

# Why the Gulf States' SCO Membership Is a Big Deal

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*Washington has backtracked from the dissimulation by the US National Security Advisor Jake Sullivan that Washington had intelligence suggesting Iran was preparing to provide Russia with “several hundred” drones to use in Ukraine, with training sessions set to begin in July.*

On July 26, NSC spokesman John Kirby, clarified his boss’ remark by admitting to Al Arabiya, “We’ve seen no indications of any sort of actual delivery and/or purchase of Iranian drones by the Russian Ministry of Defence.”

Interestingly, Al Arabiya buttonholed Kirby at all. For, Sullivan’s fake news (probably based on Israeli disinformation) came at his special briefing on President Biden’s visit to Jeddah. Al Arabiya’s dogged downstream pursuit of the “fake news” suggests that Riyadh knew Sullivan making a crude attempt to to hustle the Crown Prince Mohammad bin Salman in directions that would have made Biden’s trip a roaring success.

Biden had three overlapping objectives: one, to rally Saudi leadership behind his containment strategy against Russia and China; two, to break up the OPEC+ alliance between Saudi Arabia and Russia so that a coordinated counterpoint ceases to be in the world oil market that is beyond American control; and, three, to assemble an anti-Iran military alliance of Gulf states and Israel to give verve to Abraham Accords which has patently lost its fizz.

Biden drew blank on all three counts: Saudis will pursue their friendly relations with Russia and China and its normalisation with Tehran. [Prince Mohammed spoke with President Putin](#) within the week of Biden’s visit where they discussed further expansion of trade and economic cooperation and significantly, also underscored “the importance of further coordination within OPEC+”.

Traditionally, Saudi actions speak far better than words. So, when the OPEC+ held a [virtual meeting last Wednesday](#), it concluded that:

- There is “severely limited availability of excess capacity” among oil producing

- countries resulting from “chronic underinvestment in the oil sector” ;
- It is a matter of “particular concern... (that) insufficient investment into the upstream sector will impact the availability of adequate supply in a timely manner to meet growing demand beyond 2023.”
  - The importance of maintaining consensus and the “cohesion” of OPEC and OPEC+ (that is, OPEC plus Russia principally) cannot be overstated.

Plainly put, it rejects the July 3 [G7 Foreign Ministers' Statement](#) on Energy Security, which envisages imposing comprehensive embargo on all services for “transportation of Russian seaborne crude oil and petroleum products globally” unless Moscow sells oil at a price to be agreed in consultation with the West.

Simply put, the West is once again contemplating crackdown on a major oil producing country for geopolitical reasons, which would have profound impact on the world oil market. The paradox here is that, unlike in the case of Iran or Venezuela, the West desperately needs Russian oil's continued flow into the world oil market but is capping the price at which Moscow can sell so that its income from oil exports cannot sustain the special military operations in Ukraine.

Indeed, the West is acting in the spirit of George Kennan's famous dictum in the early 1950s that oil “belongs to us” because it lubricated the West's prosperity. The G7 statement is no doubt precedent-setting. As the pressure on world's resources becomes more acute, this predatory approach harks back to the colonial era (when India was frog-marched by Imperial Britain to supply cotton to the textile mills in Britain and buy back textiles at prices determined by the colonial master.)

It can extend to resources other than oil as well. China, for example, produces roughly two-thirds of the world's lithium-ion batteries, whereas, the US only produces 1% of global lithium supply and 7% of refined lithium chemicals — versus China's 51% — and is about 70% dependent on imported lithium (which has such critical uses in industries ranging from mobile phones, laptops, digital cameras and electric vehicles to aircraft, high-speed trains and satellites.

To be sure, the G7 move to seize control of Russia's oil exports rings alarm bells all across the oil-producing countries of the Gulf region. The geopolitical message is: ‘Fall in line, or else.’ Now, this comes at a time when the EU is desperately eyeing access to cheap and reliable supply of oil. ([Japan just announced](#) that its “sanctions from hell” against Russia will not apply to the Sakhalin 2 gas and oil project!)

Against such a tumultuous backdrop with the industrial powers inclining toward brandishing their latent colonial instincts of a bygone era, the Gulf states become highly vulnerable. The Gulf states already are shell-shocked about the banditry that the EU and US resorted to against Russia by confiscating its reserves in the Western banking system and appropriating the private assets of wealthy Russians.

There is also an added dimension. Tomorrow, what prevents the “Collective West” from resorting to such pressure tactic to enforce “regime change” in the Gulf region on the pretext of advancing democracy and human rights? After all, it is no secret that the former Crown Prince Muhammad bin Nayef was Washington's preferred choice to succeed King Salman. Make no mistake, Biden's fist bump with Prince Mohammed is not the last word on

Saudi succession.

Indeed, Prince Mohammed's suggestion (while Biden was still in Jeddah) that Saudi Arabia and Iran should now step up their contacts to the political level becomes highly significant. Even more so, Saudi Arabia's interest in SCO membership (so soon after Iran's admission to the grouping.)

Along with Saudi Arabia, a host of other West Asian countries have approached the SCO for membership. The Russian daily Izvestia reported on Thursday that the SCO plans to sign memoranda on granting dialogue partnership to Egypt, Syria, Qatar, Saudi Arabia and Bahrain at the forthcoming summit in Samarkand. Interestingly, Crown Prince Mohammed bin Salman has been invited to the event.

According to Izvestia, as an exception, the UAE has sought SCO membership on an expeditious basis, although the grouping's established practice so far has been to start with a "dialogue partner". [Izvestia quoted a source close to the SCO organising committee](#) that the SCO has had consultations internally and "the main understanding that dominates is that the SCO is interesting, the SCO attracts, and therefore the most important thing for us is not to wallow in bureaucracy, but to find solutions that will allow us to respond adequately... And react by adapting the rules to new conditions."

Clearly, Biden's offer of a military alliance not only had no takers in the Arab world but they seem petrified. If as the Bible says, there are three brands of deception — vanity, flattery, and blasphemy — and Satan uses all three, Biden's offer contains elements of all three. And if the SCO offers an antidote to the poisoned chalice, why not?

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