The Race to Regional Hegemony: A Case Study of the Iran-Saudi Rivalry in Yemen

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The Race to Regional Hegemony: A Case Study of the Iran-Saudi Rivalry in Yemen

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Micaela Leigh Tierce
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Abstract

The main goal for this thesis is to review how the Islamic Republic of Iran and the Kingdom of Saudi Arabia’s actions in Yemen’s civil war can be explained through the international relations theory Classical Realism. Studying Iran and Saudi Arabia’s rivalry is important for academic study because it creates an imbalance of power in the Middle East and intensifies security issues in the region. Both Iran and Saudi Arabia hold the most influential economic and political systems in the Middle East, presenting a dilemma for power and security between the two. There most recent example of this rivalry can be seen through their engagement in the Yemeni civil war. By invading the state sovereignty of Yemen to conduct a proxy war, Iran and Saudi Arabia have exemplified their desire to obtain regional hegemony. In this paper, I will utilize the zero-sum game and security dilemma, to explain Iran and Saudi Arabia’s motivations and participation in the Yemeni civil war. Furthermore, I will argue that Iran and Saudi Arabia are utilizing Yemen to obtain geostrategic power in their race towards regional hegemony.

Keywords: Iran, Saudi Arabia, Yemen, Classical Realism, zero-sum game, security dilemma, 1979 Islamic Revolution, 2003 invasion of Iraq, 2011 Arab Spring, Bab al-Mandeb strait, economic gain, geostrategic gain
The Race to Regional Hegemony: A Case Study of the Iran-Saudi Rivalry in Yemen

Iran and Saudi Arabia’s rivalry is influenced by political and religious ideology. After the death of the prophet Mohammed in 632 AD, Iran and Saudi Arabia’s communities have been deeply divided by religious sectarianism. The death of the prophet Mohammed presented a change in spiritual leadership which was contended and resulted in two different sects of Islam. These sects include Shi’a Islam and Sunni Islam, with Iran and Saudi Arabia both exercising different fundamental interpretations of Islam (Arthington, 2019). This religious sectarianism has spread into their political structures, with Iran functioning under a quasi-democracy and Saudi Arabia functioning under a monarchy (Wehrey, et.al, 2009). Through Iran’s interpretation of Islam, Islam rejects any monarchial power in its political ideology which has created tension in Iranian-Saudi relations (Wehrey, et.al, 2009). These justifications have been utilized in academic studies to explain the Iranian-Saudi rivalry. However, these factors are only a small contribution towards the Iranian-Saudi rivalry and cannot be utilized to explain the rivalry in its entirety.

Despite popular beliefs that their rivalry is fueled by different variations in religious ideology Iran and Saudi Arabia's rivalry is deeply rooted by the motivation to obtain regional hegemony in the Middle East, and Yemen has been the most recent area to examine their rivalry within the IR theory Classical Realism. Actions that Iran and Saudi Arabia have exercised in Yemen, reveal their desire to gain control of oil transportation to promote their influence in the Middle East and strengthen their economic power. In 2015, Saudi Arabia took advantage of the political instability in Yemen and conducted an air-strike campaign in support of the nationally recognized
government (Sharp, 2019, pg.2). In contrast, Iran supported the nonstate actor challenging the nationally recognized government by providing military training and military equipment (Sharp, 2019, pg. 2). While this has further destabilized Yemen, it has created a power vacuum for Iran and Saudi Arabia to exploit. This foreign intervention has been masked as a religious ideology war, but the true motive can be explained through Yemen’s geostrategic location along the Red Sea. While previous reports suggest the proxy war being conducted by Iran and Saudi Arabia in Yemen has backing through religious sectarianism, the ultimate factor can be explained through the simple concept of power. Both Iran and Saudi Arabia are motivated by regional hegemony because they believe that having more power than their neighbors is the only avenue for security.

Through this paper, Yemen will be revealed as the current arena that houses Iran and Saudi Arabia’s race to regional hegemony because of the geostrategic advantage it holds.

This thesis seeks to present a rationalization of Iran and Saudi Arabia’s rivalry through the lens of Classical Realism with Yemen functioning as a case study example. Classical Realism functions in an anarchic self-help system, which is exemplified in Iran and Saudi Arabia’s invasion of Yemen’s state sovereignty. Their continuous behavior in Yemen exemplifies their pursuit of regional hegemony by obtaining geostrategic control of the Bab al-Mandeb strait.

**Regional Rivals**

Iran and Saudi Arabia share comparative advantages in the international community. Iran's boundaries encompass approximately 1,648,195 square kilometers with 10.8% arable land (CIA Factbook, 2020). Saudi Arabia's boundaries encompass
approximately 2,149,690 square kilometers with 1.5% arable land (CIA Factbook, 2020). In terms of geographical power, Iran is strategically located along the Strait of Hormuz and is surrounded by rugged, mountainous terrain (CIA Factbook, 2020). In comparison, Saudi Arabia is the largest country in the world to not have a single river but has access to extensive coastlines on the Persian Gulf and the Red Sea which provide a strategic advantage for shipping (CIA Factbook, 2020). Geographically, Saudi Arabia consists predominantly of arid deserts, which places them at a disadvantage to Iran's fortifiable geographic location.

Iran and Saudi Arabia are both identified as sustaining oil-reliant economies (CIA Factbook, 2020). Statistical data taken in 2017 estimates Iran’s economy to be at $1.64 trillion USD with Saudi Arabia’s economy at $1.775 trillion (CIA Factbook, 2020). Both states operate with services being their prominent form of labor forces, with goals to diversify their economies in the future (CIA Factbook, 2020). In the event Iran and Saudi Arabia engaged in a direct hostile conflict with the other, it would prove detrimental to either obtaining their goal of regional hegemony. Furthermore, it would remove each player from the competition, and result in a new power vacuum being created in the Middle East.

**Historical Background**

Iran and Saudi Arabia’s rivalry has been shaped by three historical events. These events have challenged religious authority, shifted balances of power in the Middle East, and created avenues for Iran and Saudi Arabia’s current struggle towards regional hegemony. To fully understand Iran and Saudi Arabia’s rivalry it is important to analyze
the 1979 Iranian Revolution, the 2003 United States invasion of Iraq, and the Arab Spring.

In 1979, the rivalry between Iran and Saudi Arabia reached a pivotal moment in the wake of Iran’s Islamic Revolution (Okruhlik, 2003). This revolution sparked a significant argument over power struggles within Islam. Previously divided into the Sunni and Shia sects, the Iranian revolution evoked the Pahlavi dynasty in Iran and established a religious centered government (Okruhlik, 2003). Under new political leadership, Iran challenged Saudi Arabia’s legitimacy as the religious leader of Islam and established itself as the religious leader of all Shi’a communities in the Middle East (Okruhlik, 2003). The Islamic Revolution holds significance when the economic influences of the Islamic pilgrimage to Mecca are explored.

During the Islamic Revolution Ayatollah Khomeini threatened the sovereignty of the Al Saud family (Okruhlik, 2003). Following under the traditional Shiite belief that a descent of Muhammed should be the leader of Islam; Khomeini threatened the legitimacy of Saudi Arabia which has become the leading state in Islam. Saudi Arabia houses the two holy sites of Islam within its borders. These include Mecca and Medina, which are frequently visited by Muslims across the world. Hajj is among one of the five pillars of Islam and is mandatory for any Muslim who is financially and physically capable (Maher, 2012). Hajj can cost approximately six thousand USD for a singular traveler (Maher, 2012). Annually, the Hajj generates an average of ten billion USD towards Saudi Arabia's economy (Maher, 2012). In 2016, Iran banned its citizens from traveling for the Hajj, due to political differences with Saudi Arabia (Teng 2016). This resulted in Saudi Arabia losing the revenue of 600,000 Iranians who had planned to complete the Hajj
The Islamic Revolution in 1979 opened a new avenue for Iran to challenge Saudi Arabia’s power in the region and has created further pathways of dissent between the two states.

Between 1980-1988, Saudi Arabia supported Iraq during the Iran-Iraq War (Okruhlik, 2003). This blatant stance against Iran to monopolize on power in the region, created open, hostile rhetoric towards Saudi Arabia. Iran openly declared that Saudi Arabia was “un-Islamic” and tried to plummet their oil sales, which serves as its primary export and source of revenue (Okruhlik, 2003). However, with the U.S. invasion of Iraq in 2003, Iran’s counterweight of power shifted, and Iran had more freedom of maneuver (Okruhlik, 2003). Under the Clinton and Bush administration the United States presented a grand strategy that resembled a realist approach in handling the unrest in the Middle East. Concerned about oil revenue, as well as global terrorism, the United States became heavily involved in the conflicts surrounding the region and created a shift in the balance of power (Bromund, 2018).

Under the Obama administration, a strategy that resembled liberalism was put into effect. In an attempt to create peace, the Obama administration began to withdraw from the conflicts in the Middle East (Bromund, 2018). This strategic move did not achieve its desired result, however, and instead created a power vacuum. With one of Saudi Arabia’s powerful allies weakened in the region, Iran began to advance (Bromund, 2018). Despite the liberalist approach under the Obama administration, the rivalry between Iran and Saudi Arabia continued to intensify. Through the lens of the Obama administration, their liberalist approach weathered the Arab Spring, the increase in violence in Syria, and the proxy war in Yemen. However, nothing was accomplished in terms of Iran and Saudi
Arabia’s rivalry, which is why liberalism is not the most effective approach to neutralize the Iran-Saudi rivalry.

In 2011, the Arab Spring created another shift of power in the region. The Arab Spring sparked a revolution across the Middle East and North Africa and promoted democracy across the region. However, it also created dissent and revolution in weakened states, such as Yemen, and allowed Iran and Saudi Arabia to exert their power and influence across the Middle East. After the 2011 Arab Spring, Yemen’s citizens challenged their government and created an uprising which resulted in its collapse (Sharp, 2019, pg.9). In 2014, a nonstate actors referred to as the “Houthi Rebels” took control of Yemen’s capital, which resulted in Iran and Saudi Arabia exploiting the weakened political structure to fight for influence of Yemen’s geostrategic location (Sharp, 2019, pg.2). The Arab Spring created additional arenas for Iran and Saudi Arabia to challenge each other for regional hegemony.

**Literature Review: The Iranian-Saudi Rivalry**

The literature analysis of the Iranian-Saudi Rivalry has surged in waves based on political events and outcomes. Initially, the rivalry between The Kingdom of Saudi Arabia and the Islamic Republic of Iran became a key topic of study after the events of the 1979 Iranian Revolution and reappeared in 2003 after the United States invasion of Iraq. The literature encompassing the relationship between Iran and Saudi Arabia seeks to explain the regional chaos through the lens of religious ideologies, political ideologies, and economic power. Several argue that the rivalry between Iran and Saudi Arabia has become a Cold war in the Middle East, which can be explained through the zero-sum
game (Pike, 1990). Nonetheless, each source can agree upon the assumption that the continuation of Iran and Saudi Arabia's rivalry has created political and economic chaos in the Middle East region. For this literature review, I will analyze literature composed by scholars who try to explain this rivalry based on religious differences, political ideologies, and historical assumptions that try to explain the two states' behaviors.

The invasion of Iraq by the United States in 2003 has become a clear point of argument for literature regarding Saudi Arabia and Iran’s relationship. In an analysis of Iranian-Saudi relations conducted by Dr. Andrew Terrill at the United States Army War College, Terrill (2011) argues that the invasion of Iraq was a key concern in the rivalry between Iran and Saudi Arabia (Terrill, 2011, pg. 55). He continues by identifying that the United States had designated Iran as an "Axis of Evil" and chose to utilize Saudi Arabia to maintain regional stability which further divided the hostile relationship between Saudi Arabia and Iran (Terill, 2011, pg. 27).

According to Wehrey, the fall of Saddam Hussein, completely reshaped the regional balance of power in the Middle East and opened an entirely new playing field for Saudi Arabia and Iran (Wehrey, et.al, 2009, pg. ix). Where the United States had practiced engagement and containment in Iraq, they had created the opportunity for Saudi Arabia and Iran to engage in open competition and rivalry in the Levant and Gulf states (Wehrey, et.al, 2009, pg. xv).

Various authors and scholars equate the Iranian-Saudi rivalry to a new era of Cold war that is sweeping across the Middle East. Talia Grumet at the University of Denver challenges that Saudi Arabia and Iran have engaged in establishing political-ideological wars within the Middle East through what she refers to as "camps" (Grumet, 2015, pgs.
Wehrey argues that Saudi Arabia is fearful and “overreactive” of the implementation of Iran’s possible nuclear program, which would explain the utilization of political ideology being spread to promote either regional power (Wehrey, et.al, 2009, pg. xv). Terrill offers a similar assessment that argues that political ideology has played a key role in establishing the political agenda of both Muslim countries (Terrill, 2011, pg. 1-2). Siddiqa in his assessment of the Cold war between Saudi Arabia and Iran, he claims that the only thing that Saudi Arabia and Iran have in common is their claim to “exceptionalism” (Siddiqa, 2018, pg. 108). Additionally, he argues that Saudi Arabia and Iran have been in strife since the 18th century, but Nixon’s doctrine of the Twin Pillar Policy is what actively began a Cold war between the two states (Siddiqa, 2018, pg. 108). This is where the literature begins to morph political and religious ideology together in their assessments. While this can be inconvenient, it further emphasizes how deeply religion is utilized to establish political agendas in the Middle East.

Both Wehrey and Grumet offers analysis towards religion being a key player in the rivalry between Saudi Arabia and Iran. Grumet outlines that religion offers additional tension between the two states, because it has created strife in who is considered the leader of Islam (Grumet, 2015, pg. ii). While Saudi Arabia is represented by their unique interpretation of Sunni through Wahhabism, Iran’s representation of Shi’ite Islam through Khomeinism establishes that in their ideology they both are the rightful leaders for the Islam community (Grumet, 2015, pg. ii).

Wehrey continues this assessment by saying that Iran’s philosophy rejects any kind of monarchial regime, and they argue that the Al-Saud family has no custodianship of the two Islamic holy sites located within their borders (Wehrey, et. al, 2009, pg. x).
Siddiqa argues that the rise to power of Crown Prince, Mohammad bin Salman, has shifted Saudi Arabia towards totalitarianism, which has created further political disparity between the two states (Siddiqa, 2018, pg. 110). This juxtaposes Iran’s political belief that Islam should incorporate quasi-democratic institutions (Wehrey, et. al, pg. x). Wehrey also argues that the religious war between the two countries is deepened by ethnic fissures and establishes that these two factors create a stage for “chronic hostility” (Wehrey, et. al, 2009, pg.x).

The amount of literature available in discussion of the Iranian-Saudi rivalry utilizes the framework set forth by the Iraq invasion in 2003 alongside the fall of Saddam Hussein. Some have argued that the United States’ utilization of Saudi Arabia as a balancer in the region has furthered the zero-sum game mentality between Saudi Arabia and Iran, while others argue that their rivalry is historically engrained from their religious differences. Each literature presented has justified the motivations of Saudi Arabia and Iran through either a religious superiority or political ideology framework, ultimately through the historical analysis of the Iranian Revolution in 1979 and the Iraq invasion.

In contrast, I will argue that the Iranian-Saudi rivalry does not stem from one argument, but rather it is motivated by the all-encompassing idea of regional hegemony best explained through the international relations theory Classical realism. While others have utilized the Iraq invasion, I would like to change the terrain to view Saudi Arabia and Iran’s interaction in their proxy war in Yemen. Grumet briefly discusses how political “camps” have been spread all across the Middle East to support Saudi Arabia and Iran’s intentions for power, but I would like to further analyze the argument. Saudi Arabia and Iran want regional hegemony in the Middle East, and it simply cannot happen
through mere religious superiority or political ideology, but through every aspect and institution of power.

**Methodology**

Classical Realism is one of the dominant schools in the study of international relations and was established following World War II (Leiter, 2001). In modern society, it is utilized to explain international conflicts through theorizing on the nature of humankind and domestic factors (Lieter, 2001). There are four key principles of Classical Realism.

- The first principle is that state actions and decisions are rooted in human nature. This has been analyzed by Morgenthau and Hobbes (Gibb, 2019). Morgenthau believed that society was governed by objective laws that are rooted in human nature. Thomas Hobbes described human nature as selfish and is derived by human egos (Gibb, 2019).

- The second principle is that the anarchical nature of international politics with no central authority influences the decisions of the states (Gibb, 2019). Machiavelli was the first to establish that the international system is in a constant state of anarchy, and that states should put the national interest above all else (Gibb, 2019). States should use available situations as a means of justifying further power and control.

- The third principle is that there is a struggle for power in an anarchical self-help system (Gibb, 2019). Under this principle, the security dilemma is introduced (Gibb, 2019). Carr argues that the relationship between security...
and power is the most important element in the political system (Gibb, 2019). In order to preserve that power and security states will take efforts to increase their power while trying to balance deterring external threats (Gibb, 2019). Therefore, this principle states that power is the only way to protect the sovereignty of the state, and the idea of another state having more power makes them insecure (Gibb, 2019). This results in a zero-sum game.

- The fourth principle discredits morality in international politics (Gibb, 2019). This means that states are justified in their actions, because morality does not exist in the international system. Machiavelli argued that morality should be only be exercised within domestic politics and should not extend to the international sphere (Gibb, 2019). Carr challenges the concept of moral universalism, as well as the “harmony of interest” (Gibb, 2019). In his argument, Carr stated that “harmony of interests” is utilized by groups to maintain their power so that they can in the dominant position (Gibb, 2019). States cannot have comparable morals because each state views this subject differently.

Under these four principles of Classical Realism, Iran and Saudi Arabia’s motivations can be explained. Iran and Saudi Arabia are both rational actors that exist to serve their best interests. This has been exemplified in their utilization of proxy wars throughout the region with prominent involvement circulating in Bahrain, Iraq, Lebanon, Syria, and Yemen (Sharp, 2019 pg.1).
Hegemony means "exercising a form of domination of control owing to the predominance of the capabilities of a state" (Raouf, 2019). Additionally, it can be defined as when "a singular powerful state controls or dominates the lesser states in the system" (Raouf, 2019). Hegemony results from an uneven distribution of power resources (Raouf, 2019). This stems from economic gain, as well as military gain. However, scholars on the issue stress that hegemonies are not solely built upon material power, but from the consent of the system they operate within (Raouf, 2019).

Under Classical Realism, Thomas Hobbes argues that states will expand to gain more security (Leiter, 2001). This is the case with Iran and Saudi Arabia’s campaign throughout the Middle East, and their particular interest in gaining influence and control of the Bab al-Mandeb strait. It is evident that Iran and Saudi Arabia both function within a Classical Realism framework, and through their analysis the only way to gain absolute security is to obtain power through becoming a regional hegemon (Leiter, 2001).

However, under the theory of zero-sum game, Classical Realism explains that all men want the same thing, but only one man can enjoy it (Leiter, 2001).

In this case, Iran and Saudi Arabia want power and security but cannot obtain it unless they are the sole benefactors. Although, each opponent holds prominent power and influence, neither state will consider themselves safe if their opponent maintains power and influence. Therefore, in order to gain true security and power the opposing force must crush their opponent. Working within the anarchic system, Iran and Saudi Arabia have shifted their avenues towards power through engaging in a proxy war in Yemen (Sharp, 2019). Iran and Saudi Arabia’s actions show that their interests are within their
individual states. Iran and Saudi Arabia operates within an arena where there is no higher authority, which allows them to act in ways they promote their security and power above all else.

**Case Study: Yemen**

*The Significance of Yemen*

In 2011, Yemen’s government collapsed under the Arab Spring uprisings leaving a power vacuum for Iran and Saudi Arabia to exploit. In 2015, Saudi Arabia’s airstrike campaign against Yemen signified the beginning of a proxy war against Iran’s indirect endorsement of the nonstate actor in the northern section of Yemen (Sharp, 2019, pg. 2). Today, Yemen offers little significance to the international community and is internationally recognized as the world's worst humanitarian crisis (Roth, 2020).

According to Freedom House, Yemen ranks eleven out of a hundred countries surveyed, and registers as a failed state with no sovereignty (Freedom House, 2020). Prior to the Civil War, Yemen was the poorest state in the Middle East and North African region and was comparable to the poorest states in sub-Saharan Africa (World Bank, 2020). Although it had unearned hope of becoming an oil-rich country, today Yemen has nothing to offer to the global community.

Momentarily, in 1984, Yemen had hope of entering the global trade community as a lucrative producer in the oil and gas industry when the Hunt Oil Company discovered “commercial” oil reserves in southern Yemen (Miller, 1984). However, a report by the US Central Intelligence Agency later rebuked that claim and proved that the oil reserves in Yemen were heavily overcalculated (CIA Report, 1988). The argument stands that
there are limited oil reserves within Yemen’s borders, however, none that a country could capitalize on disqualifying the exploitation of Yemen based on natural resources.

Saudi Arabia’s justification for warfare in Yemen stems from religious conviction, and fear for their own security along their southern border (BBC News, 2020). In juxtaposition, Iran has made similar religious claims for their support of the Houthi Rebels. I disagree with these claims, and instead believe the focus should be shifted towards the economic gains that the Bab al-Mandeb strait can offer to Iran and Saudi Arabia's oil-reliant economies.

Despite previous claims, Iran and Saudi Arabia are engaged in the Yemeni civil war based on geostrategic and economic gains. Although, religious and political ideology presents a small role in their motivations, Iran and Saudi Arabi's true intentions can be seen in the significance the Bab al-Mandeb strait holds in oil transportation.

**Geostrategic Importance**

The Bab al-Mandeb Strait is in the northern region of Yemen and holds geostrategic value to both Iran and Saudi Arabia (Sharp, 2019). According to US Energy Information Administration, an estimated 6.2 million barrels per day of crude oil travels through the Bab al-Mandeb strait towards Europe, the United States, and Asia (EIA, 2019). This strait connects the Indian Ocean to one of the most geostrategic locations in the world and in order to enter the Red Sea and Suez canals, ships must travel through the Bab al-Mandeb strait (Calabrese, et.al, 2020). To avoid this strait, ships must travel around the southern hemisphere of Africa, which is increasingly expensive and dangerous (Calabrese, et.al, 2020).
The rationale for Saudi Arabia’s military campaign in Yemen circulates around retaining its power in the oil industry (Orkaby, 2019). Saudi Arabia's involvement in the Yemeni conflict is dedicated to the pursuit of oil security. Acting as a rational actor, Saudi Arabia has taken the necessary steps to proclaim its power in the oil production community. Pictured below, is a satellite image of the Bab al-Mandeb Strait from NASA (Bloomberg, 2018). At its narrowest point, the Bab al-Mandeb strait is approximately eighteen miles long, making it one of the most dangerous chokepoints in oil transportation from the Indian Ocean (EIA, 2019). The channel is divided by Perim Island, which increases the difficulty for large tanker ships to pass safely through the chokepoint (Bloomberg, 2018). The proximity of the Bab al-Mandeb Strait to Eritrea and Djibouti, as well as Perim Island have created prime opportunities for piracy and terrorism (Bloomberg, 2018).

Alternate routes are available for countries wishing to bypass the strait altogether, but they have proven to result in additional complications. To exemplify this point, the alternate voyage for a tanker ship to avoid the Bab al-Mandeb strait would subject it to travel around the southern tip of Africa (Bloomberg, 2018). If a tanker ship were to leave the exit of the Persian Gulf and travel around the southern tip of Africa to Houston it would increase its mileage by 2,660 nautical miles (Bloomberg, 2018). That consists of a 28 percent increase. If the same tanker ship traveled to Augusta in Italy, its voyage would be three times as long, amounting to an additional 10,860 nautical miles (Bloomberg, 2018). Instability in the Bab al-Mandeb strait could drastically deteriorate Saudi Arabia's oil shipments and create overarching crippling effects on its economy. The option to divert the Bab al-Mandeb strait or entirely remove it from global trade is not feasible, and the geostrategic power it holds could cause catastrophic effects to Saudi Arabia if it fell into the hands of an enemy instead of an ally. Additionally, if Saudi Arabia gained control of the Bab al-Mandeb strait Iran’s oil transportation out of the Strait of Hormuz would be threatened. In this case, the Bab al-Mandeb strait holds geostrategic gain for both of Iran and Saudi Arabia’s economy, and creates a security dilemma. Furthermore, the Bab al-Mandeb strait presents an availability for economic gain for Iran and Saudi Arabia.

**Economic Importance**

According to the Observatory of Economic Complexity (OEC), Saudi Arabia's main exports are crude petroleum, refined petroleum, and petroleum gas (OEC, 2019). Crude oil accounts for 65 percent of its export, with crude petroleum amounting to 8.3% and petroleum gas amounting to 2.6% (OEC, 2019). This totals to Saudi Arabia’s
The Race to Regional Hegemony

The economy operating from over 75% of oil products. With the vast amount of oil traveling through the Bab al-Mandeb strait, the importance of Saudi Arabia is undeniable. To exemplify this further, in 2018, Houthi Rebels off the coast of Yemen utilized Iranian weapons to target two Saudi tanker ships (Bloomberg, 2018). This resulted in Saudi Arabia closing off their shipments from the area. Although, exact numerical data is not available, Saudi Arabia could only support this endeavor for a limited amount of time due to the economic backlash (Bloomberg, 2018). Although normal operation resumed within the week, the potential to create drastic changes to international shipping patterns was formulated. According to the U.S. Energy Information Administration's report in 2014, closure of the Bab al-Mandeb strait, even temporarily could result in "substantial increases in total energy costs and world energy prices" (Henderson and Vaughan, 2017).

The political environment circulating around the Bab al-Mandeb strait has created a zero-sum game that cannot be easily concluded. Alongside Saudi Arabia’s economic power within the channel, Iran also has significant economic power to obtain. Data from the OEC concludes that Iran’s main export is crude petroleum (OEC, 2019). Crude petroleum accounts for 72% of Iran’s economy, with refined petroleum amounting to 2.6% (OEC, 2019).

Saudi Arabia’s economic interests in Yemen do not consist solely on the control of the Bab al-Mandeb strait but extend further with the addition of future endeavors to construct a pipeline (Orkaby, 2019). Saudi Arabia's long-term goals in its southern border consist of constructing a pipeline through al-Mahra, which rests in Yemen’s easternmost region (Orkaby, 2019). When the civil war broke out in Yemen in 2014, Yemen seized
the opportunity to infiltrate the weakened government to complete the construction of its pipeline (Orkaby, 2019).

However, with Iran's entrance into the internal conflict through their support of the Houthi rebels, Saudi Arabia found themselves fortifying their southern border and unable to progress forward with construction (Orkaby, 2019). The construction of this pipeline was pursued under the intention of building a port in Nishtoon on Yemen’s southern coast (Orkaby, 2019). The Bab al-Mandeb strait is an area of insecurity for both Saudi Arabia and Iran’s economies, because they are both rentier states with oil-reliant economies. Restricting access to the Bab al-Mandeb strait for either Iran or Saudi Arabia would result in their exports being restricted to their western and European consumers, which could prove financially detrimental to both states. This factor has motivated Iran and Saudi Arabia’s rivalry to persist within Yemen and continues to promote their pursuit of regional hegemony by seeking to obtain an economic advantage over each other.

The Rivalry between Iran and Saudi Arabia

Iran and Saudi Arabia are comparable rivals, which has resulted in their competition being exemplified through proxy warfare, most prevalently in Yemen. Iran and Saudi Arabia have utilized the instability in Yemen to further advance their interests in the region.

The Iranian-Saudi rivalry can be explained under the four principles of Classical Realism. Iran and Saudi Arabia are promoted to progress their domestic societies under an anarchic system, and further their interests through objectives laws that result in their state receiving the best outcome. Neither Iran nor Saudi Arabia engage in the international system to promote the progression of another state, but instead remain
focused on the goals of their domestic structures. In the case of Yemen, Iran and Saudi Arabia are motivated to advance their economic interests in the region. The instability in Yemen is a threat towards their domestic oil markets, which resulted in Iran and Saudi Arabia engaging in warfare in the region. Furthermore, their goal is to progress the interests of their own society, which has resulted in what Thomas Hobbes refers to as selfish actions.

Under the second principle of Classical Realism, Iran and Saudi Arabia’s actions in Yemen establishes their acceptance of the international system functioning as anarchic. Following under Machiavelli’s analysis, Iran and Saudi Arabia put their national interest above all else by partaking in actions that will persist their power and control. The Yemeni civil war has presented an arena for Iran and Saudi Arabia to advance their interests. Following the zero-sum game, Saudi Arabia seeks to obtain exclusivity in the Red Sea. Since Saudi Arabia and Iran’s economy is supported by oil production, the opportunity for another actor to obtain power of oil transportation removes security and power from their domestic structure. Both Iran and Saudi Arabia want to retain complete power for their state, which has been exemplified in their race to regional hegemony. However, that cannot be accomplished unless they maintain their economic structures. The instability in Yemen has furthered their interest in control of secure oil transportation.

The third principle of Classical Realism can be explained through the security dilemma. Under the security dilemma, Iran’s participation in the Red Sea through their support of the “Houthi Rebels” in Yemen has threatened Saudi Arabia’s security. Therefore, Saudi Arabia’s airstrike campaign in Yemen in 2015 became an avenue for
Saudi Arabia to justify power and control of Yemen to protect their assets in the Red Sea.
The actions of Iran and Saudi Arabia invalidated the state sovereignty of Yemen, and
further emphasizes the assumption that under an anarchic system state will engage in open conflict.

The fourth principle explains the Iran and Saudi Arabia’s justification for invading a state’s sovereignty and contributing to the worst humanitarian crisis in the world. Under Classical Realism, morality does not extend past the domestic market. Throughout this paper, the religious rivalry between the two has been explored, and can be explained under this principle of Classical Realism. Machiavelli’s analysis revealed that morality should remain in the domestic structure and should not extend into the international system. This is the case in the Iran-Saudi rivalry in Yemen. Inwardly, Iran and Saudi Arabia are motivated by different fundamental interpretations of Islam, but outwardly they function as rational actor that utilize their actions to progress their power and security.

When viewing the Iranian-Saudi rivalry, it is simple to assume the rivalry could be resolved through engaging in direct warfare. However, Iran and Saudi Arabia have adapted to this outcome by engaging in proxy wars. Their goal is to obtain power in the region, and directly attacking the other opponent would result in a resource drain for both countries as well as an opportunity create another power vacuum in the region. The motivations and actions of Iran and Saudi Arabia in Yemen is properly analyzed through Classical Realism and allows a concise way to view the rivalry and its effects on other actors.
Conclusion

Iran and Saudi Arabia have proven to be two of the most influential actors in the Middle East yet remain stagnant in being able to overtake the other in their race towards regional hegemony. The pursuit of power and hegemony has landed Iran and Saudi Arabia in Yemen, where the Bab al-Mandeb strait offers an opportunity to gain control of oil transportation. Through historical analysis and current events, Iran and Saudi Arabia have demonstrated their pursuit of power and motivations to obtain regional hegemony. Iran and Saudi Arabia continue to function under the framework of Classical Realism, and their involvement in Yemen emphasizing their race to regional hegemony.

Future Implications

The religious and ideological division between Iran and Saudi Arabia is not likely to be resolved, but future implications for their control of power in the Middle East can be consolidated. As their rivalry continues to persist throughout the Middle East, scholars have theorized that introducing a new counterweight to their rivalry might present a reduction to Iran and Saudi Arabia's rivalry. By replacing the counterweight that was removed during the invasion of Iraq in 2003, Iran and Saudi Arabia would be restricted in their control and influence and would have to disperse their resources to promote their own security. By presenting a system that did not allow them to consolidate their power to challenge each other, the rivalry's influence in the region would dissuade regional hegemony. A future component that has risen in academic study in Turkey to challenge this rivalry, but the questions still remain on who will empower this state and how it would influence the balance of power in the Middle East (EKSI, 2017).
References


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The Race to Regional Hegemony


