



## Oman's Needed Adjustment During the Trump Presidency

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The Sultanate of Oman has arguably always been an outlier regarding unified Gulf Cooperation Council (GCC) action since the organization's establishment in 1981. Important underlying reasons have included the country's Ibadi religious incongruence with the other members of the council, Sultan Qaboos bin Said's preference for non-entanglement and independence, old sour emotions about border issues with other states, and an unparalleled openness on the GCC states' Iranian rival across the Gulf. Indeed, only Oman could exercise a large and enviable degree of independence in the council despite what are believed to be common threats and challenges for the whole organization.

This makes the sultanate's latest [decision](#) to join the Islamic Military Alliance to Fight Terrorism (IMAF) an important development in its own right, despite Oman's expected limited commitment due to economic shortcomings and weaknesses. What may be most significant in the decision is that the coalition is led by Saudi Arabia and excludes from its membership Iran, Iraq, and Syria, a tripartite alliance of Shiite-governed or Shiite-affiliated states anathema to GCC interests and policies. Some Gulf observers have [interpreted](#) Oman's move as a utilitarian and tactical maneuver to ameliorate the sultanate's immediate security and political concerns and curry favor with Saudi Arabia. However, given the domestic, regional, and international challenges facing the sultanate, it may be time for Sultan Qaboos to pave the way for a closer association with the GCC as a hedge against uncertainties relating to his longevity on the throne, relations with Iran, and the direction of American policy in the Middle East during the Trump Administration.

### Oman's Discordant Tunes

A glaring example of Oman's singing outside of the GCC flock is its adamant rejection of any talk of advancing the council from an organization for desired collective action to one of a unified economic-political structure, in any possible institutional arrangement. Late Saudi Arabian King Abdullah bin Abdul-Aziz's call ahead of the 32<sup>nd</sup> GCC Summit meeting in Riyadh in 2011 met with a polite Omani reservation that turned into a public outright rejection. Since the initial call, the sultanate has not wavered from that stance; indeed, it [threatened](#) to withdraw from the organization should the other states decide to form the union.

Oman's position, while glaringly hostile to the idea, has had tacit approval from Kuwait, Qatar, and the United Arab Emirates (UAE). Only Bahrain was and remains enthusiastic about it. Important Omani reasons that may apply to others in different circumstances include its trepidation about a dominant and powerful Saudi Arabian neighbor, the potential for a

confrontation with Iran, and worries on the part of individual state elites about ceding their political and economic autonomy to a supra-national structure that may subsume local interests.

Oman's rejection of a political union was and remains buttressed by a recalcitrance to join important economic mechanisms that may lead to building a functional equivalent of the European Union. Although a [member](#) of the GCC common market and customs union and a participant in many of the council's other political, economic, and military institutions, Oman has balked at the prospect of joining a single GCC currency. But in a sign of a possible change, the Executive President of the Omani Central Bank, Hamood Sangour al-Zadjali, [issued](#) a statement last November highlighting the inevitability of a GCC common currency and declaring that GCC states are taking "serious measures" to achieve this goal. Reports also [surfaced](#) lately that Oman approached Saudi Arabia, Kuwait, and Qatar for multibillion dollar deposits in its central bank to support its rial and lower the risk of its devaluation, in essence accepting the rationale for a single currency. (Incidentally, and for its own reasons, the UAE has also refrained from joining the scheme so far.)

Another source of discord with the GCC has been the sultanate's open relations with Iran, despite both the general feeling of the threat the Islamic Republic represents to Arab Gulf leaders and the potential repercussions on Oman's well-being as a member of the organization. Oman [hosted](#) secret talks leading up to the negotiations that ended in the signing of the Joint Comprehensive Plan of Action (JCPOA) in 2015 between Iran and the "P5+1" group (China, US, UK, France, Germany, and Russia), [intermediated](#) for the release of American and other nationals held by Iran on espionage charges, and maintained cordial relations with Iran's executive leadership, namely, President Hassan Rouhani and Foreign Minister Mohammad Jawad Zarif. Sultan Qaboos himself, and despite failing health, [visited](#) Rouhani upon the latter's election in 2013.

Importantly, however, Oman's position vis-à-vis Iran is driven to a good degree by the two countries' sharing of the 21-mile-wide Strait of Hormuz and Oman's care not to jeopardize the common condominium in the service of the free flow of hydrocarbon exports out of the Gulf. While the strait's shipping lanes pass through Omani territorial waters, Iran has not shied away from [threatening](#), on countless occasions, to close the strait and halt oil shipments. As a strategic go-between, Oman sees itself as responsible for diminishing the Iranian threat by keeping lines of communications open with Iran—a situation that obviously also serves its own purposes and security.

And yet a third source of difficulty in Omani relations with the GCC is the sultanate's non-commitment to change in Syria and its non-participation in the Saudi-led intervention in Yemen against the alliance of the Houthi rebels and former President Ali Abdullah Saleh who have usurped the legitimate authority of President Abd Rabbo Mansour Hadi. [News](#) that Oman has become a conduit for Iranian smuggled weapons to the Houthis has contributed to doubts about the sultanate's position regarding Yemen; in a sense, it feeds speculation of a nonchalant Omani

attitude about the GCC's well-being and of collusion in an Iranian plan to keep Saudi Arabia enmeshed in a possibly unwinnable war.

But if this is indeed the case, Oman would do well to remember that continued civil strife in Yemen, the presence of al-Qaeda in the Arabian Peninsula in its neighboring Hadramawt Governorate, and the dire socioeconomic condition of the country represent grave dangers that require closer relations and coordination with other GCC members. As for Syria, Oman [has been the friendliest](#) to its regime among GCC members, a situation many believe is a function of both its independent foreign policy and its openness on Iran.

### **Future Domestic and Strategic Imperatives**

Oman's foreign policy will shortly be faced with new domestic and strategic imperatives that are likely to influence how it approaches relations with its GCC partners, its open dialogue with the Islamic Republic of Iran, and its long-term association with the United States after the Trump Administration commences its work.

Domestically, the most important consideration is the outcome of Sultan Qaboos's succession. The sultan has long suffered from ill health and has undergone hospital treatment for colon cancer (the latest round was in Germany in 2014). He has no children or designated heir so, in accordance with the Omani constitution, he has devised a succession plan that remains secret but will result in the choice of a relative as successor. What is of concern in this regard is that the successor is feared not to have Qaboos's charisma, political adroitness, or connections with his internal constituency and external allies. Importantly, the successor's judgment will be essential for Oman's stability at a time of socioeconomic change and regional uncertainty without the attendant legitimacy cultivated and assured by Sultan Qaboos since his ascension to the throne in 1970. To be sure, and like the ailing sultan, the successor will have to be able to make himself the fulcrum of all political activity and the arbiter of gradual change, two elements of the multifaceted repertoire of governance in an absolute monarchy.

Concomitantly, the new sultan will have to navigate the intricacies of Omani economic policies, which arguably will not be possible without substantial GCC assistance. Oman is no longer considered an important oil or gas producer, its sovereign wealth fund only has an estimated \$40 billion of reserves, and it is increasingly reliant upon the success of its Vision 2020 [plan](#) for development and diversification which centers on factors such as tourism and trade, industry and mineral resources, financial services, and power generation, among others. Resources for government spending are otherwise shrinking and it would be difficult to meet demands without outside assistance, most logically from the GCC. Back in 2011, when Oman underwent its own "Arab Spring," Kuwait, Qatar, Saudi Arabia, and the UAE [contributed](#) \$10 billion, a sum that allowed the Omani government to announce a major jobs and social assistance program targeting youth employment and subsidies. (Bahrain received a similar tranche.) Since 2008, Oman has [benefited](#) from Qatari gas supplied through the Dolphin project pipeline traversing the UAE to

develop its industrial and petrochemical industry. It is also slated to benefit from more open cooperation on rail trade and the GCC power grid, among other projects.

Externally, Oman under Qaboos's rule—or that of a successor—will see itself increasingly pressured to associate more closely with other GCC members, specifically because of regional conditions. First, and to differing degrees, these states feel that they are progressively boxed in by the ongoing turmoil in Yemen and Syria, the clear sidelining—if not takeover—of Iraq by Iran, and the seeming lack of an Arab strategic depth because of an uncertain relationship with Egypt. Indeed, GCC states question, why does Oman prefer to sing outside the flock while it can do better for itself working as an integral part of it? If Sultan Qaboos has seen fit so far to emphasize his independence, can't he (or his successor) maintain that independence while paying more attention to unified action—as Kuwait, Qatar, and the UAE do, each for different reasons and under different circumstances?

Second, as the premier collective action organization in the Arab world, the GCC aspires to be able to emulate the European Union, structured as it is to express common European interests. If for political, military, and economic reasons Oman cannot strike out on its own, like the United Kingdom has done in voting for Brexit, why should Oman deprive people in the Arab Gulf, and its own population, of the benefits of unified action? After all, they reason, strength is in unity and Oman will only remain weak and exposed if it does not join a powerful organization.

Third, Iran may be approaching a point of no return domestically and in relations with its regional environment and thus may not be a good long-term hedge, if not partner. As President Hassan Rouhani's term comes to an end, there is no indication that his reformist bent and tenure will continue. To be sure, Rouhani is under tremendous pressure from the ultra-conservatives in Iran's body politic, especially regarding his continuing belief in the efficacy of open relations with the United States and the West. Led by Supreme Leader Ali Khamenei, these conservatives may no longer brook the restrained reactions to what they see as unfair treatment of Iran by the United States after signing the JCPOA.

Currently, no one can accurately predict the outcome of Iran's political machinations, especially now after the passing of long-time arbiter of domestic politics Ali Akbar Hashemi Rafsanjani. Whether Rouhani continues into a second term or is replaced by an ultra-conservative, the supremacy of the Islamic Revolutionary Guards Corps (IRGC) inside the Islamic Republic, the acuteness of sectarian polarization in the Middle East, and US policy formulation in a Trump Administration are all likely to effect a more hardline Iranian foreign policy from which Oman may no longer benefit as an agent of mediation.

Finally, Oman may find itself unable to stay on the sidelines, or even play the mediator, if President-elect Donald Trump acts, in the future, on his threats against Iran. Although no one can be certain of how many of his threats will be realized, most importantly regarding the JCPOA, what he enunciated during his campaign and what Retired General James Mattis, his nominee for Defense Secretary, has said before and during his confirmation hearings point to a period of

tense relations over and across the waters of the Gulf. Moreover, Oman is dependent on the United States for much of its security needs, an attendant serious complication that it might do well to consider when it formulates its future relations with Iran, despite its enviable strategic location, reputation for successful mediation, and independent foreign policy.

## **Conclusion**

While it may not be warranted to attach too much importance to the limited move by Oman to join the Islamic Military Alliance, it nonetheless can be evaluated as a welcome gesture to pave the way toward a better future for the sultanate within the GCC. Domestic, regional, and international considerations make a change necessary, especially as Sultan Qaboos moves to consolidate his country's security and well-being before departing the scene. For better relations with the GCC, three specific courses of action must occur simultaneously.

First, under the leadership of Sultan Qaboos and his successor, Oman's political and economic elites must come to terms with the requirements of coordinated and unified action. Indeed, this also is required of elites in other GCC countries who maintain parochial preferences at the expense of GCC-wide interests.

Second, Saudi Arabia and the other members of the GCC would do well to accept what will necessarily be small Omani steps toward more integration into the organization's political, economic, and military institutions. Decades of independent decision-making have bred many national and bureaucratic hindrances that will require patience and understanding.

Third, whatever the commitment to stability in the Arabian Gulf and Peninsula under an otherwise uncommitted Trump Administration, the United States must act to bolster Omani and GCC security. Facing up to Iran's overreach across the Gulf and into the Arab world is made much easier with a stronger and more secure GCC.