

Ten Key Elements of a U.S. Strategy for the Gulf

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Working Draft: January 16, 2020

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The United States sometimes seems to have a strange definition of the word “strategy.” It focuses on concepts to the near exclusion of detailed plans, programs, and budgets, but it rarely ties a given strategy to a supporting net assessment.

Very often, a U.S. “strategy” consists of reacting to a near-term problem by advancing short-term objectives or goals – sometimes driven mostly by theory or ideology than analysis. In other cases – such as the Quadrennial Defense Review or QDR – it looked so far into the future that the end result had to be the equivalent of a prophecy. These desired end results would set goals so broad that they would have little functional mean and would only advance strategies that were equally as vague.

The United States has so far dealt with the Gulf on a crisis by crisis basis since at least 2003. It has focused on the most immediate issues dealing with terrorism in Iran, Syria, and Yemen. Since 2013, the United States has focused largely on ISIS – although the Obama Administration did at least attempt a broader approach to dealing with Gulf security by negotiating the JCPOA nuclear agreement with Iran.

The United States must not go on simply reacting to events. It needs a strategy that is based on net assessments, which takes the form of detailed plans, programs, and budgets. In the case of a strategy for the Gulf, the United States needs to look at the future in practical terms and realize that any plans for the future should be reviewed and revised on at least an annual basis.

This means focusing strategy for the next half decade – the maximum period where the United States has ever been able to advance a meaningful Future Years Defense Program (FYDP) – with some attention to the coming decade. Any shorter period means failing to think through the strategy’s implication. Any longer period has proven in the past to be largely a waste of time.

There are many urgent timing issues that affect the Gulf, which the United States needs to address. At the same time, the United States also needs to examine a set of broader issues that go far beyond simply addressing today’s wars and terrorism threats. Specifically, the United States needs to address the following issues:

1. Meeting Immediate Needs for Action and Dealing with the Backlash from Past Strategic Mistakes

The United States can take time to develop a detailed strategy for the Gulf. It cannot, however, continue to blunder fecklessly in addressing its level of commitment to the Gulf as it has in recent years. U.S. credibility in the region has eroded to a critical level with both of America’s Arab strategic partners and with its European allies – in doing so, the United States has virtually invited growing challenges from Russia, China, Turkey, and extremists.

To be specific, the United States must decide whether it intends to remain the dominant outside power in the Gulf by demonstrating that its level of commitment is both clear and consistent. It cannot continue to “flip” from talking about withdrawal or initial force cuts and then “flop” to building-up against sudden threats from ISIS and Iran. Its increasing transactional approach to Arab and European partners has devolved to burden-sharing bullying. This ignores all of the facts – considering the relative size of partner defense efforts, preparing readiness that does

not result in a sudden burst of violent action without consultation from its allies, or focusing too heavily on arms sales and offsets instead of creating effective partner forces – which are all significant problems. The United States should also acknowledge its lack of attention to the critical areas of civil instability and strife in partner states. It cannot continue to claim that a limited victory against the “ISIS caliphate” has defeated all terrorism, or even against that particular insurgency, much less the broader factors that will make extremism and terrorism a threat for at least another decade.

Bluster and erratic behavior have critically undermined the U.S position in the region. As a result, trust and confidence placed on the United States now rests largely on military-to-military relations. Arab and European partners have little reason to trust the United States to keep forces in the region and use them effectively, although they still must accept the fact that they have no other option.

Iraq and Arab partner regimes, their people, and even Iran, have no matching reason to feel that the United States is making any major effort to deal with their civil problems and divisions – some of which are as serious as their security problems. They have no reason to trust in the long-term strategy of the United States because it clearly does not have one.

If the United States is to build an effective strategy for the Gulf, rather than largely withdraw – or be pushed to do so – it needs to act immediately. The United States must send a consistent message that it will keep its forces in the region as an effective deterrent and defense mechanism, deal with its Arab and European allies as real partners, consult with Iraq as a sovereign nation, and set long-term strategic goals that clearly benefit its partners and allies as well as itself. It must act consistently and decisively while neither threatening and backing down nor suddenly escalating without a clear strategy for doing so. It must at least try to find ways to negotiate effectively with Iran rather than focus largely on sanctions, threats, and attacks.

2. Placing the Wrong Emphasis on the Russian and Chinese Threats in America’s New National Security Strategy

War fatigue and cost are critical factors which affect a Gulf strategy, but so is the strange form of neo-isolationism that has emerged in America’s current national strategy. The United States seems to increasingly focus on the direct military threat posed by Russia and China while turning away from regional considerations. It is focusing on nuclear and conventional war fighting, but it is doing so without properly assessing how and why such wars may occur.

In practice, the current competition in nuclear forces may lead to major changes in missile defense and nuclear forces, but it will only make marginal changes to mutually assured destruction. Moreover, a major conventional war in Europe or Asia would involve an overwhelming amount of costs and risks for both sides that it too may prove relatively easy to deter.

U.S. competition with China and Russia is far more likely to involve gray zone operations that play out in long-term economic and military struggles for regional influence. At any given time, the political-economic competition, military demonstrative actions, and any actual fighting are likely to be for limited objectives and taken when Russia and China feel they can make major increases in relative influence and power over time.

Most hybrid warfare tactics will be carried out through economic means and the use of non-state actors. Others will be struggles for influence over the governments of regional powers. Under these conditions, retreating from regional commitments to Europe, Asia, and the Gulf to focus on deterrable worst-case wars is more likely to help Russia and China than limit them.

This is particularly true in the case of the Gulf. The current U.S. posture has effectively made the United States the guarantor of the region that provides critical petroleum and NGL supplies to China, India, Japan, Korea, Taiwan and other Asian industrial powers, and it will continue to do so for at least the next decade.

This gives the United States immense strategic leverage over its prime competitors. It limits Russia's ability to influence Gulf oil production and prices, makes China dependent on the U.S. ability to secure the Gulf, and helps secure the Indian Ocean and India as a counterbalance to China. Any evaluation of a Gulf strategy must explicitly address these issues.

3. Rejecting the Illusion of Energy Independence

In fairness to the President, far too many commentators confuse a shift from the relatively high net U.S. dependence on oil imports in the peaceful period from 2000 to 2005 to a net surplus in late 2019, with "energy independence." Petroleum imports are only one measure of dependence and are no longer the most important one.

Figure One warns that past unexpected crises in oil supplies and interruptions in exports can result in a major conflict in the Gulf, which will seriously affect world oil and product prices. Short of a return to massive regulation, this means any major crisis in Gulf exports will trigger the same massive price increases in the United States as it will to the rest of the world. Moreover, outside states are now likely to import more oil from the United States, while successfully competing internationally for the particular types of oil still needed and imported by most U.S. refineries.

Any sustained crisis will also affect our major Asian sources of imported manufactured goods and reduce their ability to export or massively raise prices. The U.S. Census Bureau export data indicates that the manufactured import goods sector of the U.S. economy is at least as important as oil imports were in the past – as well as heavily impactful on the growth and stability on much of the global economy.

Any Gulf strategy that is not explicitly based on a realistic assessment of the economic importance of the United States – to the Gulf, to our partners, and to potential threats to the United States and the global economy – will fail to address the critical factors that should shape our strategy and instead will only keep encouraging the myth of energy independence.

4. Understanding the Role that the United States should Play in the Gulf and its Cost

Part of the current reaction to staying in the Gulf lies in the impression that the ongoing U.S. presence has a massively high cost and involves a massive U.S. military presence. From 2003-2011, the United States did end up fighting an extraordinarily expensive war in the Gulf – largely because it failed to build up effective local ground forces and only developed a fully effective IS&R and air strike capabilities after 2008. U.S. strategy, however, should not be shaped by the cost of past mistakes.

Figure Two shows how these costs have dropped since 2014 and demonstrates how limited the U.S. permanent presence in the Gulf is relative to the remnants of the war fighting capability needed to deal with ISIS as well as the forces needed to deter Iran.

An effective nominal U.S. presence is far more affordable than most commentary seems to indicate. It would only have to be raised if the United States both fails to deter its regional competitors and is unable to help its Arab partners move towards internal stability and develop their forces.

The core levels of U.S. military manpower involved are also comparatively limited. The most important areas which the United States must address in deploying its forces are to maintain a peacetime deterrent – while also building up the deterrent, defense, and counterextremism capabilities of its Arab strategic partners – and supporting the permanent U.S. train and assist and air and naval forces it now deploys in Iraq, Bahrain, Kuwait, Qatar, Saudi Arabia, and the UAE. The key land and air components of these force now only total some 15,000 to 25,000 U.S. military personnel. (The higher figure takes account of the serious under-reporting by the Department of Defense on the personnel levels in Qatar.)

Two countries are particularly critical – Bahrain and Qatar. They host the key naval and air commands and facilities that can manage power projection from the United States in a crisis. Equally important, they can play a critical role in compensating for the lack of coordination, real world IS&R, C4, and battle management capabilities of our Arab strategic partners.

5. Recognizing the Importance of Arab Gulf Strategic Partners

Although Israel, Jordan, and Egypt play an important indirect role in deterrence and stability in the Gulf, it is Iraq and the five states that make up the GCC (Bahrain, Kuwait, Qatar, Saudi Arabia, and the UAE) that are most critical to a U.S. strategy in the Gulf.

Here, any new U.S. strategy must take account of two critical past failures in previous U.S. strategy for the Gulf.

- First, the United States has failed to press Bahrain, Kuwait, Qatar, Saudi Arabia, and the UAE to develop effective interoperability and coordinated mission capabilities. Since the departure of U.S. General Zinni, it has focused on immediate tactical priorities, arms sales, and country-by-country efforts. The United States has done far too little to make the GCC an effective body. As a result, the hollow shell of Arab unity disguises a feuding reality.
- Second, both the Obama and Trump Administrations have ignored the actual scale of the Arab Gulf military spending and arms deals – while often encouraging or supporting national purchases that generate U.S. sales, regardless of their lack of mission priority and interoperability.

Figure Three shows the scale of Arab military spending relative to Iran. Some Arab partners spend far more of their GDP on defense than the NATO goal of 2 percent and often far more than the U.S. nominal requirement of 3.2 percent.

Figure Four shows the immense lead the Arab Gulf states have over Iran in arms imports. It is clear that a U.S. strategy that focuses on creating an effective GCC – rather than one which focuses on massive U.S. arms sales – could have major potential benefits and reduce the need for future U.S. military deployments and interventions.

6. Making Iran an Offer It May Not Be Able to Refuse

A U.S. strategy for the Gulf cannot assume that Iran will remain actively hostile, or that the possibility of some kind of settlement or stability does not exist.

In retrospect, the JCPOA and the possibility of slowly improving relations and strengthening the role of Iran's "moderates" and "reformers" seems to be a far better option than piling more and more sanctions on an Iranian regime that has so far been able to pass the burden to its people while steadily growing more hostile.

Withdrawing from the JCPOA has been a grave strategic mistake. The United States needs to seriously consider letting Europe take the lead in finding some kind of compromise on the nuclear issue and sanctions. If nothing else, confronting Iran with a new U.S.-European consensus on a revised JCPOA could be a key step in getting the EU and NATO to play a meaningful role in the Gulf.

More broadly, a U.S. strategy in the Gulf must not be based on the hope that sanctions will magically force the collapse of the regime and produce a stable Iran. U.S. strategy should offer an end game for Iran that goes beyond adding layers of sanctions. The United States should advance straightforward proposals that make it clear that if Iran does change its behavior, Iran will then have full U.S. support in shaping a stable security structure in the Gulf and a far better future – instead of pursuing its current path towards economic collapse.

The United States needs to shape a strategy that explicitly offers a negotiable bargain instead of 12 impossible demands. It needs to appeal to the more pragmatic elements of the regime, the Iranian protestors, and the Iranian people, that there is a real option that offers solid economic development and security for Iran, in return for changes to its policies. Providing such a plan is a critical tool in strengthening Iranian moderates. It is also a key aspect of strategic communications, and it will be critical in the case that the current regime does not change, and sanctions do lead to Iran's collapse.

7. Realizing that a Strong and Independent Iraq is a Key to a Successful Gulf Strategy

Iraq is a key prize in the Gulf for American strategy. Continued Iraqi instability means creating a critical power vacuum that Iran will likely exploit. Iraq's security and stability are pivotal in helping to contain Iran and limiting its influence and access to the Levant. Iraq is also a major oil power and key buffer against Turkish and Syrian interference in Gulf affairs.

Ideally, Iraq would make a critical addition to the list of U.S. strategic partners in the Gulf. In reality, however, such a goal may not be practical, and pursuing it too rigidly could do more harm than good.

Iran is likely to resist such a partnership and will instead fight a constant war of attrition and perform a series of gray zone operations. Moreover, Iraqi nationalism, the Iraqi reaction to the U.S. unilateral strikes on Iranian targets, and the long history of tensions between the United States and various Iraqi factions since 2003 may mean that the United States might be far more successful if it focuses on building up Iraq as an independent power, helps to give Iraq the cohesion and strength to act on its own, and tacitly implies that the United States would offer aid if Iraq were ever seriously threatened.

The U.S. train and assist mission that helped Iraqi forces recover and fight ISIS has shown that the United States can build effective Iraqi forces over time, and it can do so with a relatively low profile. Ideally, retaining some kind of U.S. air presence in Iraq would help secure Iraq and give it time to fully develop its own forces. However, negotiating a full status of forces agreement – one that recognizes Iraq’s right to decide on any U.S. use of military forces on its own soil – and laying out a phased plan to build-up Iraq’s land and air forces to the point where the United States could then withdraw may now be a more negotiable approach.

The cost of a U.S. strategy based upon building up a strong and independent Iraq would be comparatively limited even if the United States did pay for the train and assist effort as Iraq now pays for its own weapons and facilities.

At the same time, the United States must also look beyond the security dimension and address the civil one. As is shown in the following section, Iraq presents a massive civil challenge as well as a security challenge. This means the United States needs to actually learn a lesson from its past wars and act upon it. Both Afghanistan and Iraq have already shown that transformational nation building is a near-certain recipe for failure.

A U.S. strategy for the Gulf must address Iraq’s critical civil problems, but this is not the equivalent to once again providing Iraq with massive U.S. aid. The United States should take the lead in creating a major international focus on supporting the efforts of the World Bank and IMF to create Iraqi economic reform.

The United States should also, however, examine ways to offer Iraq some civil as well as security incentives to effectively reform. It should act openly enough to push for reform in ways that demonstrate how the United States cares about the Iraqi people as well as its own interests, while also strongly encouraging both humanitarian aid efforts by the UN as well as by its European and Asian allies.

The United State also needs to seek major reforms in critical aspects of the current IMF and World Bank aid efforts for both Iraq and the other states in the Arab Gulf, not to mention the rest of the Middle East and North Africa (MENA). IMF and World Bank aid efforts now focus far too much on stable international payments and broad indicators of economic growth like rises in GNI/GDP and GNI/GDP per capita.

Aid must be “conditional” with tight limits on corruption, waste, and ineffectiveness. Corrupt and ineffective officials should be clearly identified and forced to leave. Aid should be linked to critical stability issues like job creation, economic opportunity, and its fair distribution in ways that reduce critical imbalances in the distribution of income. Aid must also be tailored to bring together the divided factions in Iraq and other countries to deal with the sharp economic imbalances between elites and the rest of the population, also considering the different ethnic, sectarian, tribal, and regional factions. Economic growth, per se, is not the road to stability, rather, more equity is the vital component.

8. Creating an Affordable Effort to Develop and Stabilize the Civil Sector of Gulf Strategic Partners to Limit the Rise of Extremism

Iraq is not the only case where a U.S. strategy for the Gulf must have a strong civil dimension. Even the wealthiest states in the Gulf region face serious civil stability problems. These include mixed quality of governance, a serious lack of meaningful career and job opportunities, poor

income distribution, a lack of economic diversification, and ethnic/sectarian/tribal differences and discrimination.

The United States can encourage and support internal reform efforts. It should learn from Iraq and Afghanistan, however, that efforts to transform other states using major flows of aid without real reform are wasteful failures. It should also learn that oil wealth is relative even for the wealthiest Gulf states, and the challenges are still present.

Figure Five shows oil wealth in terms of income per capita. If anything, it sharply exaggerates the actual benefits going to ordinary citizens since a majority of the actual export income goes to a very small portion of the ruling elite. However, Kuwait, Qatar, Saudi Arabia, and the UAE are sufficiently wealthy so they can probably buy their way out of their internal civil challenges in the near term – although Saudi Arabia does face serious employment and diversification challenges while its reform plan is uncertain at best.

Figure Six shows similar illustrative data on the quality of Iraq and Saudi governance. This figure does illustrate that there are radical differences by country, but the trends in the World Bank ratings of polls warn that a large percentage – and often a majority – of the citizens in most Gulf and other Arab countries see major problems in the quality and integrity of their civil governance, and that corruption ranks with employment as the most critical civil problem that affects their lives. Polls – and the Arab Development reports issued by the UN – also warn that even middle-class youth often seriously doubt that meaningful employment opportunities exist, and that the “youth bulge” shown in Figure Five has become a serious problem even when the state does offer place-holding employment.

Figure Seven puts today’s civil problems in a broader context. It shows the astounding level of pressure that the population puts on the economy and the resulting pressure for job creation in Iraq and Saudi Arabia. Estimates of the severity caused by population pressure from both the UN and U.S. Census Bureau broadly agree that job creation pressure from young men and new pressure from young women will be a rising challenge through at least 2050.

While such pressure does not inevitably lead to major unrest or the growth of extremist and terrorist movements, surveys of the Arab world show that job creation and quality is seen as one of the most critical single problems by most citizens and that employment is usually seen as driven by corruption and cronyism.

There is no direct correlation between these problems in stability and the rise of terrorism and extremism but given the scale of the civil problems in each country, one thing seems clear. There will be at least a small but significant minority in every state that will support some form of civil conflict, extremism, and terrorism. The pressures that create such a minority are likely to continue for the coming decade. Terrorism and extremism can be contained, but no strategy should assume that they can be eliminated.

As important as improving internal security and counterterrorism efforts may be, creating lasting stability and limiting the rise of extremism also requires every state in the Arab world to make far more progress in civil governance and in meeting the needs of its people, than they are making today.

The United States needs a Gulf strategy that clearly shows that it does care about the welfare of the people of each state, supports human rights, and seeks to limit state control and repression. It should not be passive in pushing for a future that will bring both civil stability

and a better future for the people of each state. The United States will also need to play a far more proactive role in encouraging Arab states to move forward with IMF and World Bank economic reform proposals as well as internal reforms

As noted earlier, the United States will need to be proactive in supporting reform, more effective and honest governance, and civil development that meets the needs of all Iraqis.

When it comes to strategic partners of Kuwait, Qatar, Saudi Arabia, and the UAE, they have so much oil wealth that their problems are much smaller. However, the United States should still play a far more proactive role in supporting reform. This does not mean trying to transform its partners, but it does mean encouraging their own reform efforts, warning when delay in reform are increasing the level of risk, and paying close attention to human rights.

Bahrain and Oman lack the same degree of oil wealth and present more serious challenges. The United States should actively encourage civil reform and development efforts, although it can best address economic change through support to the IMF and World Bank economic reform proposals. In the case of Bahrain, the United States should be more active in encouraging the regime to bridge the gaps between Bahrain's Shi'ite majority and Sunni ruling elite.

Yemen presents a massive challenge, and one where U.S. capability to take effective action remains uncertain. Here, it is critical that the United States does not let hope triumph over experience. It should take a hard look at what it can and cannot do. Grim as it may be to say, Yemen may make progress, but it may also have to be a prolonged exercise in containing internal tensions and civil failures

9. Dealing with Lebanon, Syria, Yemen – and the Kurds

Formulating a successful U.S. strategy for the Gulf will require a careful strategic triage to focus U.S. attention and resources where they can best serve U.S. interests. The United States will need to pay careful attention to two other Arab strategic partners outside the Gulf: Egypt and Jordan – both face serious internal stability issues, and both have significant influence in the region. However, the main additional sources of tension and potential conflicts are Syria, Lebanon, Yemen.

As for Syria, the United States should never abandon any state, but the best approach to Syria may be to offer limited humanitarian aid in an international context, and leave Syria for Russia, Turkey, and the Assad regime. Although the Assad regime may be able to rule through oppression for a while, large elements of the population will remain hostile, and the United States has little incentive to offer the Assad regime direct support.

The United States may also still have the opportunity to support a Kurdish-Arab enclave in Eastern Syria that can act as a buffer to secure Iraq against both terrorism and pressure from Syria and Iran. In doing so, The United States can limit the recovery of ISIS and other terrorists and help rebuild the U.S partnership with Iraq's Kurds while also not dividing them from Iraq's Arab majority. The United States may sometimes have to adjust its ties to a given partner, but it should never simply abandon one. Quite aside from the ethical and moral issues involved, even the most ruthlessly pragmatic "realist" should realize that such abandonment fundamentally weakens the trust of every remaining U.S. partner and ally.

Lebanon is a peripheral U.S. interest. However, any reform of its corrupt and ineffective government must come from within. Supporting the Lebanese military, sanctioning and isolating Hezbollah, and backing IMF and World Bank economic reform proposals is the most that the Gulf regional strategy will require of the United States.

Yemen is a tragedy that ultimate must find its own route to stability. It is unclear that there is any real prospect of lasting stability in Yemen. A limited engagement strategy of supporting outside efforts to forge a peace deal, backing the IMF and World Bank proposals for economic reform and humanitarian aid, as well as targeting key terrorist elements should probably bound the U.S. role barring major internal shifts in Yemen.

10. The Continuing Struggle Against Terrorism and Extremism

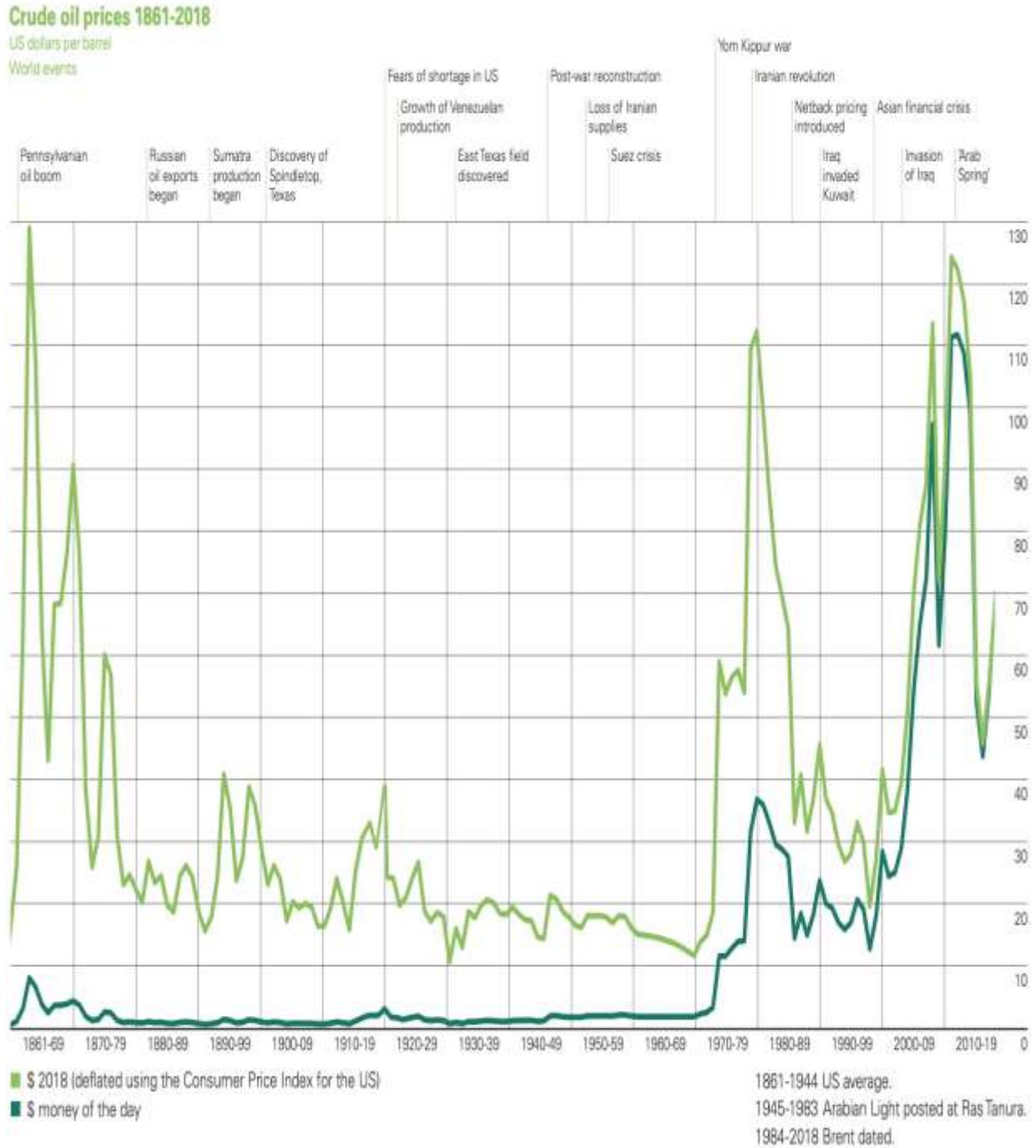
Counterterrorism is by far the last priority in a U.S. strategy for the Gulf. No responsible U.S. official or officer should ever imply that defeating a current terrorist threat means winning what almost certainly will be a decades-long struggle against violent extremism in – or on the periphery of – the Gulf. The Assad regime, Iran, and Russia have made it all too clear that this will be true, regardless of whether that struggle takes the form of actual terrorism or as a civil conflict in which a state may be at least as violent and repressive in dealing with its people and key opposition elements as violent non-state actors.

The main reasons for putting it last in this list of 10 points is the extent to which direct attacks on key terrorist movements – like Al-Qaeda, the Sunni extremist group in Iraq during 2004-2010, and ISIS, Al-Qaeda's radical breakoff group that has operated since 2013 – have been given almost exclusive priority in shaping U.S. strategy while Iran does not even dominate the threat. It is also the almost absurd extent to which even the most senior U.S. officials have implied – or even virtually stated – that defeating today's threat will solve the problem. So far, every such movement – now including ISIS – has managed to survive in some form while other forms of civil violence – including state or regime actors – have proven to be just as deadly.

The United States does need to stay in the Gulf to limit the recovery of ISIS. No credible U.S. voice can imply that ISIS is truly defeated. The United States also needs to help Arab states deal with sectarian violence in Western Iraq, and AQAP in Saudi Arabia and Yemen. Here, any successful U.S. strategy must continue to provide train and assist aid in creating truly competent local counterterrorism forces and provide IS&R support as well as air support in some cases. Moreover, the United States will need to provide such aid for as long as it is needed. This may well be for the next decade, although focusing more on building partner capabilities rather than direct U.S. action may well be able to shorten and reduce the need for U.S. efforts in many cases.

Put simply, the United States should be prepared to provide such aid for as long as it takes, and it must be frank about the fact that this will be a long struggle in a deeply divided world of many "failed" states. However, direct U.S. counterterrorism against non-state actors should not continue to be *the* central focus of U.S. strategy. The preceding analysis has shown that there are many other priorities, but that U.S. efforts to reduce the causes of civil violence and terrorism will be a key priority. In order to do so, the United States also needs to recognize the importance of reducing state terrorism and violence by regimes while also building up local counterterrorism forces that are not only effective, but do not become instruments of repression and key causes of civil anger and violence in themselves.

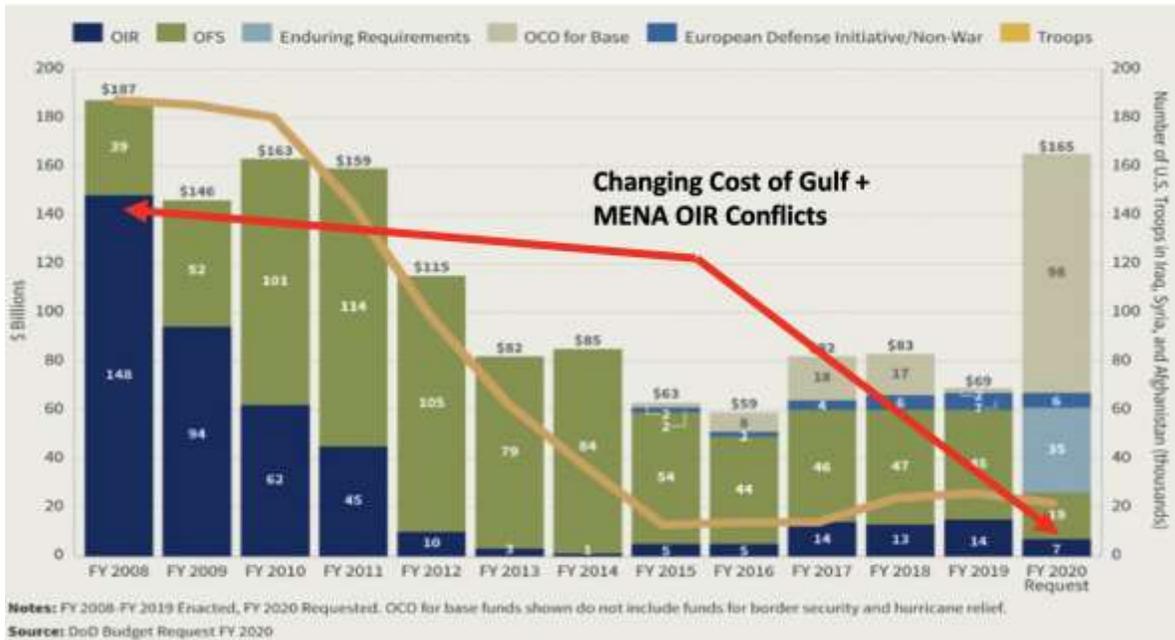
**Figure One:
The Scale of Sudden Oil Price Changes in Past Crises and Wars**



BP, *Statistical Review of World of World Energy 2019*, 24. <https://www.bp.com/en/global/corporate/energy-economics/statistical-review-of-world-energy.html>

**Figure Two:
The Changing Cost and Size of the U.S. Presence in the Gulf**

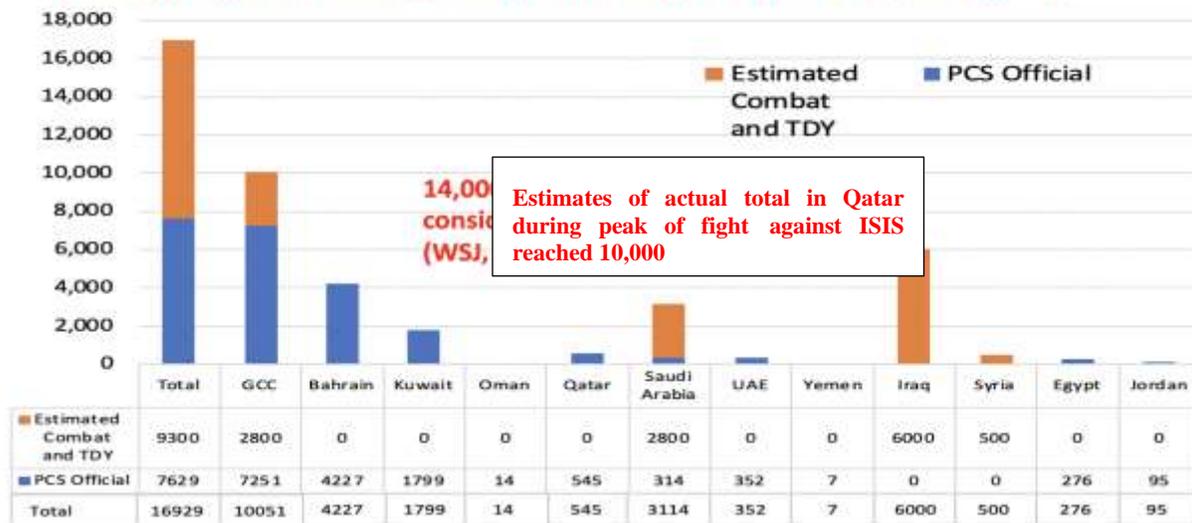
**The Cuts in the Cost of U.S. Wars and Troop Levels
In Operation Inherent Resolve (OIR) against ISIL and the Iraqi Civil War**



Current Total U.S. Military Deployments in the Gulf

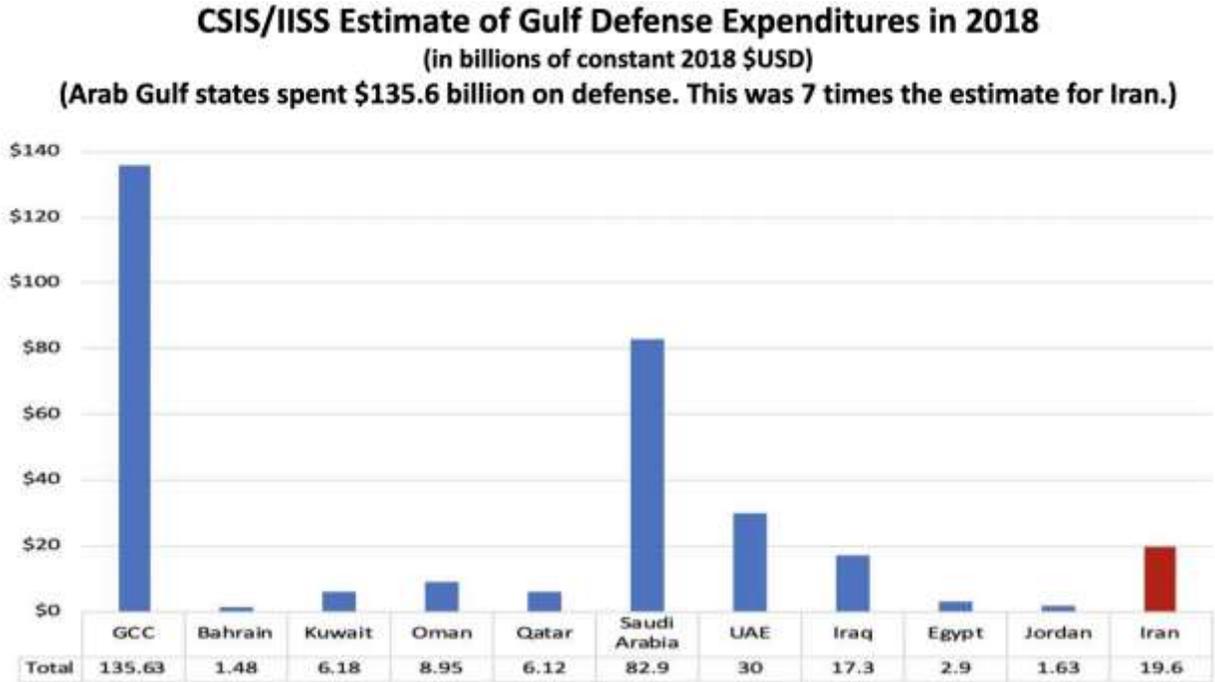
(9,300 + 7,629 = 16,929 Less Personnel at Sea: Total seems under 24,000.

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

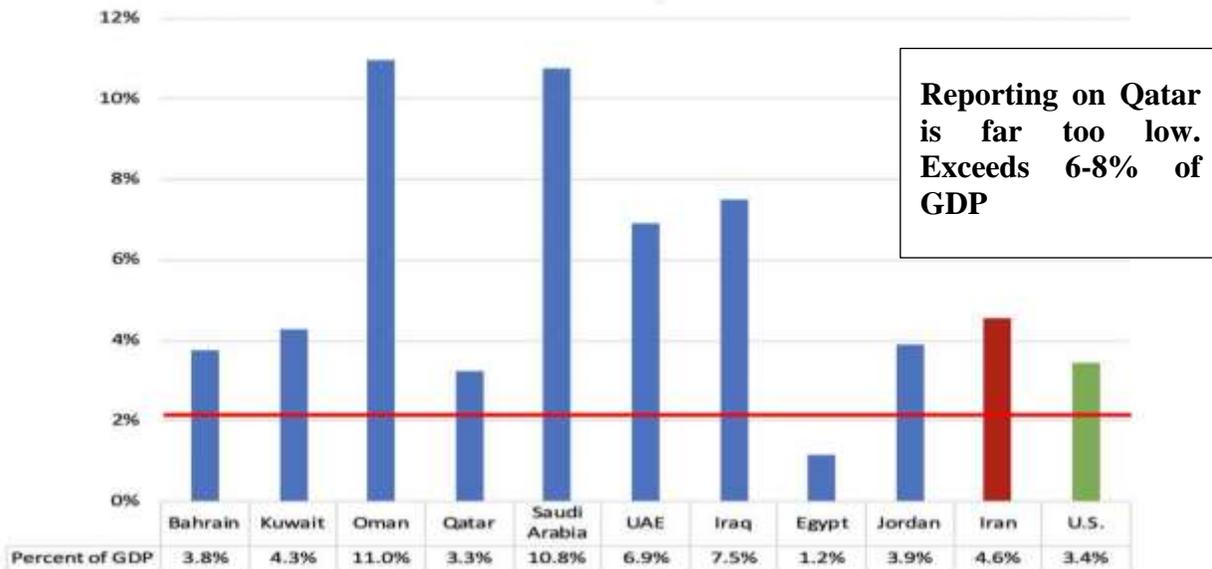


Anthony H. Cordesman, *Assessing U.S. Commitments in the Gulf* (CSIS), December 11, 2019, https://csis-prod.s3.amazonaws.com/s3fs-public/publication/191211_Assessing_Defense_Commitments.pdf?gbI_rrWCsPH_9yIQ.POkNYpa5luskgi9

**Figure Three:
The Real-World Burden Sharing Role of Arab Gulf Strategic Partners**



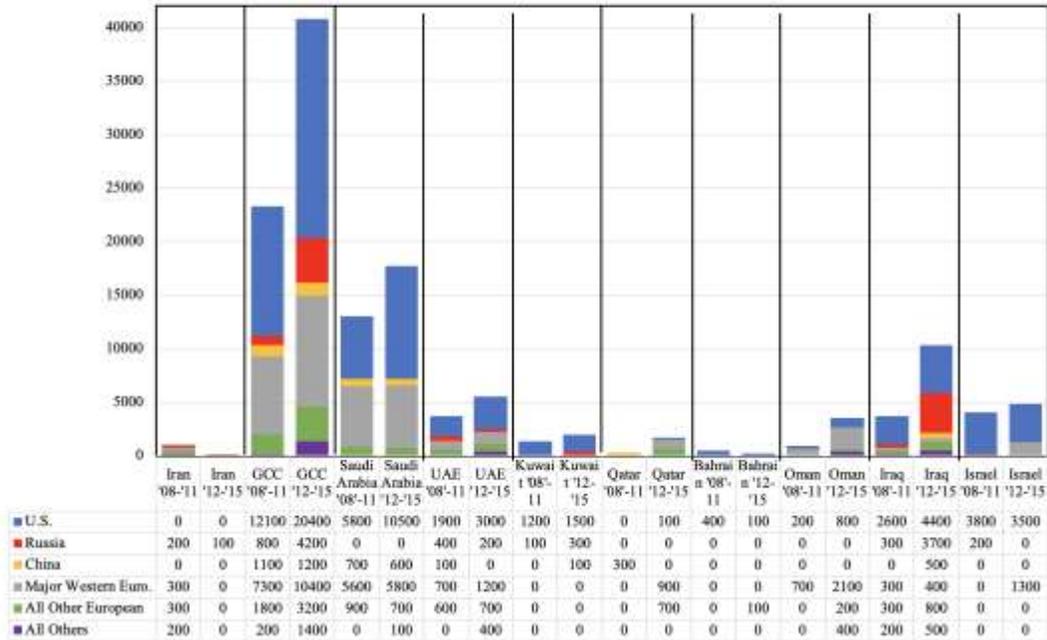
CSIS/IISS Estimate of Gulf Defense Expenditures as Percent of GDP in 2018
(Every Gulf Arab state spend far more than 2% of GDP on military forces. Saudi Arabia and Oman spent over 10% of their GDP. Seven Arab states spent a higher percent of their GDP)



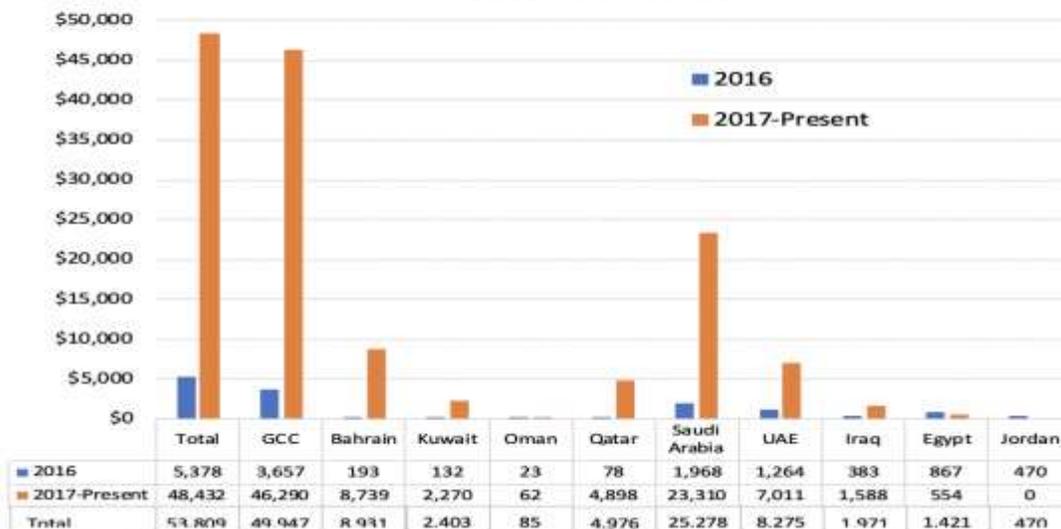
Anthony H. Cordesman, *Staying in the Gulf* (CSIS), January 9, 2019, https://csis-prod.s3.amazonaws.com/s3fs-public/publication/191211_Assessing_Defense_Commitments.pdf?gbl_rrWCsPH_9yIQ.POkNYpa5luskgi9

**Figure Four:
The Arab Gulf Lead in Arms Imports**

U.S. Arms Sales Dominate Conventional Arms Transfer Agreements by Supplier, and Create Improved Interoperability (in current millions \$USD)

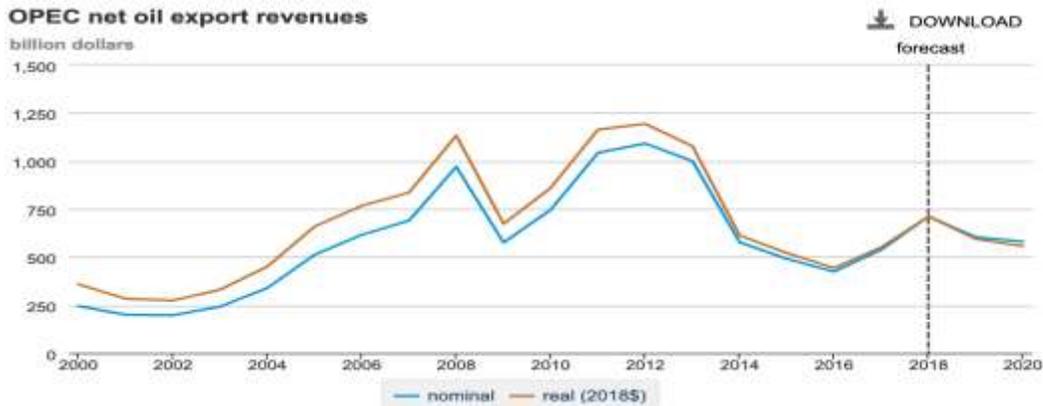


Proposed U.S. Arms Sales to the Middle East Reported to Congress: 2016 and 2017 to 11.2019



Anthony H. Cordesman, *Staying in the Gulf* (CSIS), January 9, 2019, https://csis-prod.s3.amazonaws.com/s3fs-public/publication/191211_Assessing_Defense_Commitments.pdf?gbI_rrWCsPH_9yIQ.POkNYpa5luskgi9

**Figure Five:
Oil Wealth is Unstable, Highly Relative, and Often Very Limited in Per Capita Terms**



OPEC net oil export revenues

Country	Nominal (billion \$)				Jan-Jul 2019	Real (billion 2018\$)				Jan-Jul 2019
	2017	2018	2019	2020		2017	2018	2019	2020	
Algeria	\$24	\$30	--	--	\$16	\$24	\$30	--	--	\$15
Angola	\$30	\$37	--	--	\$19	\$31	\$37	--	--	\$18
Congo (Brazzaville)	\$5	\$8	--	--	\$5	\$5	\$8	--	--	\$5
Ecuador	\$5	\$6	--	--	\$3	\$5	\$6	--	--	\$3
Equatorial Guinea	\$4	\$5	--	--	\$2	\$4	\$5	--	--	\$2
Gabon	\$4	\$5	--	--	\$3	\$4	\$5	--	--	\$3
Iran	\$55	\$67	--	--	\$20	\$57	\$67	--	--	\$19
Iraq	\$66	\$91	--	--	\$52	\$67	\$91	--	--	\$51
Kuwait	\$45	\$61	--	--	\$34	\$46	\$61	--	--	\$33
Libya	\$13	\$21	--	--	\$13	\$14	\$21	--	--	\$13
Nigeria	\$32	\$42	--	--	\$23	\$33	\$42	--	--	\$22
Saudi Arabia	\$172	\$237	--	--	\$120	\$176	\$237	--	--	\$118
United Arab Emirates	\$56	\$74	--	--	\$42	\$57	\$74	--	--	\$41
Venezuela	\$28	\$27	--	--	\$9	\$29	\$27	--	--	\$8
OPEC	\$538	\$711	\$604	\$680	\$359	\$551	\$711	\$593	\$556	\$353

OPEC per capita net oil export revenues

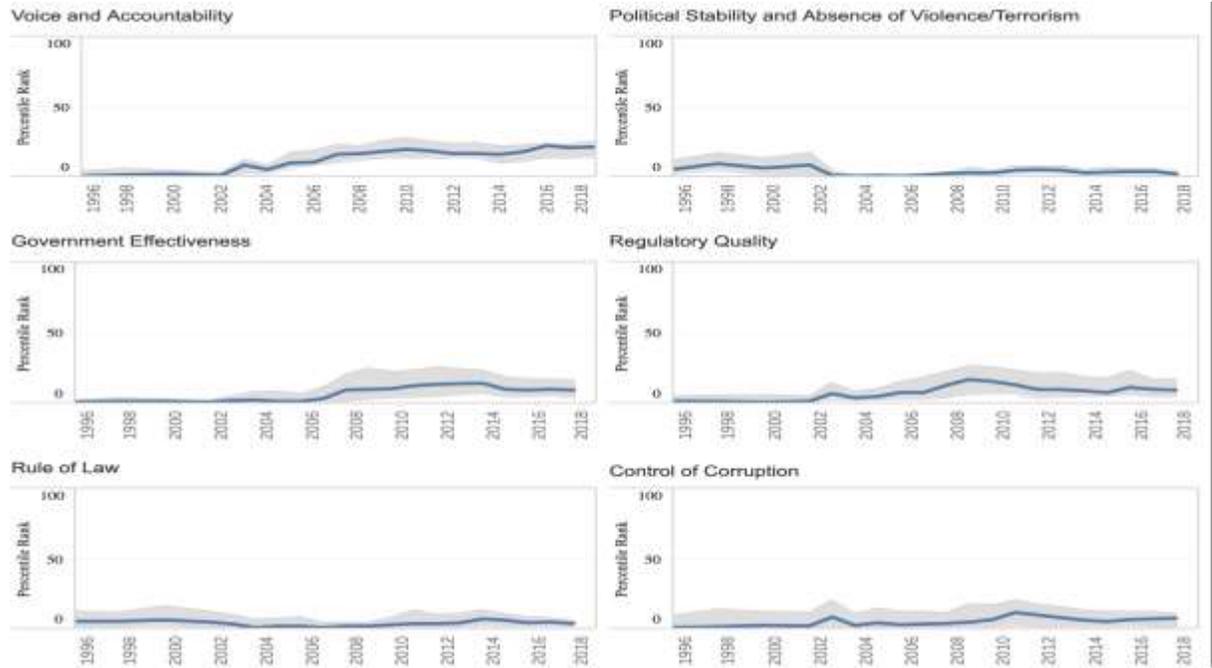
Country	Nominal (\$)				Jan-Jul 2019	Real (2018\$)				Jan-Jul 2019
	2017	2018	2019	2020		2017	2018	2019	2020	
Algeria	\$579	\$709	--	--	\$370	\$593	\$709	--	--	\$363
Angola	\$1,011	\$1,208	--	--	\$585	\$1,036	\$1,208	--	--	\$576
Congo (Brazzaville)	\$859	\$1,561	--	--	\$828	\$880	\$1,561	--	--	\$813
Ecuador	\$280	\$348	--	--	\$198	\$287	\$348	--	--	\$194
Equatorial Guinea	\$3,108	\$3,540	--	--	\$1,632	\$3,184	\$3,540	--	--	\$1,602
Gabon	\$1,753	\$2,223	--	--	\$1,212	\$1,796	\$2,223	--	--	\$1,190
Iran	\$685	\$820	--	--	\$240	\$701	\$820	--	--	\$235
Iraq	\$1,715	\$2,304	--	--	\$1,292	\$1,757	\$2,304	--	--	\$1,269
Kuwait	\$10,965	\$14,683	--	--	\$8,003	\$11,232	\$14,683	--	--	\$7,858
Libya	\$2,095	\$3,214	--	--	\$1,049	\$2,147	\$3,214	--	--	\$1,014
Nigeria	\$166	\$212	--	--	\$112	\$170	\$212	--	--	\$110
Saudi Arabia	\$5,248	\$7,098	--	--	\$3,529	\$5,376	\$7,098	--	--	\$3,465
United Arab Emirates	\$5,911	\$7,797	--	--	\$4,343	\$5,376	\$7,797	--	--	\$4,264
Venezuela	\$675	\$834	--	--	\$262	\$697	\$834	--	--	\$258
OPEC	\$1,094	\$1,416	\$1,180	\$1,109	\$702	\$1,121	\$1,416	\$1,158	\$1,065	\$689

U.S. Energy Information Administration, "OPEC Revenues Factsheet", August 20, 2019, https://www.eia.gov/beta/international/analysis_includes/special_topics/OPEC_Revenues/opec.

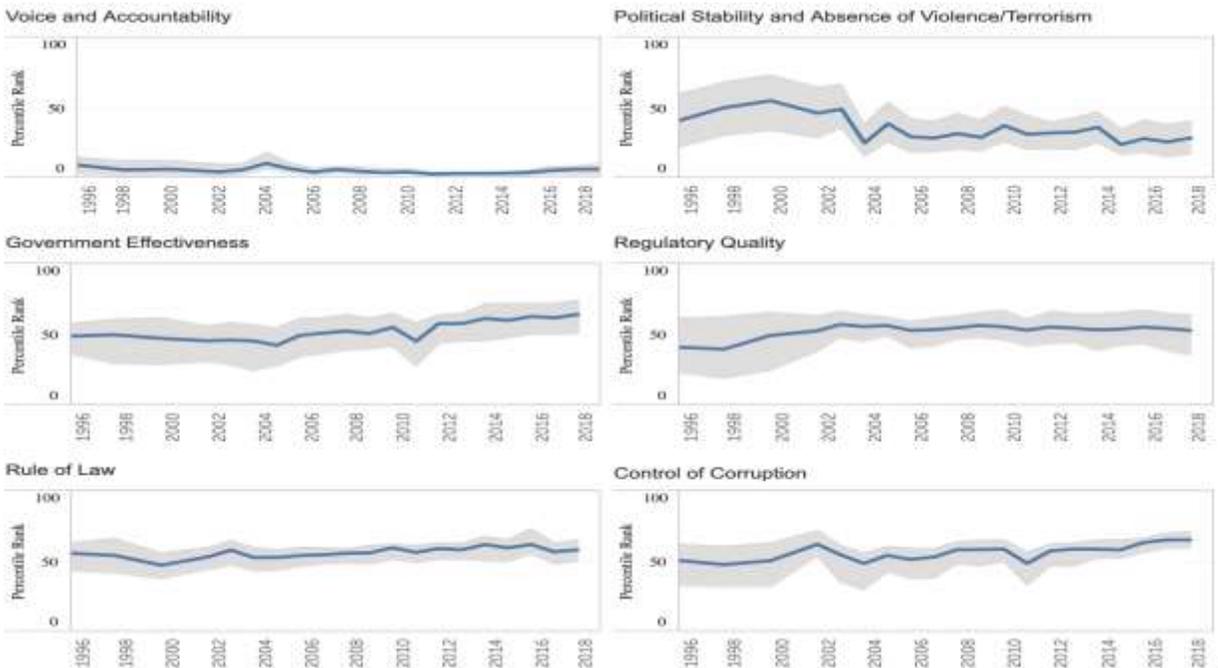
Figure Six:

Iraq and Saudi Arabia: Case Studies in the Quality of Governance

Iraq: One of the World’s Worst Governments – With and Without Saddam Hussein

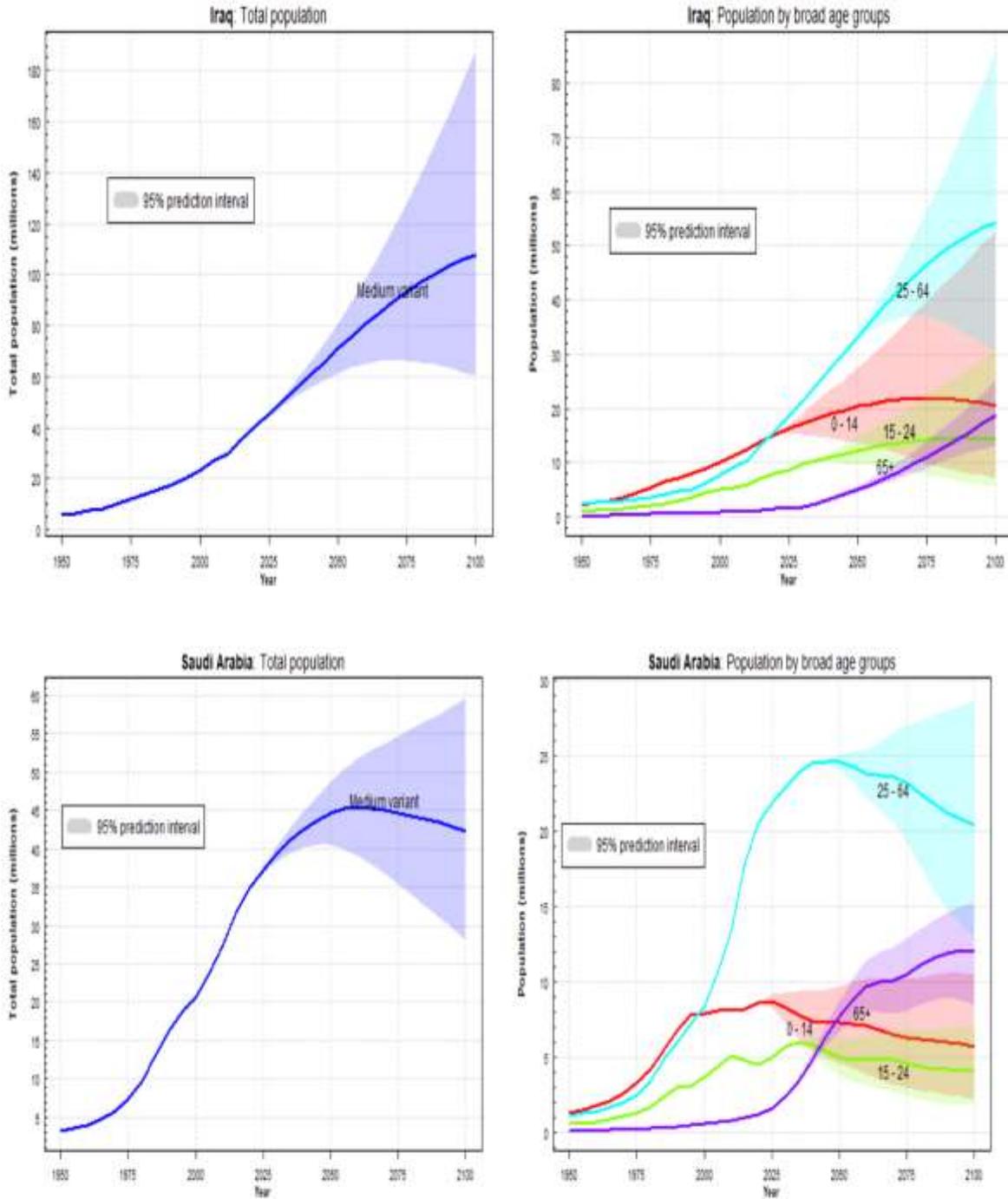


Saudi Arabia: Mixed, But Much Higher, Ratings



World Bank, “Governance Ratings”, <https://info.worldbank.org/governance/wgi/Home/Reports>

Figure Seven:
Iraq and Saudi Arabia: Case Studies in Acute Population Pressure on the Economy and Job Creation



United Nations, "World Population Prospects", 386-682, 2019,
<https://population.un.org/wpp/Graphs/DemographicProfiles/Line/>