of Hormuz.

Chokepoints are narrow channels along widely used global sea routes that are critical to global energy security. The Bab el-Mandeb Strait is 18 miles wide at its narrowest point, limiting tanker traffic to two 2-mile-wide channels for inbound and outbound shipments.

Closure of the Bab el-Mandeb Strait could keep tankers originating in the Persian Gulf from transiting the Suez Canal or reaching the SUMED Pipeline, forcing them to divert around the southern tip of Africa, which would increase transit time and shipping costs.

In 2016, an estimated 2.2 million barrels per day (b/d) of crude oil, condensate, and refined petroleum products flowed through the Bab el-Mandeb Strait toward Europe, the United States, and Asia, an increase from 1.4 million b/d in 2014. Total petroleum flows through the Bab el-Mandeb Strait accounted for about 9% of total exocoastal-tracked petroleum (crude oil and refined petroleum products) in 2017. About 3.6 million b/d moved north toward Europe; another 2.8 million b/d flowed in the opposite direction mainly to Asian markets such as Singapore, China, and India.

Before 2015, volumes of liquefied natural gas (LNG) passing through the Bab el-Mandeb Strait matched those passing through the Suez Canal because the Red Sea did not have any LNG infrastructure. In 2015, both Jordan and Egypt began importing small volumes of LNG into Red Sea ports, and these countries’ imports of LNG peaked in 2016 at 1.4 billion cubic feet per day, 80% of which was delivered through the Bab el-Mandeb Strait.

More recently, as new natural gas fields in Egypt have come online, the need for Egypt to import LNG has decreased. Exports to Egypt, total northbound flows of LNG via the Bab el-Mandeb have also decreased since 2016 as northbound flows to other destinations have remained fairly constant.

Source: adapted from Justine Barden, "The Bab el-Mandeb Strait is a strategic route for oil and natural gas shipments," Energy Today, August 27, 2019, https://www.eia.gov/todayinenergy/detail.php?id=41073
The Strategic Importance of the SUMED Pipeline and Suez Canal - 1

The Suez Canal and the SUMED Pipeline are strategic routes for Persian Gulf crude oil, petroleum products, and liquefied natural gas (LNG) shipments to Europe and North America. Located in Egypt, the Suez Canal connects the Red Sea with the Mediterranean Sea, and it is a critical chokepoint because of the large volumes of energy commodities that flow through it.

Chokepoints are narrow channels along widely used global sea routes that are critical to global energy security. Total oil flows through the Suez Canal and the SUMED pipeline accounted for about 9% of total seaborne traded petroleum (crude oil and refined petroleum products) in 2017, and LNG flows through the Suez Canal and the SUMED pipeline accounted for about 8% of global LNG trade.

Northbound crude oil flows decreased in 2018 for several reasons:

- Higher U.S. crude oil exports displaced Persian Gulf crude oil that had been historically sent to Europe.
- Key Middle East producers, mainly Saudi Arabia and Iraq, have been increasing crude oil exports to China and other growing Asian oil markets using eastbound routes rather than the Suez Canal.
- Renewed U.S. oil sanctions on Iran, imposed in late 2018, contributed to a decrease in Iran’s crude oil exports to Europe.

Southbound crude oil shipments, mainly to Asian markets such as Singapore, China, and India, have more than doubled in the past two years. Petroleum exports from Russia accounted for the largest share (24%) of Suez southbound petroleum traffic. Increases in Libya’s crude oil production and exports in 2018 also contributed to a rise in southbound shipments. In the past two years, increased production and exports of U.S. crude oil and petroleum products—especially liquefied petroleum gas—have also increased southbound traffic through the canal.

Overall LNG flows through the Suez Canal have declined in recent years. Nearly all (98%) of the northbound LNG traffic is from Qatar and mainly destined for European markets. Although Qatar remains a key exporter of LNG through the canal, it has been diverting more cargoes to Asia in recent years.

Changes in LNG traffic through the Suez Canal also reflect the growth in U.S. shale gas production and LNG exports, falling LNG demand in some European countries, and competition for LNG in the global market, especially in Asia.

The 200-mile long SUMED Pipeline transports crude oil northbound through Egypt from the Red Sea to the Mediterranean Sea. Crude oil flows through two parallel pipelines that have a total maximum flow capacity of 2.8 million barrels per day. The SUMED Pipeline is the only alternative route to transport crude oil from the Red Sea to the Mediterranean Sea if ships cannot navigate through the Suez Canal. Crude oil flows through the SUMED Pipeline have declined since 2015 as a result of the shifting oil trade patterns and a widening of the Suez Canal.

Strategic Impact of Continuing Terrorism and Extremism
START: Total Terrorist Incidents in Gulf Region: 1970-2018

Adapted from START, Global Terrorism Database, Advanced Search, https://www.start.umd.edu/gtd/search/Results.aspx?start_yearonly=1970&end_yearonly=2018&start_year=&start_month=&start_day=&end_year=&end_month=&end_day=&asmSelect0=&country=18&country=94&country=95&country=106&country=164&country=173&country=200&country=215&country=228&asmSelect1=&dtp=all&success=yes&casualties_type=b&casualties_max=, 11.12.19
ACLED Estimate of Recent Violence in the MENA Region

ACLED Estimate of Comparative Suicide Bombings Against Government and Civilian Targets in Syria and Gulf, South Asia, and Africa: 2011-2018

The Islamic State continues to conduct attacks...it orchestrated 572 attacks from January through September 2019 across 21 provinces in Iraq (276 attacks) and Syria (296 attacks). In Iraq, the attacks have occurred in provinces like Diyala, Anbar, Ninewa, Kirkuk, and Salahuddin. In Syria, Islamic State attacks have largely been centered in Raqqa, Dayr az Zawr, Homs, and Hasakah.

Perhaps most concerning, there are still at least 30,000 to 37,000 jihadist fighters in Syria and Iraq from the Islamic State and two al-Qaeda-linked groups: Hay’at Tahrir al-Sham and Tanzim Hurras al-Din.

Over the next several months, more jihadists may enter the battlefield after escaping—or being released—from prisons run by the Syrian Democratic Forces (SDF) in areas like al-Hol, located in eastern Syria near the border with Iraq.

After all, there are roughly 10,000 Islamic State fighters in prisons run by the SDF, as well as thousands more in prisons and camps that may support an extremist ideology.

While Hay’at Tahrir al-Sham has experienced sometimes frosty relations with Ayman al-Zawahiri and other al-Qaeda leaders, the organization still has strong connections with Salafi-jihadist networks in the region. Tanzim Hurras al-Din has close links with al-Qaeda and is led by Faruq al-Suri, an al-Qaeda veteran.
Arms Sales Benefits to U.S.
(Data on Gulf state offsets and value of services not available)
Proposed U.S. Arms Sales to the Middle East Reported to Congress: 2016 and 2017 to 11.2019

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>GCC</th>
<th>Bahrain</th>
<th>Kuwait</th>
<th>Oman</th>
<th>Qatar</th>
<th>Saudi Arabia</th>
<th>UAE</th>
<th>Iraq</th>
<th>Egypt</th>
<th>Jordan</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2016</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>58,989</td>
<td>49,947</td>
<td>8,931</td>
<td>2,403</td>
<td>85</td>
<td>4,976</td>
<td>25,278</td>
<td>8,275</td>
<td>1,971</td>
<td>1,421</td>
<td>470</td>
</tr>
<tr>
<td>GCC</td>
<td>3,657</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bahrain</td>
<td>193</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kuwait</td>
<td>132</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Oman</td>
<td>23</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Qatar</td>
<td>78</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Saudi Arabia</td>
<td>1,968</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>UAE</td>
<td>1,264</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Iraq</td>
<td>383</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Egypt</td>
<td>867</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jordan</td>
<td>470</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>2017-Present</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>53,809</td>
<td>49,947</td>
<td>8,931</td>
<td>2,403</td>
<td>85</td>
<td>4,976</td>
<td>25,278</td>
<td>8,275</td>
<td>1,971</td>
<td>1,421</td>
<td>470</td>
</tr>
<tr>
<td>GCC</td>
<td>46,290</td>
<td></td>
<td>8,739</td>
<td>2,270</td>
<td>62</td>
<td>4,898</td>
<td>23,310</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bahrain</td>
<td>193</td>
<td></td>
<td>8,739</td>
<td>2,270</td>
<td>62</td>
<td>4,898</td>
<td>23,310</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kuwait</td>
<td>132</td>
<td></td>
<td>8,739</td>
<td>2,270</td>
<td>62</td>
<td>4,898</td>
<td>23,310</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Oman</td>
<td>23</td>
<td></td>
<td>8,739</td>
<td>2,270</td>
<td>62</td>
<td>4,898</td>
<td>23,310</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Qatar</td>
<td>78</td>
<td></td>
<td>8,739</td>
<td>2,270</td>
<td>62</td>
<td>4,898</td>
<td>23,310</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Saudi Arabia</td>
<td>1,968</td>
<td></td>
<td>8,739</td>
<td>2,270</td>
<td>62</td>
<td>4,898</td>
<td>23,310</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>UAE</td>
<td>1,264</td>
<td></td>
<td>8,739</td>
<td>2,270</td>
<td>62</td>
<td>4,898</td>
<td>23,310</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Iraq</td>
<td>383</td>
<td></td>
<td>8,739</td>
<td>2,270</td>
<td>62</td>
<td>4,898</td>
<td>23,310</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Egypt</td>
<td>554</td>
<td></td>
<td>8,739</td>
<td>2,270</td>
<td>62</td>
<td>4,898</td>
<td>23,310</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jordan</td>
<td>470</td>
<td></td>
<td>8,739</td>
<td>2,270</td>
<td>62</td>
<td>4,898</td>
<td>23,310</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

New U.S. Arms Transfer Agreements to the Middle East: 2008-2015
(in millions of current $USD)
(GCC Total is $100.2 Billion. Saudi Total alone is $61.9 Billion)

These figures rely on data from the Defense Security Cooperation Agency (DSCA) within the Department of Defense. The DSCA has not updated its Fiscal Year Series Report since September 30, 2017. Therefore, the entirety of the data for 2016 – and part of the 2017-present data – rely exclusively on the “Total Sales Agreements” section for each country in this report. In other words, these are sales agreed to and signed onto by Congress. The data from October 1, 2017, to the present are sales that have been approved by the State Department, but are yet to be approved by Congress. Therefore, it is likely that these numbers are larger than what would theoretically appear on an updated Fiscal Year Series Report, but they are the best available figures without making any additional conjectures.