

# US-Saudi Ties: Drenched in Blood, Oil and Deceit

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*Why do Donald Trump and the CIA disagree about the recent killing of Washington Post columnist Jamal Khashoggi in the Saudi Arabian Embassy in Turkey?*

The CIA concluded that Crown Prince Mohammed bin Salman, Saudi Arabia's de facto ruler, personally ordered the murder and dismemberment of Khashoggi. In an extraordinary statement for a U.S. president, Trump disputed the CIA findings. He said it didn't matter if MBS—as the Saudi ruler is known—was or was not involved in the Khashoggi killing, and that U.S.-Saudi relations are “spectacular.”

Trump's statement reflects his narrow cultivation of business relations with MBS, while the CIA's announcement reflects the view that that MBS has become a liability for the U.S. ruling class as a whole. The spy agency, which has deep ties to Saudi intelligence, fears that bin Salman's reckless and impulsive actions could jeopardize the security of the whole Saudi ruling clique, endangering U.S. ruling class interests in Saudi Arabia and the entire Middle East.

For decades, Saudi Arabia has been one of the most strategic and valuable U.S. client states, and the CIA wants to keep it that way. Support for Saudi Arabia is completely bipartisan. This partnership is drenched in blood, oil and deceit.

A review of U.S.-Saudi ties shows that Saudi Arabia anchors the U.S. empire in the Middle East. The kingdom, with the greatest oil reserves in the world, is a source of fabulous wealth for U.S. oil companies. The Saudis use their oil capacity to raise and lower world prices to further U.S. foreign policy aims. In the 1980s, for example, Ronald Reagan got the Saudis to flood the market with oil to reduce the world price as part of an economic war against the Soviet Union.

The kingdom willingly uses religion as a cover for imperialism's aims, exporting thousands of schools, mosques, and other centers that preach intolerance and recruit jihadists for U.S. wars. It allows the U.S. to invade other Arab countries from its territory and has funded covert CIA actions on three continents. It is treated like a cash cow for U.S. corporations and banks. It uses its vast stash of petrodollars to buy billions of dollars in Pentagon weapons at inflated prices, as well as other high-price U.S. products and services.

The country is ruled as the personal fiefdom of one family, the al-Sauds. The government is one of the most repressive and misogynistic in the world. There is no parliament or legislature. The first elections, and then only on a municipal level, took place in 2005, 73 years after the country was formed. Women were only allowed to vote in 2015. These incontestable facts go unmentioned by U.S. officials, Democrats and Republicans alike.

While Washington claims to be a protector of human rights abroad, the Pentagon has pledged to send in troops if a mass movement tries to overthrow the Saudi regime.

#### A country birthed by imperialism

Britain and France emerged victorious after World War I. They carved Western Asia into more than 20 countries, drawing borders to weaken and dismember Arab and other indigenous national groups, and to facilitate imperialist domination.

That's when Saudi Arabia was created. Its rulers, the al Saud and the Wahhabi families and followers merged into a political-religious alliance. The Saudi Arabia we know was established 1932, when the Saudis agreed to stop harassing other British protectorates, and to accept Britain's definition of their borders.

Saudi Arabia's rulers were among the first far-right Islamists assisted by imperialism. They set up an absolute monarchy and theocracy. The only constitution was the Koran as interpreted by the royal family. Slavery was legal until 1962.

Wahhabism, a form of Islam aggressively intolerant of other currents of that faith, and in opposition to secular governments, became the state religion. Saudi Arabia's control of the most important sites in Islam—Mecca and Medina—gave it prestige it had not earned in the Muslim world.

#### Enter U.S. oil companies and the Pentagon

In 1933, the kingdom granted Standard Oil of California (now Chevron) exclusive oil drilling rights. Huge oil reserves were discovered in 1938, promoting the formation of ARAMCO (Arabian American Oil Company) by Standard Oil and 3 other U.S. partners that later became Texaco, Exxon, and Mobil.

Image on the right: Exxon's own research in the 1980s indicated that without major reductions in fossil fuel combustion, "[t]here are some potentially catastrophic events that must be considered." (Photo: Luc B / Flickr)



Saudi Arabia would soon be the country with the world's largest known oil reserves. It would be the greatest oil producer in the world. And U.S. companies were pumping it.

Diplomatic recognition soon followed. In 1943, President Roosevelt declared the security of Saudi Arabia a "vital interest" of the United States. The U.S. opened an embassy in the country the next year.

The Pentagon soon arrived to secure the oil. In 1950, the U.S. established the Sixth Naval Fleet as a permanent military presence in the Mediterranean. In 1951, after signing the Mutual Defense Agreement, the U.S. began arming the Saudi government and training its military.

Since World War II, the U.S. empire has been built on controlling the oil flowing from the Persian Gulf. Saudi Arabia was the linchpin of this control.

Waging holy war for Washington: 'Our faith and your iron'

Following World War II, a wave of militancy and nationalism swept the Arab world. Mass secular movements in Algeria and Iraq overthrew colonial puppets. South Yemen declared itself socialist. The Egyptian and Syrian people deposed imperialist client rule. Many of the new progressive regimes and liberation struggles were aided by the Soviet Union

The thinking of U.S. policymakers was, as [Rachel Bronson](#) puts it,

"that religion could be a tool to staunch the expansion of godless communism."

Saudi rulers happily complied. The founder of modern Saudi Arabia [told](#) U.S. Minister to Saudi Arabia, Colonel William A. Eddy, "Our faith and your iron."

Arab anti-imperialism was especially inflamed by the 1948 destruction of Palestine and the creation of Israel. To undercut this, the [Eisenhower administration](#) set out to increase the renown of King Saud, making him 'the senior partner of the Arab team.'

A State Department [memo](#) documents expectations that the Saudis would redirect Arab anger from Israel to the Soviet Union:

"The President said he thought we should do everything possible to stress the "holy war" aspect. [Secretary of State] Dulles commented that if the Arabs have a "holy war" they would want it to be against Israel. The President recalled, however, that Saud, after his visit here, had called on all Arabs to oppose Communism."

In the 1950s and 1960s, the Saudis gave shelter to extremists seeking to topple nationalist governments. The kingdom started funding a network of schools and mosques that recruited jihadists for the CIA in Soviet republics with Muslim populations, and in poor Muslim countries in Asia and Africa. This included "[facilitating contacts between the CIA and religious pilgrims visiting Mecca.](#)"

The oil weapon

Some members of the Organization of Arab Petroleum Exporting Countries (OPEC) have advocated using oil as a weapon to force Israel to give up Palestinian land. Saudi Arabia, the biggest oil producer of OPEC, has staunchly opposed this. While calling for "separating oil from politics," the kingdom has repeatedly raised and lowered world oil prices to advance U.S. foreign policy.

There have been exceptions. To maintain credibility among the Arab world, Saudi Arabia joined the OPEC oil embargos against the U.S. and other governments supporting Israel in the Arab-Israeli wars of 1967 and 1973. The 1967 embargo lacked OPEC consensus and was not effective. Saudi Arabia agreed to join the 1973 embargo only after the U.S. promised \$2.2 billion in emergency military aid to Israel, giving it an advantage in the fighting.

The 1973 oil embargo did not cause international shortages, as many oil producers didn't honor it. However, U.S. companies used the embargo to hold back oil supplies, raise prices, and increase profits. Occidental Petroleum's 1973 earnings were 665 percent higher than those the year before. By the end of 1974, Exxon Corporation moved to the top of the Fortune 500 list. Four other oil companies—Texaco, Mobil, Standard Oil of California and Gulf—joined Exxon in the [top seven rankings](#).

In 1970, the Saudis organized the "Safari Club," a coalition of governments that conducted covert operations in Africa after the U.S. Congress restrained CIA actions. It sent arms to Somalia and helped coordinate attacks on Ethiopia, which was then aligned with the Soviet Union. It funded UNITA, a proxy of the South African apartheid government fighting in Angola.

More recently, the Saudi government likely [drove down oil prices](#) in 2014 in order to weaken the Russian and Iranian economies as punishment for supporting the Syrian government.

However, the U.S. ruling class has had it both ways with Saudi Arabia several times. While the country is a key client state of the U.S., the Saudis have also served as convenience scapegoats. When energy costs spike, causing considerable hardship among U.S. working-class families, for instance, the U.S. rulers hypocritically and suddenly start talking about the Saudi royal family, its thousands of princes, their gold bathtubs, and other extremes paid for by petrodollars.

#### Manufacturing a Sunni-Shia rift

In 1979, a mass revolutionary upsurge in Iran overthrew the Shah, a hated U.S.-backed dictator, establishing the Islamic Republic of Iran. The new government nationalized Iran's huge oil reserves. That same year, an armed band of Sunni fundamentalists denounced the Saudi royal family and seized the Grand Mosque in Mecca, taking tens of thousands of religious pilgrims hostage. Hundreds of hostages were killed in the retaking of the mosque. Both events shook the Saudi rulers to their core. They responded by diverting attention to Iran. They began a religious campaign against Shia Iran, claiming they were enemies of Sunni Islam. They upped funding for Sunni jihadists worldwide, encouraging them to hate other strains of Islam, other religions, and secularism.

There was no significant conflict between Sunnis and Shias in the modern era. Saudi rulers fomented it in an attempt to turn Sunnis against the Iranian revolution. Since then, all national liberation struggles or groups fighting for some degree of independence that have Shia members have been falsely labeled as agents of Iran. These include Hezbollah—viewed by Arab progressives as the central force in the national liberation movement of Lebanon—the amalgam of forces fighting Saudi domination in Yemen, and oppressed Shia minorities in Bahrain and Saudi Arabia.

The Saudis bought out the ARAMCO oil company in 1980. But this did not make Saudi Arabia independent. The oil was still controlled by U.S. companies, especially ExxonMobil, through

their ownership of oil pumping and other technology, oil tanker fleets, storage facilities, etc.

### Funding the Mujahideen and the Contras

In 1978, the Marxist People's Democratic Party of Afghanistan took control of the country in a coup. It promoted land distribution and built hospitals, road, and schools in one of the most underdeveloped countries in the world. It did this with the help of the Soviet Union. The new government banned forced marriages and gave women the right to right to vote. Revolutionary Council member Anahita Ratebzad gave the new government's view in a *New Kabul Times* editorial (May 28, 1978).

"Privileges which women, by right, must have are equal education, job security, health services, and free time to rear a healthy generation for building the future of the country ... Educating and enlightening women is now the subject of close government attention."

Seeking to overthrow the Soviet-aligned government, the U.S. covertly supported rural tribes that were opposed to the recent social changes, especially women's rights and secularism. The groups attacked the new rural schools and killed women teachers. In 1979, the Soviet Union sent in troops to support the government.

From 1979-89 the Saudi kingdom recruited reactionary mujahideen forces and financed them to the tune of \$3 billion. The CIA formally [matched](#) the Saudi funding.

In 1984, when the Reagan administration sought help with its secret plan to fund Contra militias and death squads in [Nicaragua](#), the Saudi Ambassador to the U.S. pledged \$1 million a month. Saudi Arabia spent a total of \$32 million supporting the Contras. The contributions continued even after Congress cut off funding to the them.

### U.S. would stop an internal revolution

In 1981, Ronald Reagan's Defense Secretary Caspar W. Weinberger [said](#) that the U.S. would not let the Saudi government be overthrown, and that it would send troops to defend the Saudi regime if necessary:

"We would not stand by, in the event of Saudi requests, as we did before with Iran, and allow a government that had been totally unfriendly to the United States and to the Free World to take over." The U.S. would intervene "if there should be anything that resembled an internal revolution in Saudi Arabia, and we think that's very remote."

This is a regime that allows no human rights or freedom of speech; where virtually all the work was done by migrants who are super-exploited and have no chance of becoming citizens; where all women are considered legal minors and require an appointed male 'guardian' to supervise them and give permission for getting married, obtaining a passport, traveling, enrolling in a school; where in some court cases, a women's testimony is worth half as much as man's.

### Saudi Arabia, 9/11, and extremism

Decades of funding extremist centers to recruit shock troops for CIA wars helped create

radical Islamist groupings and individuals. Al-Qaeda's founder, Osama Bin Laden, is a prime example. He was a Saudi citizen and a key recruiter of Saudi fighters to Afghanistan.

Fifteen out of the 19 hijackers on Sept. 1, 2001 were Saudi nationals. One might think that if the Pentagon were to retaliate against any country for the 9/11 attack, it would be Saudi Arabia. Not so. While it took a few months to sort things out, the upshot was tighter security ties between Washington and Riyadh.

Instead, Washington sent troops to Afghanistan ostensibly to force the Taliban government to turn over Bin Laden, who was seeking shelter there (even though the Taliban offered to surrender Bin Laden). Ironically, another reason cited was to protect Afghani women from the Taliban that Washington installed. Many believe, however, that a more pressing reason for Wall Street and the Pentagon was that the Taliban government would not permit the U.S. to build gas and oil pipelines through Afghanistan to bring oil from Central Asia to the Arabian Sea.

In 2010, Wikileaks published secret Saudi diplomatic [cables](#) revealing that the Saudis had the dubious distinction of being the "most significant" source of funding for Sunni terrorist groups (like al Qaeda) worldwide.

Other published cables confirm how the Saudis cynically use religious shrines in their control. Jihadists soliciting funds slip into the country disguised as holy pilgrims. They then set up front companies to launder and receive money from government-sanctioned charities.

In 2013, under operation Timber Sycamore, Saudi Arabia and the U.S. partnered to fund, arm, and train jihadists in Syria.

#### The wars on Iraq

As the Soviet Union neared collapse, the Pentagon took aim at governments in the Middle East that weren't fully under its thumb. Iraq was the first target. When Kuwait waged economic war against Iraq, including the use of slant drilling technology to penetrate the border and steal Iraqi oil, the Iraqi government sent troops into Kuwait. This was the pretext for the U.S. to form an imperialist coalition to invade Iraq. The Saudis officially requested the U.S. to send in troops. The Pentagon stationed 500,000 soldiers in the kingdom, and used Saudi soil as a base to invade Iraq, and later to enforce sanctions and a no-fly zone.

The Sept. 11 attack served as a pretext to invade Iraq in 2003. The corporate media whipped up a hysteria that Saddam Hussein bore responsibility for the 9/11 attacks, even though the Iraqi government and al-Qaeda were on opposite ends of the Middle East political spectrum, had no relations, and did not cooperate. U.S. and British leaders fabricated "evidence" that Iraq had developed nuclear weapons and posed an imminent threat to the world.

Once again, Saudi Arabia proved essential. U.S. coordinated attacks on Iraq out of the Prince Sultan Air Base near Riyadh, where some 10,000 troops were stationed. U.S. Special Operations Forces operated out of the country, which tapped into oil reserves to stabilize oil prices.

#### Subsidizing the U.S. arms industry



For decades, the Saudis have bought large amounts of U.S. weaponry at inflated prices. These purchases peaked under the Obama administration when Saudi Arabia agreed to spend over \$110 billion on U.S. weapons, aircraft, helicopters, and air-defense missiles. This made it the largest purchase of U.S. arms in history. These weapons are not for defense. The purchases are far more than is needed for any purpose for a country with 22 million people. In effect, the Saudis are subsidizing the U.S. arms industry. Most of the military equipment sits in the desert.

Of course, the arms are used when needed. When the people of neighboring Bahrain rose up against a backward and repressive regime and Saudi ally in 2011, the Saudi military rode across sovereign borders on U.S. tanks and crushed the uprising. There was no outcry from Washington.

### Waging genocide in Yemen

Additionally, in 2015 Saudi Arabia started a war to dominate Yemen. The war is currently at a stalemate, with the Saudi bombings and blockade responsible for a cholera epidemic, indiscriminate civilian deaths, and starvation, in what the United Nations calls the world's worst humanitarian crisis. Tens of thousands of children have died from disease and starvation. The war is waged with U.S. arms. U.S. advisers provide intelligence and training on the ground. Until this month, U.S. planes were refueling the Saudi planes bombing Yemen.



The U.S. has also been conducting its own operations within Yemen as part of the so-called “war on terror.” [These operations](#) include drone warfare, raids, and assassinations.

The Saudi rulers claim that the conflict in Yemen is a Sunni-Shia one. But Saudi Arabia didn't think twice in the 1960s about backing Shiite royalist rebels in Yemen—the grandparents of today's Houthis—against Sunni troops from Egypt supporting a progressive Yemini government.

### A cash cow for U.S. corporations

Saudi Arabia continues to be a cash cow milked by U.S. businesses. The kingdom bought \$20 billion in U.S. products last year, from Boeing planes to Ford cars. It recently signed a \$15 billion deal with General Electric for goods and services, and put \$20 billion into an investment fund run by the Blackstone Group.

U.S. banks love Saudi Arabia. The kingdom has paid \$1.1 billion to western banks in fees since 2010. And truly giant bank fees are in the offing for JPMorgan Chase and Morgan Stanley, who are working with ARAMCO to take that company public.

U.S. universities and corporations grease the wheels for these giant business deals by training the kingdom's managers and politicians, and promoting mutual interests. Many Saudi rulers begin their careers working for U.S. banks and businesses. Fahad al-Mubarak, who governed the central bank from 2011-2016 was previously chairman of Morgan Stanley in Saudi Arabia. Saudi Ministers, include those of finance and petroleum, got their degrees in the U.S.

The kingmakers in this oil-rich country have always been the princes of Wall Street. And the only god worshiped by the U.S.-Saudi unholy alliance is the almighty dollar.

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*Featured image: President Donald Trump and First Lady Melania Trump join King Salman bin Abdulaziz Al Saud of Saudi Arabia, and the President of Egypt, Abdel Fattah Al Sisi, Sunday, May 21, 2017, to participate in the inaugural opening of the Global Center for Combating Extremist Ideology. (Official White House Photo by Shealah Craighead)*

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