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Katherine Bierly

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Signatures of Honors Thesis Committee

Mentor: Joseph Venosa

Reader 1: Amal Ali

Reader 2: Leonard Robinson

Director: _____

Signature

Print

Introduction

Introduction

This thesis will try to understand what the differences in policy between the United States is with Saudi Arabia and Iran and how the policies influence the relationship. Another aspect of the paper is how the United States' supports Saudi Arabia over Iran. The United States economic policy is more supportive of Saudi Arabia than it is of Iran. The military policy is also more favorable toward Saudi Arabia than Iran. The last forty years changed the United States' interests in Iran and Saudi Arabia. Even though both countries have been affected by terrorism, the United States supports Saudi Arabia. The sections discussed through this thesis will be a brief overview of the history of the countries examined. After the history, the economic policy of the United States will be discussed. The United States military and defense policy will be explained as well. The paper will conclude with how both countries are affected by extremist terrorism.

Different events, such as the Oil Crisis and the Iranian Revolution in the 1970s, influence the economic and military policies of the United States in the Middle East. As a result, Saudi Arabia has gained an advantage of having a closer relationship with the United States, and Iran's relationship with the United States deterred. Although there might not seem to be any logic behind why the United States supports Saudi Arabia over Iran, there are economic reasons. Even though individual Saudi Arabians support terrorism and the government has not always cooperated with the United States in counter-terrorism. According Merriam Webster dictionary, terrorism is "unlawful use or threat of violence especially against the state or the public as a politically motivated means of attack or coercion" (2017). The United States does not support terrorism because it threatens national security. Both Saudi Arabia and Iran have experienced terrorism in their country from

Islamic extremist. Saudi Arabia experienced it with the seizure of the Grand Mosque. Iran experienced terrorism with the seizure of the U.S. Embassy. Both of these events happened in 1979. One issue that has cemented the United States support for Saudi Arabia is their ability to influence oil prices. If Iran had this ability or the capacity to produce oil currently on the same level of Saudi Arabia, the relationship between the United States with Iran and Saudi Arabia would be drastically different.

Saudi Arabia

History of Saudi Arabia



U.S. Department of State

Saudi Arabia is located in the Middle East, bordered by water bodies the Persian Gulf to the east and the Red Sea to the west. To the northwest is Jordan and Iraq and Kuwait are to the northeast. To the south of Saudi Arabia is Yemen and Oman. Saudi Arabia is also bordered by the United Arab Emirates and Qatar to the east. The total land boundary of Saudi Arabia is 4,272 kilometers. Saudi Arabia is slightly more than one-fifth the size of the United States. The climate of the country is harsh, dry desert with temperature extremes. The national resources in Saudi Arabia are petroleum, natural gas, iron ore, gold and copper. The population as of July 2017 was 28,571,770. The ethnic groups of the population are Arab and Afro-Arab with the national language Arabic. The majority of the population are Muslim specifically Sunni with the ruling family being Wahhabis, which believes in the literal interpretation of the Koran, the Islamic holy book. The government type of Saudi Arabia is an absolute monarchy, the country was named after the ruling dynasty, the House of Saud.

The current ruler has been on the throne since 2015 and is Saudi Arabia is King Salman (“The World Factbook: Saudi”, 2017).

Saudi Arabia is the birthplace of Islam and has the two holiest cities of Islam Mecca and Medina. In fact, the king of Saudi Arabia’s official title is the Custodian of the Two Holy Mosques. The modern Saudi state was founded in 1932 by Abd Al-Aziz bin Abd al-Rahman Al Saud (Ibn Saud) when Saudi Arabia unified. Recognition for the Kingdom of Hejaz and Neja formalized on May 1, 1931, and the United States signed an agreement for diplomatic and consular representation in 1933. The United States embassy opened in Jeddah in 1942, establishing full diplomatic relations between the two countries. The name of the state changed to the Kingdom of Saudi Arabia on September 18, 1932 (“U.S. Relations”, 2017). Since the start of formal relations, Saudi Arabia has been a partner in the regional security and counterterrorism efforts supplying military, diplomatic, and financial cooperation. The Kingdom is the United States largest foreign military sales customer with \$100 billion in active cases (“U.S. Relations”, 2017).

The Kingdom of Saudi Arabia has a history of being more conservative than the countries in the region. It was not until the 1960’s when King Faisal bin Abdul-Aziz wanted to form alliances on a shared Muslim identity. The alliances were to thwart the spread of communism and support Palestinian independence. Faisal had taken the throne from his brother Saud, with support from the religious establishment, ensured his legitimacy (Byman, 2017, p. 32).

Saudi Arabia is a relatively pro-western country, because of their support for the United States, in the Middle East. Before the September 11 attacks, Saudi Arabia was often uncooperative due to not wanting to fight against other Muslim countries. The country is run

by a branch of Islam called Wahhabism, which is highly conservative. It took Al Qaeda attacking the kingdom directly in May 2003 for them to start working with the United States (Byman, 2017, p. 31). Saudi Arabia is an important ally in counterterrorism, combating terrorism funding and the daily disruption of Al Qaeda. The country shares intelligence, counterterrorist financing, and assists in military operations (Byman, 2017, p. 30). In 2008, the United States and the kingdom signed a bilateral agreement on counterterrorism cooperation. Washington, D.C. provides advisers, to assist on security and the U.S. military trains Saudi Forces (Byman, 2017, p. 33). The two countries not only cooperate with their military, but also in their economy.

The Saudi Arabian Economy

The United States has worked closely with Saudi Arabia in support of its economic development, although there was a decrease in development due to the Gulf War and decline in the world's market for oil. The Saudis had taken steps to control their budget deficits, which have impacted their economy since the 1980s. In the 1980s, the government was able to invest in infrastructure and economic development, finance the social safety net, and build its reserves from the revenues of oil. As external reserves declined from a growing population and aging infrastructure the government was challenged with major new capital investments (Hamilton).

In 1995, King Abdullah had to announce for the second year significantly decreased in the budget by twenty-five percent. There was a reduction in subsidies to gasoline, electricity, and water. These moves should have increased the private-sector growth. The stricter budgets had lowered the number of employment opportunities for Saudis. Saudi Arabia is the largest trading partner with the United States in the Middle East and the

fifteenth in the world. American companies are not responsible for Saudi economic problems because they have won international competitions to provide major military and civilian goods (Hamilton).

There have been bills proposed to Congress to stop the support toward Saudi Arabia. Specifically, on September 17, 2003, a bill was proposed to restrict assistance to Saudi Arabia. President Bush requested Saudi Arabia to stop all support to Hamas Palestinian Sunni-Islamic fundamentalist organization. Another group that gets support is Al Quds, which assists the families Palestinian suicide bombers from Prince Nayef bin Abdel Aziz. A single telethon raised \$112,000,000 for Al Quds. A Saudi intelligence agent hosted the two individuals, who hijacked the aircrafts on September 11. While in Los Angeles, the intelligence agent wrote a check for their apartment deposits. Princess Haifa al-Faisal transferred \$15,000 in 1998 and then \$2,000 a month later to Osama Bassnan who helped two other individuals in the terrorist attacks of September 11. The Saudi government refused to freeze the assets of Osama bin Laden (U.S. Congress, 2003).

King Abdallah, between 2005 and 2015, introduced a series of social and economic initiatives, including expanding employment and social opportunities for women, attracting foreign investment, increasing the role of the private sector in the economy, and discouraging businesses from hiring foreign workers. Shi'a Muslims in the Eastern Province protested against the detention of political prisoners, and endemic discrimination. Riyadh took a cautious but firm approach by arresting some protesters but released most of them quickly. The country remains a leading producer of oil and natural gas and holds about 16% of the world's proven oil reserves as of 2015. In April 2016, the Saudi government announced a broad set of socio-economic reforms, known as Vision 2030. Low global oil prices

throughout 2015 and 2016 significantly lowered Saudi Arabia's governmental revenue. In response, the government cut subsidies on water, electricity, and gasoline; reduced government employee compensation packages; and announced limited new land taxes. In coordination with Organization of the Petroleum Exporting Countries (OPEC) and some key non-OPEC countries, Saudi Arabia agreed to cut oil output in early 2017 to regulate supply and help elevate global prices (Office of the Historian, 2017).

Oil in the Saudi Economy

After oil was discovered in 1859, for over a century, prices remained among \$1 to \$2 per barrel. The low prices contributed to the recovery of the economy in the West after the Second World War. The low prices also increased in global oil consumption. The world's industries, transportation, commerce, and households became addicted to oil as a source of energy. Between 1960 and 1972, world consumption increased 7 percent a year (Bahgat, 2003, p. 5).

The relationship between the United States and Saudi Arabia has been based on a long tradition of friendship. There is a mutual interest in developing the oil fields. Saudi oil was developed almost entirely by American companies. Standard Oil of California gained a concession from King Abd Al-Aziz Ibn Saud in 1933, starting commercial production in 1938. The company was later changed to Arabian-American Oil Company (ARAMCO). Before the Saudi government took the company, ARAMCO was the largest single American investment in a foreign country. Saudi Arabia has used the company as a way to build up its economic and military strength (Bahgat, 2003, p. 2).

After the Arab-Israeli War in October 1973, the Saudi government announced an embargo of oil shipments to the United States and other countries that supported Israel. A

few months later, the embargo was lifted. This did not have a strong impact on the relationship between the United States and Saudi Arabia but it did contribute to a global recession (Bahgat, 2003, p. 3). The Saudi along with other Arab oil-producing countries cut their production to use oil as a political weapon. Although the cut back was what produced shortages at the global market and led to increases in prices. As a result of the cut production, the International Energy Agency was created to coordinate policies of consuming countries. The organization encouraged members to store amounts of oil as a precaution against future shortages. The Strategic Petroleum Reserve was established in 1975 when President Ford signed the Energy Policy and Conservation Act (Bahgat, 2003, p. 6).

Many presidents have proposed the United States reduce its dependency on imported oil. President Eisenhower instituted mandatory import quotas in 1959 about 12 percent of total consumptions. After the Oil Embargo, President Nixon called for a crash program called “Project Independence” to make the U.S. independent from foreign sources by 1980. Under President Ford, Congress implemented Energy Policy and Conservation Act and Nixon came out in favor of increased reliance on coal, electricity, and nuclear power. President Carter’s outlook on the energy crisis was to frame it as a national emergency. Carter’s program wanted to reduce the overall energy consumption and supported synthetic fuels development. Senator Frank Murkowski introduced a bill that would be aimed to decrease dependency by 50 percent by 2010 by enhancing renewable energy resources, conservation, improving energy efficiencies, and increasing domestic supplies (Bahgat, 2003, p. 4). As a way to assert its dominance in the oil market, Saudi Arabia decided in the mid-1980s to increase production and maintain a large proportion of the global market. The cut in prices lasted until the Iraqi invasion of Kuwait in the early 1990s. In response to the crisis, an increase in

production happened in the kingdom to make up for the lack of Iraqi and Kuwaiti outputs. This led to a stabilization of oil prices and an aversion of shortage in oil (Bahgat, 2003, p. 6).

Some policymakers in Washington expressed dissatisfaction with Saudi practices even though the kingdom has a long cooperation in oil prices and significance in global energy markets. In times of high prices, Saudi Arabia has been accused of a price-fixing conspiracy for cutting back output. The House of Representatives passed a bill in March 2000 to cut off aid and military sales to OPEC. In July of the same year, Senate approved a bill enabling antitrust regulators to sue OPEC for fixed prices and setting levels of production (Bahgat, 2003, p. 4).

Saudi Arabia contains one-fourth of the world's proven reserves, making it the leading oil producer, exporter, and holder of spare production capacity (Bahgat, 2003, p. 2). In the 1990s, Saudi Arabia accounted for a third of all the American crude imports; in November of 2016, it was down to 12 percent. Saudi Arabia remains the world's dominant oil producer. According to the kingdom, it produces 2 million barrels a day below capacity. It has the ability to ramp and reduce production swaying the prices in the process (McFarlane, 2017). Saudi Aramco, the national oil company, stunned markets when it announced cutting prices. There has been a perception that the Saudi would cut back on production but Saudi Arabia is pricing to retain buyers (Reed, 2014). The cut in prices for various grades of crude oil was roughly modest. But many experts think that the reason was because Saudi Arabia wanted to protect its market shares in the United States. The relationship between the United States and Saudi Arabia is a cornerstone of Saudi Arabia's foreign policy and security. Saudi Arabia is a partner with Royal Dutch Shell owning several refineries on the Gulf of Mexico to make sure that it will remain a supplier to the United States. The prices will continue to

decrease because the market is oversupplied. There is too much supply but not enough demand (Krauss, 2014). Just as important to the relationship, is the military policy toward Saudi Arabia.

Saudi Arabia Defense

The military relationship with Saudi Arabia started in the 1940s. Saudi Arabia supplies the United States with oil, and the United States protects the kingdom against its neighbors, which are Iran and Iraq. Defense contracts sealed the deal. The United States encouraged the Saudis to purchase military equipment in excess of the countries ability to absorb it. The sales of unlimited arms allowed Saudi Arabia and Iran to act as the policemen in the Persian Gulf. The Department wanted to reduce their cost per unit. Saudi Arabia was also driven by their need to be the singular Persian Gulf superpower and went on a military spending spree. By 1980, Saudi Arabia had the sixth largest defense budget in the world. American defense manufacturers have not seen a boom since World War II (Emerson, 1985, p., 1985, p. 53).

The present-day Saudi Arabian National Guard (SANG) evolved from the *Ikhwan* or the White Army. King Abdul Aziz Al Saud, the first king of Saudi Arabia, organized and led the army in the early 20th century to subdue tribal resistant and unify them under the Arabian Peninsula. The SANG has a long tradition of bravery and loyalty to the nation and ruling family. The SANG is a full-time, standing, land-based, defense force with 75,000 regulars and 25,000 militia. The army is commanded by the Crown Prince and has its headquarters in Riyadh. SANG is a mechanized infantry and light infantry force relying on repaid mobility and firepower to defeat opponents. SANG is a separate but equal force to the Ministry of the Interior, Ministry of Defense and Aviation, and the Royal Saudi Land Forces (RSLF). Each

force is important in the defense and security of the kingdom. The RSLF is heavily armored and fully capable of conducting integrated operations (Sippel, 2003, p. 4).

The Office of the Program Manager-Saudi Arabian National Guard (OPM-SANG) is a security assistance program established in 1973, between the United States and Saudi Arabia. The Program Manager is the U.S. military advisor to the crown prince and is a member of the U.S. Ambassador's team. USMTM was organized in 1953 under the terms of the *Mutual Defense Assistance Agreement* between the United States and Saudi Arabia. The mission of the USMTM military is to assist and advise on security cooperation efforts in training, developing, and sustaining deterrent and self-defense forces in the kingdom to facilitate regional security (Sippel, 2003, p. 5). Another U.S. military organization is the United States Military Training Mission (USMTM) and is a joint training mission and functioning component commanded under the United States Central Command (CENTCOM). The Chief of USMTM is designated as the United States Defense Representative in Saudi Arabia.

During the 1990s, the military presence was in the hundreds and was made of trainers and noncombatants. U.S. contractors provided the training, not the military. As a return for assuring the Saudi against external threats, Saudi Arabia stabilized the price of oil. During Iraq's invasion of Kuwait, the U.S. military presence in Saudi Arabia went from barely being there to more than 50,000 troops and massed equipment. The bill sent a blow to the economy of Saudi Arabia, making the Saudi question their support for American arms and infrastructure purchases. Saudi Arabia thought the military relationship would return to pre-1990. Most of the troops were pulled out but 5,000 stayed. For the preparation of future crisis, the U.S. military started building up bases in other Persian Gulf states. To maintain the

relationship, the spotlight needs to stay off the military cooperation (Copulos & Walker, 2002 & Walker, 2002).

There have been reports that the Saudi want the U.S. troops stationed there to be withdrawn. In 2002, Saudi Arabia was the only country in the region that did not sign a military-cooperation agreement with the United States. By definition, an ally is committed to coming to their ally's defense if they are attacked. American bases might not be beneficial for the region. The military presence of the United States in Saudi Arabia might add to the instability of the monarchy. The bases also are vulnerable to sabotage from terrorists (Copulos & Walker, 2002).

In May 2017, President Trump was in Saudi Arabia and announced he would sell at least \$110 billion worth of weapons. Congress had not cleared the actual amount. Starving terrorist of their territory, funding, and that allure of their ideology has been the framework of U.S. counterterrorism. Trump, similarly to other presidents, would rather see Saudi Arabia take on a stronger role in policing the region. Most of the weapons sold to Saudi Arabia are not suitable for domestic counterterrorism. The U.S. Treasury Department announced the creation of the Terrorist Financing Targeting Center, a collaborative effort between the United States and Persian Gulf nations to combat terrorist financing. President Trump blamed Iran for spreading extremist ideology but did not mention Saudi Arabia's effort in spreading Wahhabism. The U.S. and Saudi Arabia working together can expand the efforts to stop the spread of terrorism. Intelligence is a key part of the relationship between the United States and Saudi Arabia and will continue to be in the future (Tankel, 2017).

According to Saudi officials, the hijackers in the September 11 attack, 15 out of 19 of the hijackers were Saudi nationals. The interior minister, Prince Nayef, denied that Al-Qaeda

was in Saudi Arabia. Since the terror attacks in Riyadh, the regime has turned more aggressive toward internal terror groups, set nationwide checkpoints, and arresting suspects in raids. The Saudi royal family is just as much of a target for terrorism as the United States and has an incentive to cooperate in counterterrorism. A Muslim custom is to donate to the needy, and wealthy Saudis tend to give money to charities and causes. Some of these funds directly or indirectly supported terrorist activity (“Saudi Arabia”, 2005). When working with the United States in counterterrorism, members of Congress publically criticized Saudi Arabia. There have been allegations that Saudi private money has been funneled into terrorist organizations. Several participants in the September 11 attacks were recruited from Abha, in the southwest part of Saudi Arabia. The Ask province was the last part of the country to be unified under Saudi Arabia (Bahgat, 2003, p.).

Terrorism in Saudi Arabia

Some members of the community in Saudi Arabia thought power and patronage warped the Saudi establishment and wanted a change in the kingdom. The divide between the royal family and the conservatives was widening. The rise of Juhayman al-Otaibi as a leader of conservative ideology emerged. Al-Otaibi was able to gain support from alienated worshippers in the kingdom. He believed that he was in the position to bring the coming of Mahdi, the redeemer of Islam who will rule before the Day of Judgment. Al-Otaibi had a desire to overthrow the House of Saud. In order set in motion the overthrow, al-Otaibi and his rebels planned on capturing the Grand Mosque in Mecca (Rakowshi, 2017).

Siege of the Grand Mosque

The siege of the Grand Mosque at Mecca in Saudi Arabia was one of the events that gave rise to Al-Qaida. It was a blow to the Saudi monarchy and influenced Osama bin Laden.

A group of jihadists, or militant movements that threaten the West, had entered the mosque with weapons, overpowered the guards, shut down the gates, and proclaimed the arrival of the savior, the Mahdi, that would cleanse the Muslim world from its impurities brought in by the Westerners. The problem with stopping the siege is that the Kaaba at the Grand Mosque is a place sacred to Muslims and it is forbidden to bear arms there. The Saudi military was reluctant to even point the weapons unless there was authorization from the leading Muslim clerics, which took a while for the Saudi royal family to secure. The extremist bribed the guards of the mosque and drove pickup trucks into the basement of the mosque, taking advantage of the fact that there was construction work there at the time, carried out the bin Laden construction company; the construction company of Osama bin Laden's father. When the Saudi government had to storm the compound later, relied on the blueprints and the maps provided by the bin Laden family. Retaking the mosque took two weeks for the Saudi Interior Ministry, Special Forces, the regular army, and the National Guard to seize both the aboveground structures of the Grand Mosque and the labyrinth that is underneath. A large part of the structure was severely damaged because the Saudi government had to use tanks. The Saudi government needed help from the French Special Forces, who brought poison gas that was pumped in the basement of the Grand Mosque, flushing out the rebels (Montagne).

As a result of the seize on Mecca, the Saudi government feared instability and feared that Iran was behind the attack. Rumors erupted that Iran was meddling in Saudi affairs, the kingdom shut off all communication in and out. Iran was blaming the seize on the United States. Forces were able to capture al-Otaibi and several of his rebels. Some who survived their sentences later joined al Qaeda. Saudi Arabia realized that the Islamic fundamentalist it relied on posed a threat to its dynasty. The government tried to erase the siege from public

memory. The House of Saud invested millions of dollars to upgrade the Mosque's security, cracked down on dissent, and tolled back on social reforms. The House of Saud faces threats when it falls shorts on hard-liners expectations (Rakowshi, 2017).

Osama bin Laden became the leader of Al-Qaeda. Bin Laden started threatening to overthrow the Saudi monarchy in 2001, the United States announced that they will be dispatching a top Air Force commander to Saudi Arabia to oversee the air attacks on Afghanistan. The Saudi leaders voice support against terrorism but are sensitive to launch military operations against other Muslim countries from their bases. Privately, the Saudis offered millions of dollars to the Taliban rulers to expel or turn over bin Laden. U.S. forces later killed Osama bin Laden in 2011 (Tyler, 2001).

More recently, there was an attempted attack on the Grand Mosque again in June 2016. The suspect in the attack blew himself up in a neighborhood when security forces surrounded a home. The suspect refused to comply with demands and opened fire. Five people were arrested as suspects involved in the plan. The Interior Ministry said three groups, two in Mecca and one in Jeddah, planned the attack (Abdelaziz & Smith-Spark, 2017).

Iran

History of Iran



U.S. Department of State

Iran is in the Middle East and bordered by water bodies of the Gulf of Oman, the Persian Gulf, and the Caspian Sea. The countries that border Iran are Afghanistan and Pakistan to the east. Iraq and Turkey are to the west of Iran. To the north are Armenia, Azerbaijan, and Turkmenistan. The total land boundary of Iran is 5,894 kilometers. Iran is 2.5 times larger than Texas but is slightly smaller than Alaska. The climate of Iran is mostly arid or semiarid and subtropical along the Caspian coast. Petroleum, natural gas, coal, chromium, copper, iron ore, lead, zinc, and sulfur are the natural resources. As of July 2017, the population of Iran was 82,021,564. The ethnic groups in Iran are Persian, Azeri, Kurd, Lur, Baloch, Arab, Turkmen, and Turkic tribes. The official language of Iran is Persian but there are other languages as well. The country is mostly Shi'a Muslim. The government type is a theocratic republic. The chief of state is Supreme Leader Ali Khamenei and the head

of government is President Hasan Fereidun Ruhani since 2013 (The World Factbook: Iran, 2017).

On June 28, 1850, formal diplomatic ties between the United States and the Kingdom of Persia emerged, when the Secretary of State John Middleton Clayton authorized the American Minister Resident at Constantinople, George P. Marsh negotiated the treaty (Office of the Historian, 2017). The name of the country was changed to Iran in 1934. During the Iranian Revolution in 1979, the ruling monarchy, Shah Mohammad Reza Pahlavi was overthrown and sent to exile. Iran then became an Islamic republic. The regime change was led by Ayatollah Ruhollah Khomeini, a conservative cleric. The Ayatollah established a theocratic system of government. Iran has been designated a state sponsor of terrorism for its activities in Lebanon and elsewhere in the world and remains under the United States, the United Nations, and the European Union economic sanctions and export controls because of its continued involvement in terrorism and concerns over its nuclear program (Hakimzadeh).

Mohammad Mossadegh was elected prime minister in 1953. As prime minister, he severed ties with Britain, seized control of the army, and formed an alliance with the communist Tudeh Party in Iran. As a result, the pro-western shah, Mohammad Reza, was forced to leave the country. The Eisenhower administration wanted to overthrow Mossadegh and replace the Shah. The United States saw him as a threat and feared that he would bring Iran to the Soviets. Mossadegh was anti-imperialist and wanted to keep Iran from being controlled by any foreign country or company (Keddie 125). The operation was codenamed Ajax and carried out by Central Intelligence Agency's Kermit Roosevelt with assistance from Loy Henderson and General Norman H. Schwarzkopf. On August 19, 1953, Ajax was finally successful. The shah was able to regain his throne and eliminated Mossadegh supporters.

Mossadegh was put under house arrest and remained there until his death in 1967 (Oren, 2007, p. 511). After the coup, Herbert Hoover Jr. was responsible for negotiating a new Iranian oil agreement of British and American firms to reintegrate Iran to the postwar petroleum order (Cinto, 2010, p. 53). The shah and those around him wanted to be more aligned with the West. The regime thought that economic development depended on settling oil disputes, loans, and direct aid from the United States (Keddie 135). Since the coup, the shah was anti-Soviet but was also ruthless to Iranians he considered disloyal. His secret service, Savak, tortured and executed thousands. The Carter administration continued policies of propping the shah up politically, indulging in his lifestyle, and supplying arms (Oren, 2007, p. 545). The overthrow of Mossadegh was an important event, which later led to the overthrow of the shah in the Iranian Revolution.

The Iranian Revolution

Ayatollah Khomeini was part of the protest over the government's manipulation of election results in 1963. Ayatollah Khomeini began to preach against the U.S. as an ally and the regime. He denounced the shah for corruption, neglecting the rights of the oppressed masses, and compromising Iran's sovereignty. In June 1963, Ayatollah Khomeini was arrested and sent to exile in Turkey for a year and then later moved to Iraq. The increase circulation of cassette and leaflets of talks and writings of Ayatollah Khomeini encouraged the religious oppositional trend inside and outside Iran (Bunton 272).

Increased discontent among the Iranian population grew as despotism and repression happened in the 1970's. Political and economic decentralization that was promised failed to happen and economic difficulties in 1976 and 1977 despite oil income, led to the oppositional outbreak. Open opposition to the Shah would have happened sooner but the

human-rights policy of President Carter impacted the timing. President Carter's policy pronounced countries guilty of basic human rights violations might be deprived of American arms or aid. This gave Iranians the courage to circulate open letters and petitions in hopes of not being as severely repressed as they had been in the past. Unfortunately, United States diplomats did not pressure the Shah on human rights. Most of the human rights that were discussed with the Shah were over arrests and torture, not liberalization or civil rights (Keddie 214).

Mohammed Reza Shah Pahlavi faced a broad coalition of opposition forces, including Marxists and constitutional liberals, but the opposition ultimately became dominated by the mullahs, who were educated in Islamic theology and sacred law, of the country's Shi'a hierarchy. Despite severe repression against protestors, a series of demonstrations and strikes over the previous two years came to a peak in the fall of 1978, as millions of opponents of the Shah's regime went to the streets of Iranian cities. The Shah fled into exile in January 1979 and the exiled cleric Ayatollah Ruhollah Khomeini returned from exile to lead the new Islamic Republic. While the revolution had the support of a broad section of society from Islamists, secularists, nationalists, laborers, and ethnic minorities, Khomeini, and other leading Shi'a clerics consolidated their hold and established an Islamic theocracy. The regime shifted to the far right by the spring of 1981, purging moderate Islamists—including the elected president Abolhassan Bani-Sadr—and imposing a totalitarian system (Zunes, 2009). Not only did the Iranian revolution have strong political changes to Iran, but the revolution also changed the economy.

The Iranian Economy

Iran was the first country in the Persian Gulf to discover oil in 1908, in the Masjid-i-Suleiman oil field. Petroleum has been the primary industry in Iran since the 1920s and Iran is the second largest producer of oil in OPEC. The oil and gas industry is the engine of economic growth, despite attempts to diversify the economy. Iran had discovered 80 percent of its reserves before 1965 and new discovery is doubtful. New sources will not be able to offset natural declines beyond short-term. Iran will need to develop new technology to reach proven reserves that are undeveloped. There has been a new discovery in the fields of Yadavaran and Azadegan but they are not significant to alter the trend in oil reserve depletion. Since the revolution, Iran has only been able to produce half the amount of oil. Before the revolution, Iran was producing 3.5 million barrels a day (Mohamedi, 2010).

In less than a century, Iran changed its economy from predominantly agriculture to manufacturing to international oil markets. Most of this happened under the Pahlavi monarchy. Mohammad Reza Shah Pahlavi launched a program that included reforms, infrastructure development, and investments in the industrial sector. The economic program produced rapid growth, but it estranged the clergy, landlords, and merchants (Maloney, 2010). The United States had a key position in the building of the economy of Iran in the 1970's. Military suppliers such as Grumman, Lockheed, and Westinghouse became important businesses in Iran. A high percentage of the technically trained Iranians were in the armed forces and building projects for army and navy bases along with facilities to house military equipment (Keddie 164). Along with the military in the economy of Iran, American banks invested in Iran. American banks owned shares in Iranian banks and in businesses. At the time, neither the United States government or American business wanted to see a change

in the Iran's orientation of nonalignment, reduction of arms deals profitable to Americans, or the building of an independent, self-sufficient economy in Iran (Keddie 165).

Iran's economic issues continued after the seizure of the American Embassy in Tehran between 1979 and 1981. The United States froze \$11 billion in Iranian assets and imposed sanctions. After two years, the economy was on the edge of collapse. During the 1980s, major sectors of the economy became nationalized. Since the revolution, the economy has been facing unremitting international pressure and isolation. There have been clashes in the government over whether economic growth or social justice should be the top priority (Maloney, 2010). The economic policies formed during and after the revolution were strengthened after the Iraq-Iran war. The demands of combat initially boost the manufacturing economy but the oil sector never recovered. With the collapse of oil prices in 1985, Iran struggled with importing goods required to maintain industrial production. Proposals to nationalized foreign trade, expand land reform, and establish new labor protections caused conflicts between the parliament and the body to vet all legislation. Iran's Guardian Council was more conservative in interpreting Islamic law and rejected leftist measures (Maloney, 2010).

After Ayatollah Khomeini's death in 1989, a major shift in the Economy happened. Iran has tried to attract foreign companies to develop the oil fields. They used contracts called buy-back arrangements, which allowed the companies to develop the field and were paid back in the oil produced. After the repayment was finished, the field was returned to the National Iranian Oil Company. These arrangements are unpopular with foreign companies. The threat of new sanctions and Iran refusal to provide better terms led most private Western companies to leave. Tehran has looked to the East for their oil industry (Mohamedi, 2010).

With the election of Mahmoud Ahmadinejad in 2005, oil prices were increased, growth rates higher, and revenues and foreign exchange were improving. After the United Arabs Emirates, China became the largest source of Iran's imports. This allowed Iran to face the sanctions from the United States and the United Nations. Ahmadinejad's expanding credit and spending, argued openly with cabinet ministers and Central Bank chiefs, dismantling the planning bureaucracy, disempowering government technocrats, and reveling in the after-effects of the global economic meltdown. Senior political figures and economics were critical of Ahmadinejad's spending and interventionist approach. Strikes in 2008 and 2010 led the government to delay or abandon planned tax hikes (Maloney, 2010). Problems with the economy are not the only challenge Iran has to deal with, terrorism is becoming more threatening.

Terrorism in Iran

In the wake of a successful revolution by Islamic fundamentalists against the pro-American Shah of Iran, the United States became an object of virulent criticism and the U.S. Embassy in Tehran was a visible target. On November 4, 1979, students took 52 Americans hostage for 444 days in the barricaded US embassy in Tehran. The Hostage Crisis signaled the start of major hostilities between the US, its allies, and Iran, resulting in, among other things, decades of sanctions. American politics has never recovered from the shock and humiliation of the hostage crisis. The United States cast Iran as the face of evil in many American hearts, said journalist Stephen Kinzer. Beyond the anger and humiliation, one of the seismic results of the Iranian revolution was that it forced the US into building a military presence in the region. "Up until the Iranian revolution, the United States had been very reluctant, under [President] Jimmy Carter, to create a base in the Middle East... The

revolution changed their calculus," said Majd. The US had almost no military presence in the Gulf area until about 1986. Now the United States has a base in almost every country in the region (Parvaz, 2014).

In June 2017, Iran experienced terrorism in two locations. One was at the Parliament building and the other was at the tomb of Ayatollah Khomeini. At least 12 people were killed and 46 were wounded during the dual attacks. The Revolutionary Guards blames Saudi Arabia and the United States even though the Islamic State, Sunni extremist, took credit. If the claim is true by the Islamic State, then it will have been the first successful attack in Iran, which is predominantly Shi'a Muslims. The attackers were armed with AK-47s and hand grenades and wore explosive vests. In the past, attacks were supported by the Mujahedeen Khalq or M.E.K., which was supported by the former Iraqi dictator, Saddam Hussein. The M.E.K. might have been associated with attacks because of their leaders saying the tomb of Ayatollah Khomeini would be amongst the first to be targeted. There was not a clear connection between the two, but their expertise might have been used in training (Erdbrink & Marshal, 2017). Iranian authorities are reluctant to admit to having homegrown terrorist or to release their ethnic background as it would show a degree of instability and tensions in the country (Erdbrink, 2017). Terrorism in Iran has influenced some countries to impose sanctions.

Sanctions Toward Iran

Sanctions have been a large part of the United States policy toward Iran. Embargos have been used and re-imposed since 1984 because of Iran's sponsorship of terrorism and later because of Iran's ambition to have weapons of mass destruction. Sanctions should be aimed toward the regime and not the Iranian people in order to encourage them to engage and

compromise. Analysts and policymakers are not sure how useful sanctions are at achieving this goal (Clawson, 2010).

The Clinton administration expanded sanctions. After Iran announced a \$1 billion contract with Conoco, a U.S. oil company, to develop selected oil and gas fields, Clinton banned all U.S. participation in Iranian petroleum development. Two months later, it was broadened to encompass a trade and investment embargo. In 1996, Congress passed the Iran and Libya Sanctions Act to press foreign companies not to invest in Iran's oil and gas industry. The Bush administration since 2005 has issued orders to freeze the assets of companies, firms, and individuals that are involved with Iran's support for terrorism, Iran's role in destabilizing Iraq, and in Iran's nuclear and missile programs. The U.S. had frozen assets of Iranian officials and firms associated with the Revolutionary Guard. The Obama administration in June 2010 signed the Comprehensive Iran Sanctions, Accountability, and Divestment Act (CISADA). The act tightened sanctions in several areas as well as enacted numerous legal restrictions made under presidential executive orders. CISADA targeted the supply of refined petroleum products sent to Iran by non-U.S. firms. The Securities and Exchange Commission requires firms to provide information on about their activities in Iran (Clawson, 2010).

The impact of the sanctions toward Iran has resulted in disagreements between Congress and scholars. It is unclear whether Iranians blame their government for economic problems or if they blame the West. The results of the sanctions are complicated because of the goals of the sanctions. The objectives of the sanctions are taking a moral stance on the human rights abuses in Iran and to deter other countries from taking a similar nuclear route. The sanctions hope to signal international disapproval to Iran as well as to delay and disrupt

Tehran's nuclear and missile programs and to persuade Iran to halt its uranium enrichment efforts. By 2010, the U.S. was not the only country to set sanctions on Iran. Many other Western countries enforced similar sanctions (Clawson, 2010).

Congressional legislation wants to reduce Iran's access to refined petroleum products such as gasoline by imposing sanctions on firms that sell, finance, insure, and ship these products to Iran. Iran uses its imports to build a stockpile for future emergencies and exports its own refined petroleum products to Iraq. There are other suppliers willing to work with Iran in Central Asia, India, and the Gulf and South America. The leaders of the opposition, who the United States wants to help, oppose the sanctions saying it will hurt the population (Mattair, 2010, p.52).

The United States wants to increase sanctions that have been in place since 1995. New legislation had resulted in American firms to lose business from the development of Iran's oil and natural gas resources. Royal Dutch Shell, Total, and Japan's INPEX are losing opportunities to develop onshore and offshore oil and gas fields in Iran. New sanctions mean European firms will lose out and be deprived of natural gas that could reduce Europe's dependence on Russia. The new sanctions considered "smarter sanctions" targeted individual Revolutionary Guard officers and their companies and banks where they do business. But they also control the key sectors of the economy and the people who want reform in the country would be impacted. Executive orders issued in 2001 and 2005 targeted firms suspected of involvement in nuclear and missile proliferation and terrorism. The firm also has contracts to develop oil and gas fields, pipelines, dams, roads, and civilian infrastructure. European banks were also targeted who had to pay hundreds of thousands of dollars in fines for doing business in Iran (Mattair, 2010, p. 59). Sanctions have a strong influence on the

relationship between the United States and Iran. When the United States was selling weapons to Iran, the weapons had an influence on the relationship.

Arms Deal with Iran

After Iran's democratically elected Prime Minister, Mohammad Mosaddegh, was overthrown in a coup in 1953, the supply of arms from the United States started. Mohammad Reza Shah Pahlavi, returned from exile and was a close ally to the United States (Ser, 2016). In the mid-1960s, the United States and Iranian military relationship evolved from giving aid. Iran's increase in oil wealth and the Shah's determination to become the region's political and military hegemon made Iran advance its military through American weapons. President Nixon was determined to make Iran a pillar of pro-Western stability and a surrogate for American power in the Middle East. By 1972, the Iranian government was the largest purchaser of American arms. By the middle of the decade, Iran was purchasing arms at multibillion dollars a year (Fain, 2015). China and the Soviet Union replaced the United States as suppliers to Iran after 1980 (Ser, 2016).

In 1985, during the Iraq-Iran War, Iran asked to buy weapons from the United States. President Reagan approved, despite the embargo against selling arms to Iran. National Security Advisor Robert McFarlane informed President Reagan that the sales would improve relations with Iran and possibly with Lebanon. Instead, Reagan was influenced by his inability to secure the release of seven American hostages being held by Iranian terrorists in Lebanon. While selling arms to Iran was a violation of the embargo, negotiation with the terrorist was against Reagan's campaign promise, which he vowed never to do. By the time the sales were discovered, over 1,500 missiles were shipped to Iran. Only three hostages were released and then replaced by three more hostages. Attorney General Edwin Meese

discovered only \$12 million of the \$30 million the Iranians paid reached the government. Instead, funds were being diverted to the Contras in Nicaragua (The Iran-Contra Affair, 2017).

Because of the sanctions in 1979, which were further tightened in the 1990s, arms sales from Russia increased in the 1990s. Iran also started to build its own military industry. Iran was able to build tanks, armored personnel carriers, missiles, fighter jets, and submarines. Iran's military equipment is exported to Syria and Sudan. The United States has not sold any arms to Iran since 1986. Russia as of 2016 has sold over \$3.8 billion of arms to Iran over the past 41 years (Ser, 2016). Ending arms sales stressed the relationship between Iran and the United States. Iran is trying to make nuclear weapons has been a recent problem in trying to fix the broken relationship.

Nuclear Proliferation in Iran

On September 22, 1980, Iraq invaded Iran. The tensions between Saddam Hussein and Ayatollah Khomeini were already stressed from Khomeini being forced to leave Iraq in November 1978. Iraq thought Iran was weak and the oil-rich minority Khuzestan would help Iraq in an invasion, but the opposite of what they thought happened: Iran was united and Shi'i and nationalist combined to strengthen the Pasdaran and Khomeinists. Iraqi perceptions of changes in international, regional, and domestic politics contributed to the decision to invade Iran, a larger and more powerful neighbor. Within Iraq, Iran's revolution had strengthened an antigovernment movement among some Shi'a Muslims. Iraqi leaders thought the war against Iran would be successful with minimal costs and major potential benefits, such as seriously weakening or even causing the downfall of a much distrusted regime (Keddie 251). Concepts of self-reliance, "holy defense," and the export of revolution

were secured in the Iran-Iraq war and became doctrine in the 1990s. After the war, Iran became more concerned with modern warfare of combined and joint operations (Connell, 2010).

Iran's ballistic missile program dates to the middle of the 1980s during the Iran-Iraq war. Iraq's use of missiles showed a hole in the Iranian defense and demoralized the civilian population. Iran started shipping SCUD-B missiles from Libya to prevent Iraq from attacking its population centers and strategic centers. The missile is key to Iran's deterrence strategy (Connell, 2010). Pakistan's nuclear proliferator A.Q. Khan reported Iran's Defense Minister Shamkani sought nuclear weapons from Pakistan in 1987. Pakistan gave Iran centrifuge parts and a document explaining how to shape enriched uranium for a bomb. Iran engaged in secret nuclear activities of importing uranium yellowcake and designs for a conversion facility to turn the yellowcakes into uranium hexafluoride. This was a violation of the Nuclear Non-Proliferation Treaty and Safeguards Agreement between the International Atomic Energy Agency (IAEA) and Iran. The agency was not sure if there was a cover-up to protect a civilian program or a weapons program (Mattair, 2010, p. 55).

One negotiation was aimed at resolving issues in Iran's nuclear program and its relations with Hamas and Hezbollah, policy toward Israel, the stability of Iraq, and al-Qaeda. Iran suggested it could accept the 2002 Saudi Arabian proposal from an Israeli-Palestinian peace agreement and proposed security assurances with an end to sanctions. The Bush administration rejected the proposal because they thought they could use Iraq as a way to overthrow the Iranian regime. Iran suspended enrichment of uranium from late 2003 until early 2006, while waiting for the EU-3 to present a package of incentives. When the package was too small, Iran resumes its enrichment testing. Other agreements with IAEA for

enhanced safeguards and more intense inspections in 2003 were made but then refused to be implemented in 2006 by the UN Security Council (Mattair, 2010, p. 56).

Iran has been enriching uranium to 3.5 percent, enough to fuel a nuclear reactor, which needs to be at 20 percent. Iran is a few months away from going nuclear. The International Atomic Energy Agency (IAEA) has been supervising and says the enriched uranium has not been going toward military purposes. Iran made a political decision to slow down uranium enrichment as well as the United States and friends have sabotaged the program. In February 2010, Iran announced it started to enrich uranium to 19.75 percent purity to fuel the Tehran Research Reactor for cancer research and diagnosis. The IAEA has confirmed that Iran successfully produced a small amount of 19.75 percent enriched uranium. Iran announced it would allow more IAEA inspections and reconfigurations of monitoring cameras at the facilities (Mattair, 2010, p. 56). Also in 2010, Iran had the largest inventory of ballistic missiles in the Middle East (Connell, 2010). Iran has chemical weapons power and might have the potential for a biological weapons program because it has the technology along with enriched uranium (Cordesman, 2010).

Iran's nuclear advancement has been extremely controversial. Iran signed a non-proliferation treaty but did not follow through with the agreement. The country resumed the enrichment of uranium, which it was told to never start. Six times Iran has ignored resolutions of the United Nation Security Council. Iran has evaded and lied to the (IAEA). Western countries reluctantly accepted Iran enriching uranium until they are provoked to impose sanctions. Iran came to negotiations but failed to meet a deadline and had a seven-month extension. The United States also gave Iran access to \$7 billion along with relaxed sanctions. Iran's uranium capabilities were left intact and only had to pledge freezing

production of 3.5 percent enriched uranium for six months. They did not have to dismantle centrifuges, 20,000 with 5,000 that spin six times faster than the conventional machines. The deal required Iran to convert half of its stock of 90 percent military enriched uranium to oxide and dilute the other half to a quarter of its present level of enrichment, both can be reversed. Instead, the United States was told the Iran pledge to destroy its stock (Zuckerman, 2015).

President Obama led the United Nations Security Council in Geneva in 2015. Once the sanctions on Iran start to unravel, it will be hard to get them reinstated. The option of using U.S. military has been taken off the table. As a result, Israel has been left in charge to deal with Iran's nuclear capability. The most serious threat is Iran's intention and capability to develop plutonium-based nuclear weapons from a reactor in Arak. These are small enough to fit on Iranian Shahab missiles, which are in range of Israel. With Iran free from sanctions, Iran emerges as a nuclear power leading an Islamist camp. According to Henry Kissinger and George Shultz, two former secretaries of State, the problem is Iran's construction of massive nuclear infrastructure and stockpile of enriched uranium beyond civilian energy production (Zuckerman, 2015).

A moderate Iranian government used secrecy for a defensive military program. The government wanted to deter a range of possible foes. It might not have necessary to present it as a great danger and to impose punitive economic sanctions through Executive Orders and congressional legislation and to isolate Iran politically. Iran also constructed a uranium-enrichment facility in Natanz and a heavy water plant in Arak. They were not discovered until 2002. There was also research and experimentation on nuclear warhead before 2003 but

stopped then. Enough of the evidence concerning Iran comes from communications intercepts and possible defectors that seem reliable (Mattair, 2010, p. 55).

A problem with developing a new strategy toward Iran relates to how the region is deeply divided. The other countries will not support Iran or fear Iran for supporting Syria and non-state actors Hamas and Hizbollah. The Gulf Cooperation Council (GCC) countries are divided and suspicious of Iran (Ottaway, 2009, p., 2009, p. 3). The leader of the GCC is Saudi Arabia because of its size, wealth, and long history as an independent country. Saudi Arabia has deeply rooted history of being cautious and strengthened its cautiousness due to King Abdullah (Ottaway, 2009, p. 8).

The size of Iran makes it threatening to the surrounding countries. Iran is a state with a well-established, resilient political system where most of the surrounding countries are small, such as in Kuwait, or unstable such as Iraq, and poorly institutionalized. Seventeen million barrels of oil, or one-third of world production, transit the Strait of Hormuz each day (Ottaway, 2009, p. 3). In the Persian Gulf, there is an imbalance in the power of the countries. Iran has a population of 66 million, a giant compared to its neighbors. With the United States intervention in Iraq, Iran has gained even more power and became the hegemon in the region (Ottaway, 2009, p. 8).

Conclusion

Conclusion

Since the Iranian Revolution and the Oil Crisis in the 1970s, the interest of the United States in Iran and Saudi Arabia has changed the economic and defense policies toward the two countries. Although the United States has an uneven relationship between the two countries, Saudi Arabia has gained significantly as the United States support them more economically and with military supplies. The United States ignores how individuals of the royal family donates to terrorist groups because of Saudi export of oil. While on the other side, Iran has significantly suffered from the United States does not support Iran at the same level as it had before the Revolution. Since the revolution, Switzerland has represented the United States in Iran. The outlook for the relationship between the United States with Iran and Saudi Arabia can be positive if all countries work to make it better and stronger than ever.

The relationship between the United States and Saudi Arabia has a long history of cooperation. Saudi Arabia needs to continue to work with the United States in preventing terrorism and stopping support to terrorists. When information about those who support terrorism is discovered, actions need to be taken to show that Saudi Arabia will not tolerate supporting terrorism. Freezing accounts of known supporters of terrorism have been happening and should continue. The United States should continue to have Saudi transparency in the financial system by knowing when funds are donated to terrorist groups. Having the domestic politics of Saudi Arabia, as the focus of the relationship might not as useful. The economic changes that need to happen in Saudi Arabia such as pricing of public services, limits on the government budget, and management of the public-sector enterprises, will increase public dissatisfaction toward the government. The United States should press

more on giving moderates greater access to the decision-making system. The Saudis know the best way to rule their land, and if a revolution were to be encouraged, there is no promise that the new regime would support cooperating with the United States. Perhaps the best time of the relationship was before 1990, where the United States was close but over the horizon, and with a limited number of troops in the country (Gause).

Going forward with the relationship with Iran, the United States needs to realize that relations before the 1979 revolution will not be how they were beforehand. The change in U.S. policies might cause stress on improving the relationship. Unfortunately, President Bush put considerable effort into forming alliances with six Gulf countries, Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates into an anti-Iranian alliance in 2007 and 2008. Normalization with Iran should involve the inclusion of Iran in new regional security arrangements. Countries that are on the good side of Iran and the United States can play an important role in the process (Ottaway, 2009, p. 2). President Trump has mentioned moving the country away from being a global policeman. The U.S. will not have the capability to use force in the region. Instead, the United States needs to look at ways to help stabilize the region. A relationship where both countries are on stable terms should be the goal moving forward. The foreign policy toward Iran needs to involve a regional approach. The United States needs to encourage Iran to be integrated into normal international relations as a whole. Iran needs to be invited to regional conferences and negotiations. Having the whole region work together to can improve Gulf security. Instead of forming alliances with countries that are anti-Iran, the United States should focus on relations that will foster normalization with Iran. Allowing Iran to work with the other Gulf countries would be

beneficial to the region by allowing other countries to be less afraid of Iran's hegemony (Ottaway, 2009, p. 1).

One problem that the United States faces when dealing with countries in gulf and Iran is that many of the countries want the United States to take a strong stand on Iran but they will not take the stand themselves or, they will not openly support the United States. They will not take a stand in fear of the results and repercussions from other Muslim countries in the region by joining anti-Iran coalitions. The Obama Administration has shown that it favors diplomacy over confrontation, and using confrontation as a last resort. Obama tried to open a coalition, but the anti-Iran alliances but it might not work again. Gulf countries see it better to maintain on the good side of Iran and the United States as a better plan.

The normalization of relations in the Persian Gulf can help to improve the region in two ways. The first is that the United States should not force countries to take sides between the United States and Iran. There are significant U.S. military facilities and Gulf countries do not want to lose that protection. The relationship between Saudi Arabia and Iran has not always been smooth. Saudi Arabia has many reasons to worry about Iran. The Islamic Republic challenges Saudi leadership in the Gulf. Other GCC members are not probable to look to Iran for leadership, but Saudi Arabia does not offer leadership or protection. Iran's nuclear program poses threats to Saudi Arabia. One problem is security, which is shared with all the countries in the region. The problem with Iran establishing its own nuclear program is that it is not for protection but, instead, for credibility. Iran has the power to disrupt the oil exports of Saudi Arabia (Ottaway, 2009, p. 10). Saudi Arabia has not responded to the Iranian challenge. There has not been any seeking of U.S. military presence or an agreement to an anti-Iran alliance under U.S. leadership. There have not been any steps taken to control

the Shi'i minority, but they have been open to dialogue. Saudi Arabia has not rushed to establish its own nuclear program (Ottaway, 2009, p. 11). In order for Iran to cooperate and to improve the relationship, the United States needs to realize that it will take a long time but with dedication, improvements can happen if the United States has persistence.

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