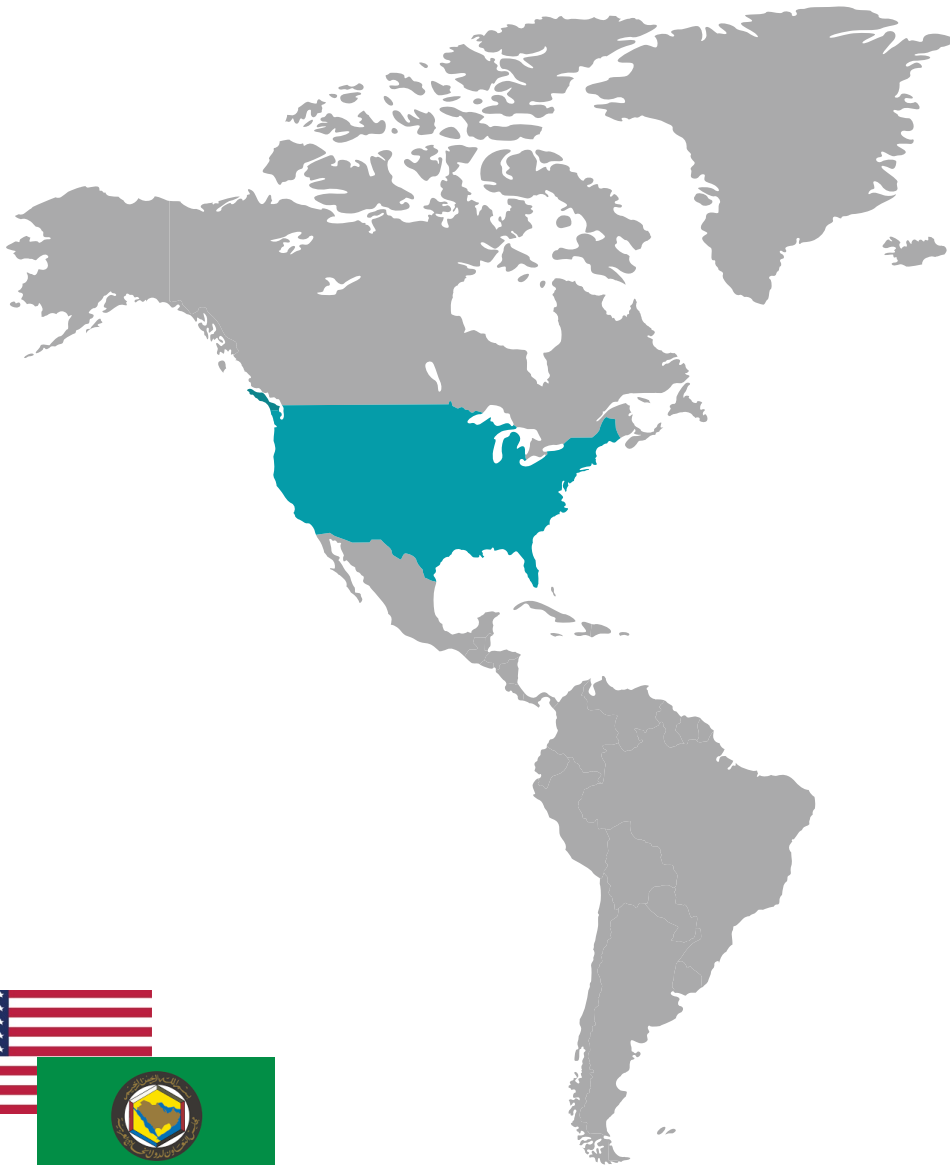




**Gulf Research Center**  
Knowledge for All

# U.S. - GCC Relations



Updated June 2022

## 1. Key Domestic Developments

Given the continued polarized political environment, the Biden-Harris Administration must show progress on its domestic political agenda with congressional elections looming in 2022 and a razor-thin majority in the Senate. While the expectation has been that domestic issues will remain predominant, with foreign matters playing a secondary role, the Ukraine crisis further increased pressure on the administration. As a result, U.S. domestic challenges have been exacerbated, increasing the polarization between the two sides of the American political divide. Skyrocketing gas prices, concerns about inflation, a continued rise in the national debt, and the lingering effects of the pandemic are now considered the main drivers of the upcoming elections in the fall.



Gasoline prices and inflation still rule as the overriding issue in domestic assessments. Gas prices surged to \$4 per gallon, the highest since 2011. Moreover, the U.S. national debt recently crossed \$30 trillion. Consequently, inflation levels rose to record levels for over 40 years. While the Federal Reserve raised interest rates by 0.25% to

slow down the rise in prices, this also increases the risk of an economic recession just as the U.S. enters its midterm election season.

Although the war in Ukraine exacerbated the uptick in gas prices, it is not the root cause. Data indicates that gas prices began rising in November 2021, long before the war in Ukraine. According to data from the U.S. Energy Information Administration (EIA), after the national average gas prices stabilized at \$2 per gallon in April 2020, it increased back up to \$3.32, the highest since 2014. The same goes for inflation, which began to increase in the middle of 2021.

The rising gas prices caused a hit in President Biden's poll numbers, as have the concerns over rising prices in general. For the Republicans, the burden of these developments falls on President Biden alone, whereas Democrats are keen to emphasize that the recent spikes are war-related. Voters are also split regarding COVID-19, as the U.S. transitions from pandemic to endemic in the battle against the coronavirus. While progress has been made on the Covid-19 Health Equity Task Force, the U.S. remains vulnerable to another wave following the uptick of Omicron cases.

### *Key U.S. Economic and Social Data*

- GDP: \$20.94 trillion (2020)  
GDP per capita: \$63,543 (2020).
- Annual Growth Rate: -3.5% (2020)  
Inflation: 1.22% (2020).
- Population: 329,484,123 (2020)  
Unemployment Rate: 8.31% (2020).
- Credit Rating: Standard & Poor: AA+ with a stable outlook. Moody: Aaa with a stable outlook. Fitch: AAA with a negative outlook. DBRS: AAA with a stable outlook.

The COVID-19 pandemic signaled the 2020 recession, the worst recession since the Great Depression, causing the U.S. economy to contract by 3.5% in 2020. In addition, due to states requiring non-essential businesses to shut down, the U.S.



economy lost around 20.6 million jobs, with the unemployment rate peaking at 14.8% in April 2020. However, the U.S. GDP growth is expected to rise by 7% in 2021, and the Federal Reserve projects that unemployment will fall to a healthy 5.0% in 2021. However, whether this preliminary recovery will help the Biden administration in the fall elections, a mid-term election in which the party sitting in the White House tends to lose seats, is very questionable.

## 2. U.S. Foreign Policy

In his first foreign policy address as president, President Biden stated that “diplomacy is back at the center of our foreign policy.” He added, “America is back, diplomacy is back.” Additionally, President Biden stated in the State Department that his administration will work toward “reclaiming our credibility and moral authority.”

### *Key Foreign Policy Initiatives in 2022*

- The U.S. declares the Rohingya repression in Myanmar as genocide.
- The U.S. imposes sanctions on China over the repression of Uighur Muslims and other ethnic and religious minorities.
- The U.S. imposes sanctions on Russia for invading Ukraine.
- U.S. resurrects JCPOA deal talks.

Despite these above accomplishments, there are numerous questions about whether this rebuilding of alliances ended Trump’s “America First” foreign policy. For example, French government officials, media, and opinion leaders criticized the U.S. after the AUKUS security pact was formed between Australia, the U.S., and the UK to help Australia build nuclear-powered submarines in September 2021. France recalled its ambassadors to the U.S. and Australia, and France’s foreign minister called the trilateral security pact a “stab in the back” after Australia decided to cancel a €56 billion submarine deal without

notice. Furthermore, on June 3, 2021, the Biden Administration announced an executive order that bans Americans from investing in 59 Chinese firms, including Huawei, maintaining Trump’s tariffs on China. Furthermore, in mid-April, the Biden administration announced it would maintain Trump’s 15,000-person cap on refugee admittance. Additionally, President Biden has continued Trump’s policy of using a specialized public health order, Title 42, to expel hundreds of thousands of migrants arriving at the United States-Mexico border.

Additionally, the sudden and chaotic withdrawal of U.S. troops from Afghanistan, which opened the door open for the Taliban to control Kabul and seize overall political power, significantly damaged U.S. credibility. Overall, the Biden Administration received criticism domestically and abroad, given how the affair was conducted. For example, General Mark Milley, chair of the Joint Chiefs of Staff, called the war in Afghanistan a “strategic failure” in a hearing in the Senate. In addition, according to the Wall Street Journal, several U.S. agencies began internal reviews of the Biden Administration’s handling of the withdrawal.

Potentially equally damaging to U.S. credibility could be President Biden’s handling of the crisis in Ukraine. Although the sense is that the crisis has brought forward a newfound unity in the Western alliance, there are concerns that some of the steps announced by the U.S. could lead to a further increase in tensions rather than bringing the crisis to an end. For example, President Biden labeled Russian leader Vladimir Putin a “war criminal,” which, according to experts, closes the door further on a diplomatic solution. Others, such as John Mearsheimer, go as far as to blame the U.S. for the war in Ukraine. They argue that the U.S. pushing to expand NATO towards the east over the past decades has increased the likelihood of war between nuclear-armed powers.

### 3. U.S.-GCC Fact Sheet

- U.S. trade in goods with GCC countries in 2022 as of March 2022:

Country	Exports	Imports	Balance
S a u d i Arabia	\$2,560.6M	\$5,038.4M	-\$2,477.8M
United Arab Emirates	\$4,544.6M	\$1,444.2M	\$3,100.4M
Qatar	\$694.6M	\$826.0M	-\$131.4M
Oman	\$366.5M	\$671.7M	-\$305.2M
Bahrain	\$225.9M	\$467.8M	-\$241.9M
Kuwait	\$679.3M	\$346.1M	\$333.2M

#### Establishment of Diplomatic Relationships

- U.S.-GCC Diplomatic Relations: Saudi Arabia (1940 following recognition in 1931), Kuwait (1961), Bahrain (1971), United Arab Emirates (1972), Qatar (1972), and Oman (1972).

#### Current Diplomatic Representation

- U.S. Embassy in Riyadh: Chargé d’Affaires, Martina Strong.
  - Consulate General Dhahran: Consulate General Dinka Masic.
  - Consulate General Jeddah: Consulate General Faris Y. Asad.
- Embassy of The Kingdom of Saudi Arabia in Washington: H.R.H. Princess Reema bint Bandar bin Sultan bin Abdulaziz Al Saud.
  - Consulate General Houston: Consulate General Mr. Saad Hamad Aljebreen.
  - Consulate General Los Angeles: Consulate General Mr. Fawaz Alshubaili.

- Consulate General New York: Consulate General H.E. Mr. Hatem Al Gahamdi.

#### Key U.S. Officials with Responsibility for the Gulf Region

- U.S. Department of State:
  - 71st U.S. Secretary of State: Antony J. Blinken.
  - Acting Assistant Secretary of the Bureau of Near Eastern Affairs: Yael Lempert.
  - U.S. Special Envoy for Iran: Robert Malley.
  - U.S. Special Envoy for Yemen: Timothy Lenderking.
  - Deputy Assistant Secretary of State for Israel and Palestinian Affairs: Hady Amr.
  - Deputy Assistant Secretary of State for Arabian Peninsula Affairs: Daniel Benaim.
  - Deputy Assistant Secretary of State for Iran and Iraq: Jennifer Gavito.
- U.S. Department of Defense:
  - 28th Secretary of Defense: Lloyd James Austin III.
  - Deputy Assistant Secretary of Defense for the Middle East: Dana Stroul.
- National Security Council:
  - National Security Advisor: Jake Sullivan.
  - Coordinator for the Middle East and North Africa: Brett McGurk.
    - Senior Director for the Middle East: Barbara Leaf.
      - Director for Iran: Sam Parker.
      - Director for Iraq and Syria: Zehra Bell.
      - Director for Lebanon and Jordan: Max Martin.
      - Director for Israel-Palestine: Julie Sawyer.



- Director for the Arabian Peninsula: Evyenia Sidereas.
- Director for Political-Military Affairs and Yemen: K.C. Evans.
- Congress:
  - United States Senate Committee on Foreign Relations, Subcommittee on Near East, South Asia, Central Asia, and Counterterrorism:
    - Chair: Chris Murphy (D-CT).
    - Ranking Member: Todd Young (R-IN).
  - United States House Committee on Foreign Affairs, Subcommittee on the Middle East, North Africa, and Global Counterterrorism:
    - Chair: Ted Deutch (D-FL).
    - Ranking Member: Joe Wilson (R-SC).
- Middle East Policy Council: <https://mepec.org>
- Quincy Institute for Responsible Statecraft: <https://quincyinst.org>
- RAND Corporation: <https://www.rand.org>
- Stimson Center: <https://www.stimson.org>
- The Century Foundation: <https://tcf.org>
- Wilson Center for International Scholars: <https://www.wilsoncenter.org/>
- United States Institute of Peace: <https://www.usip.org/>
- Center for a New American Security (CNAS): <https://www.cnas.org/>
- Baker Institute for Public Policy: <https://www.bakerinstitute.org/>
- Congressional Research Service: <https://crsreports.congress.gov/>

### *Key Research Centers and Think Tanks*

- American Enterprise Institute: <https://www.aei.org>
- Arab Gulf States Institute in Washington: <https://agsiw.org>
- Atlantic Council: <https://www.atlanticcouncil.org>
- Brookings: <https://www.brookings.edu>
- Carnegie Endowment for International Peace: <https://carnegieendowment.org>
- Center for American Progress: <https://www.americanprogress.org>
- Center for Strategic and International Studies: <https://www.csis.org>
- Council on Foreign Relations: <https://www.cfr.org>
- Foreign Policy Research Institute: <https://www.fpri.org>
- Heritage Foundation: <https://www.heritage.org>
- Hudson Institute: <https://www.hudson.org>
- Middle East Institute: <https://www.mei.edu>

### *Selected Key Regional Experts*

- [Karen Young](#) (Middle East Institute)
- [Hussein Ibish](#) (Arab Gulf Institute in Washington – AGSIW)
- [David des Roches](#) (National Defense University)
- [F. Gregory Gause, III](#) (Texas A&M University)
- [Frederic Wehrey](#) (Carnegie Endowment for International Peace)
- [Anthony Cordesman](#) (Center for Strategic and International Studies – CSIS)
- [Kirsten Fontenrose](#) (The Atlantic Council)

### *Key Recent Literature*

- [Reimagining U.S. Strategy in the Middle East - RAND Corporation - 2021.](#)
- [No, the U.S. Shouldn't Withdraw from the Middle East - Atlantic Council - June 2021.](#)
- [How to Recalibrate U.S. Policy in The Middle East - Foreign Policy Research Institute - July 2021.](#)
- [The Energy Transition in the Arab Gulf: From Vision to Reality - Atlantic Council - August 2021.](#)

- [Iraq, the United States, and the “New” Middle East - CSIS - August 2021](#)
- [Seeking a New Balance for U.S. Policy in the Middle East - Center for American Progress - September 2021.](#)
- [When Less Is More: Rethinking U.S. Military Strategy and Posture in the Middle East - CNAS - October 2021.](#)
- [A Gradual Reset with Saudi Arabia - Middle East Institute - February 2022.](#)

#### 4. Key Developments in US-GCC Relations

##### U.S.-GCC

- On September 23, 2021, U.S. Secretary of State Antony Blinken met with the foreign ministers of Saudi Arabia, Bahrain, Kuwait, Qatar, and the UAE’s Minister of State in New York to discuss Iran, Afghanistan, and the Israeli-Palestinian conflict.
- In the wake of the Ukraine crisis, President Biden is reaching out to Saudi Arabia and the UAE for cooperation on energy while the two countries are pushing for more substantial security support from the U.S.
- Special Envoy for Iran Robert Malley traveled to the United Arab Emirates, Qatar, and Saudi Arabia from October 15-2, 2021, to meet and discuss with the states a range of concerns with Iran, including its activities in the region and our attempt to negotiate a mutual return to compliance with the Joint Comprehensive Plan of Action.
- The United States and the members of the Gulf Cooperation Council (GCC) convened Working Groups on Integrated Air and Missile Defense and Maritime Security at the GCC’s headquarters in Riyadh, Saudi Arabia, on March 9, 2022.

- In mid-April 2022, the GCC states and the U.S. formed a new naval task force, known as the Combined Maritime Forces-153 (CMF-153), to improve maritime security in the Red Sea, Bab el-Mandeb, and the Gulf of Aden.



##### U.S.-Saudi

- On February 5, 2021, the U.S. announced it would end military support in Yemen but continue helping Saudi Arabia defend itself.
- On March 12, 2021, Saudi and U.S. ground forces launched a joint military exercise called Falcon Claws 3.
- On October 14, 2021, Secretary of State Antony J. Blinken and Foreign Minister of Saudi Arabia Prince Faisal bin Farhan Al Saud met in Washington D.C. and discussed U.S.-Saudi cooperation on regional issues such as reaching a solution to end the conflict in Yemen.
- In November 2021, President Biden approved the first significant arms sale of 280 air-to-air missiles valued up to \$650 million and a \$500 million military contract.



- The United States issued fresh sanctions on alleged members of an illicit network financing Yemen's Houthi rebels, citing the group's involvement in the continuing war in Yemen and recent drone and missile attacks on Saudi Arabia.
- On March 20, 2022, President Biden sent a significant number of Patriot antimissile systems to Saudis following the Houthi attacks on the Kingdom.
- Also in March 2022, Saudi Foreign Minister Prince Faisal bin Farhan discussed ongoing negotiations to restore the 2015 nuclear deal between Tehran and world powers with U.S. Special Envoy for Iran Rob Malley.
- In May 2022, the United States and Saudi Arabia held the U.S.-Saudi Strategic Joint Planning Committee (SJPC) led by Saudi Vice Minister of Defense His Royal Highness Prince Khalid bin Salman and Under Secretary of Defense for Policy Dr. Colin Kahl.
- Also in May 2022, it was reported that President Biden will be arranging a meeting with Crown Prince Mohammed bin Salman.
- Reports in the media in March 2022 stated that the UAE had declined a call from President Biden amid the Ukraine crisis. In addition, a meeting with the head of the U.S. Central Command was also canceled amid the UAE's growing distrust of Washington's continued commitment to Abu Dhabi's security.
- On March 3, 2022, speaking at a defense event in Washington, UAE Ambassador to the U.S. Yousef Al-Otaiba stated: "It is like any relationship. It has strong days where the relationship is very healthy and days where the relationship is under question ... Today, we're going through a stress test, but I am confident that we will get out of it and get to a better place."
- Starting on March 19, 2022, the UAE hosted Syrian President Bashar al-Assad despite warnings from the U.S. against normalizing ties with the government in Damascus.
- U.S. Secretary of State Anthony Blinken met with his counterparts from Israel, the UAE, Bahrain, and Morocco at the so-called Negev Summit on March 31, 2022.
- In May 2022, Vice President Kamala Harris led the U.S. delegation to the UAE following the passing of the President, His Highness Sheikh Khalifa bin Zayed Al Nahyan.

#### U.S.-United Arab Emirates

- On October 13, 2021, U.S. Secretary of State Antony Blinken hosted a trilateral meeting with Israeli Foreign Minister Yair Lapid and UAE Foreign Minister Sheikh Abdullah Bin Zayed Al-Nahyan at the State Department and announced two new working groups: one focusing on religious coexistence and the other on water and energy issues.
- On Feb. 28, 2022, the UAE voted to abstain from a UN Security Council resolution condemning the Russian invasion of Ukraine.

#### U.S.-Qatar

- On August 30, 2021, the U.S. moved its military operations from Afghanistan to Qatar.
- On September 29, 2021, the U.S. and Qatar sanctioned a Hezbollah financial network.
- On November 13, 2021, the United States and Qatar released a joint statement on the U.S.-Qatar Strategic Dialogue.
- In March 2022, President Joe Biden issued a presidential declaration formally designating Qatar as a major non-NATO ally, weeks after his pledge to Qatari Emir Sheikh Tamim bin Hamad Al Thani.



### U.S.-Oman

- The United States and the Sultanate of Oman held the U.S.-Oman Joint Military Commission (JMC) at the Pentagon on March 23-24, 2022.

### U.S.-Bahrain

- Alongside the UAE, Bahrain signed the Abraham Accords, a joint statement between the State of Israel, the UAE, and the United States of America was released on September 15, 2020.
- In March 2022, the U.S. State Department approved the potential sale to Bahrain of M270 Multiple Launch Rocket Systems Upgrade and related equipment for an estimated \$176 million.
- The United States and the Kingdom of Bahrain held the U.S.-Bahrain Military Consultative Committee (MCC) in Manama, Bahrain, on March 6-7, 2022.
- Secretary of Defense Lloyd J. Austin III hosted Bahrain Crown Prince Salman bin Hamad Al Khalifa in March 2022 to discuss Iran and Ukraine.
- U.S. Secretary of State Anthony Blinken met with his counterparts from Israel, the UAE, Bahrain, and Morocco at the so-called Negev Summit on March 31, 2022.
- The U.S. Naval Forces Central Command (NAVCENT) and the Bahrain Defence Force participated in U.S. Naval Forces Central Command (NAVCENT) and the Bahrain Defence Force, an annual 10-day military exercise in and off the coast of Bahrain.

### U.S.-Kuwait

- On August 24, 2021, U.S. Ambassador Alina Romanowski to Kuwait stated that the first Afghan evacuees started arriving in Kuwait.

On the one hand, the traditional relationship centered around oil, trade, and foreign military sales between the U.S. and GCC remain. According to the U.S. State Department, Saudi Arabia is still the United States' largest foreign military sales customer and one of the United States' largest trading partners in the Middle East. Saudi Arabia is also the third leading source of imported oil for the United States. In addition, the U.S. continues to provide Export and Border Security assistance to the UAE, the United States' single largest export market in the Middle East and North Africa region.

The United States and Qatar also cooperate on security in the Persian Gulf region, notably via hosting the Al-Udeid Air Force Base and CENTCOM Forward Headquarters, Qatar's support of the North Atlantic Treaty Organization, and U.S. military operations in the region. Qatar has also become the United States base after the U.S. suspended its diplomatic presence in Afghanistan. Kuwait provided the primary platform for U.S. and coalition operations in Iraq and hosted the headquarters of Combined Joint Task Force – Operation Inherent Resolve as a member of the Global Coalition to Defeat ISIS.

On the other hand, the Biden Administration and its allies in Congress have called for a “recalibration” in the U.S. relationship with the Gulf Cooperation Council and the Gulf region. The Biden Administration signaled a new approach by limiting direct U.S. involvement and military engagement in the Middle East. This is evident in the complete withdrawal of U.S. troops in Afghanistan and focusing instead on COVID-19 relief and climate change issues. In addition, the U.S. Presidential envoy for climate, John Kerry, has visited the GCC states regarding climate change issues several times in 2021 and 2022.





On the security aspect, although some argue that the U.S. is withdrawing from the Middle East, the United States remains the premier security partner of the region as it offers GCC states military capabilities, such as Patriot missiles to Saudi Arabia amid attacks from the Houthis. Washington's initial announcements that military sales to the GCC states would be curtailed have not been completely followed up upon. On the contrary, the Biden administration approved a \$500 million military contract with Saudi Arabia and the first significant arms sale of 280 air-to-air missiles valued at up to \$650 million to the kingdom in late 2021. In addition, and despite President Biden's pledge to end the war in Yemen, the crisis has persisted, including an increase in Houthi missile and drone attacks on Saudi Arabia. Initial withdrawals of Patriot missile systems from the kingdom were subsequently reversed. The deployment of these missile systems came as the United States turned to Saudi Arabia regarding oil prices following the crisis in Ukraine.

The Biden Administration also sought to put "diplomacy first" by engaging officials from

the Middle East and Europe in regard to the re-engagement with Iran over the nuclear agreement, JCPOA. Negotiations started in 2021 and remained inconclusive as of early April 2022, although indications were that an agreement was close at hand. The GCC states have continued to voice their concern that a revitalized JCPOA would allow Iran to continue its interference in the region, including support for non-state proxy forces and further development of their missile program. Overall, a significant level of skepticism remains among GCC member states not only on the U.S. position vis-a-vis Iran but also regarding U.S. policy in the rest of the region. In turn, GCC states have maintained a policy of reaching out to other countries to strengthen various ties, avoiding falling into a security vacuum. Additionally, GCC-U.S. ties were highlighted in different positions concerning the Russia-Ukraine crisis, with the UAE initially abstaining from two UN Security Council resolutions and Saudi Arabia and the UAE sticking to the energy output commitment within the OPEC+ framework, which includes Russia. This indicates that new dynamics are taking hold in the region's ties to the United States.

## 5. Supporting Documents

### *GRC publications and GRM workshops*

- GRC Publication 2021: Changes in United States Foreign Policy Shifts Towards the Middle East: Strategies - Approaches - Evidences - Forecasts (Dr. Amera Alrashed Alghamdi).
- GRC Publication 2019: The Arab Gulf States and the West. Perception and Realities - Opportunities and Perils (Edited by: Dania Koleilat Khatib and Marwa Maziad)
  - GRM Workshop 2017: The Arab Gulf in the West: Perceptions and Realities; Opportunities and Perils.
- GRC Publication 2015: The United States and the Gulf: Shifting Pressures, Strategies and Alignments (Edited by: Steven W. Hook and Tim Niblock).

### *Araa Magazine*

- [Issue 167](#): The AUKUS Agreement and Its Impact on Global Alliances and the Gulf Region - October 2021.
- [Issue 159](#): The Features of Biden's Policy Towards the Middle East and the Gulf Region - February 2021.
- [Issue 153](#): U.S.-Chinese Relations and Its Impact on the Arab Region - September 2020.
- [Issue 148](#): U.S.-Saudi Relations Over 75 Years - April 2020.
- [Issue 132](#): The U.S. Withdrawal from the Iran Nuclear Deal: Implications and Scenarios - August 2018.

### *GRC recent interviews on the issues related to the U.S.:*

- October 13, 2021: Dr. Abdulaziz Sager participated in the private round table discussion: "Beyond Yemen's Borders," co-organized by the Office of the UN Secretary-General's Special Envoy for

Yemen (OSEGY), the Sana'a Center for Strategic Studies, and King's College London, Department of Geography, and Institute for Middle Eastern Studies.

- June 1, 2021: Dr. Abdulaziz Sager was a speaker in the "Geopolitical Setting – Changes with the Biden Administration" session organized by the Bush School of Government & Public Service, Texas A&M University.
- December 8, 2020: Dr. Abdulaziz Sager participated in a discussion to exchange views on the foreign policies of U.S. President-elect Joe Biden related to issues of the Gulf region and the Middle East on the sidelines of the Manama Dialogue.
- December 7, 2020: Dr. Abdulaziz Sager spoke on a panel organized by the Middle East Research Institute, discussing the possible changes in the Trump Administration's policy in the Middle East and security dynamics in the context of Joe Biden's inauguration.



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