



THE SOUFAN CENTER  
**IntelBrief**

Wednesday, February 14, 2024

## AFTER OCTOBER 7TH, IS SAUDI-ISRAELI NORMALIZATION JUST A MIRAGE?

### Bottom Line Up Front:

- Normalization between Saudi Arabia and Israel faces new challenges after October 7th, but these obstacles are not expected to derail the relationship or significantly impede progress on normalization talks.
- Saudi officials are linking Israeli concessions on the Palestinian issue to a long-sought Saudi-Israel normalization of relations.
- Saudi Arabia has joined U.S. and Arab leaders opposing an Israeli assault on Rafah, which now hosts many Gaza residents who fled fighting from further north in the densely populated territory.
- Saudi Arabia continues to negotiate with Houthi leaders on a settlement in the Yemen war, an outcome that might produce an end to Houthi attacks on shipping in the Red Sea.

**While the October 7 Hamas attack on Israel will not derail the long-running U.S. effort to broker a normalization of relations between Israel and Saudi Arabia, the impact of more than 28,000 Palestinians killed could create the conditions for widespread hatred in the region for a generation to come.** Still, Saudi Arabia is expected to proceed with discussions of a potential normalization deal with Israel. Two Saudi allies in the Persian Gulf, the United Arab Emirates (UAE) and Bahrain, had already taken that step under the [“Abraham Accords”](#) of September 2020. Because of the Kingdom’s major role in the Arab and Islamic world, over the past few years, U.S. officials have prioritized Israel-Saudi normalization as a means of completing Israel’s integration into the region, even as the two countries already have a relationship and work together in a number of areas informally. Saudi leaders, particularly de-facto leader Crown Prince Mohammed bin Salman (MBS), had welcomed a pact with Israel as a means of adding to its coalition working to contain Iranian power and to usher in long-term regional stability that would enable MBS to focus attention and resources on his ambitious Vision 2030 economic diversification program. In the aftermath of the war in Gaza, any normalization agreement might be viewed in the region as Riyadh’s attempt to form a counterweight to Iran and its so-called “axis of resistance.” Far from abandoning their efforts to broker a Saudi-Israel accord – which the Hamas attack might have been at least partly intended to derail – U.S. officials have instead made a potential Saudi-Israel deal central to their efforts to settle the Gaza conflict, move toward a framework that could resolve the Israeli-Palestinian dispute, and de-escalate the regional conflict. Saudi-Israel normalization has constituted a [key agenda item](#) in frequent U.S.-Saudi post-October 7 meetings, including last week’s visit to the Kingdom and other regional states by U.S. Secretary of State Blinken. A top U.S. Middle East envoy, Brett McGurk, has reportedly argued within senior U.S. official circles, apparently with some success, that a solution to the Gaza crisis is inextricably linked to a Saudi-Israel normalization deal.

The crisis-related U.S. and Israeli focus on the Kingdom's stances and actions has provided Saudi leaders with an opportunity to shape a resolution to the Gaza crisis and help plan for the aftermath of the conflict. On the most near-term issue, Saudi Arabia, along with the United States and other Arab states, has warned Israel against proceeding with its plans to press in on the southern city of Rafah, where more than 1.4 million Palestinians sought refuge. The Saudi foreign ministry issued a February 10 statement saying: "This continued violation of international law and international humanitarian law confirms the need for an urgent convening of the UN Security Council to prevent Israel from causing an imminent humanitarian disaster for which everyone who supports the aggression is responsible." Riyadh's rhetoric might have been intended to message [Israeli Prime Minister Benjamin Netanyahu](#) that Saudi-Israeli normalization will be politically more difficult for MBS if Israel proceeds with an all-out assault into Rafah.

More broadly, MBS has also sought to place the Kingdom at the center of Arab efforts to end the Gaza war and develop a roadmap for resolving the Israeli-Palestinian dispute. But any deal with guarantees of a comprehensive solution resulting in Palestinian statehood would make the normalization deal little more than a mirage of stability. Just a "path" toward a state means very little, given the history of the Israeli-Palestinian conflict. The foreign ministers of Egypt, Jordan, Qatar, and the UAE, as well as a senior aide to [President Mahmoud Abbas](#) of the Palestinian Authority, met in Riyadh last week with Saudi counterpart Prince Faisal Bin Farhan. Included on the meeting agenda was a call for an "immediate and full cease-fire" in Gaza, according to a Saudi communique, and the removal of all obstacles to the entry of humanitarian aid into the enclave. A senior Arab diplomat characterized the meeting as an attempt to forge a unified Arab position supporting a permanent cease-fire and relief for Palestinian civilians, followed by an agreement on a framework for eventual [Palestinian statehood](#) according to the June 1967 borders. In related statements, the Kingdom made clear that "irrevocable steps had to be taken to implement a two-state solution and recognize the state of Palestine," and the Saudis reiterated their call for permanent members of the UN Security Council that have not recognized a Palestinian state on the 1967 borders with East Jerusalem as its capital to do so. Saudi and other Arab diplomats made clear that U.S. and Israeli agreement to support a future Palestinian state – which Netanyahu and his political allies have thus far firmly opposed – would constitute a precondition for Arab involvement in any future security arrangements and rebuilding plans for Gaza. U.S. officials have been concerned about enlisting the wealthy Arab Gulf states, particularly Saudi Arabia and the UAE, to fund Gaza reconstruction, in part out of concern that U.S. taxpayers will balk at another large U.S. reconstruction obligation for the Middle East.

The Saudi statements seem to represent a hardening of the Kingdom's demands of the United States and Israel for a normalization pact. The Saudi position presumably reflects widespread public opinion within the Kingdom that considers Israel's offensive in Gaza as disproportionate "collective punishment" that needs to be halted, even if doing so leaves Hamas with some authority in Gaza. In essence, the Kingdom has returned to the strict terms of the 2002 Arab Peace Initiative advanced by the Kingdom and endorsed at an Arab League summit in Beirut that year, and endorsed again at subsequent summits in 2007 and 2017. Prior to the October 7 Hamas attack, in negotiations with U.S. officials on Israel-Saudi normalization, Saudi leaders had downplayed demands related to the Palestinian cause, insisting only on "progress" toward a resolution of the Israeli-Palestinian dispute. MBS, in particular, linked agreement to a normalization deal primarily to a binding defense pact with the United States, what many believe is his overarching concern, as he views it critical to consolidating his own grip on power. U.S. officials have told journalists that, prior to October 7, Washington and Riyadh had largely agreed on the outlines of a defense treaty, but it remains unclear whether a [U.S.-Saudi defense agreement](#) will rise to the level of a formal treaty that would require U.S. Senate ratification. If so, U.S. binding commitments to the Kingdom are likely to face stiff opposition, particularly from those U.S. Senators who insist on holding MBS accountable for the 2018 killing in Istanbul of Saudi dissident journalist [Jamal Khashoggi](#).

The Kingdom might also hold the key to de-escalating the regional conflict that has resulted from the October 7 attack. Iran has authorized its regional allies in Lebanon, Yemen, Iraq, and Syria to attack U.S.

and Israeli forces, as well as commercial shipping in the Red Sea, in an effort to force an end to Israel's offensive in Gaza. The [Houthi movement in Yemen \(Ansarallah\)](#) has answered the call by turning the Iran-supplied missiles and armed drones that the group had been using against the Kingdom, which intervened militarily against the Houthis in 2015, toward a new target – commercial ships in the Red Sea and the Gulf of Aden. The Houthi actions have prompted a U.S. strike campaign to degrade the Houthis' Iran-supplied arsenal, aligning the United States squarely with the Kingdom's view of the Houthis as an Iran-linked force for regional instability. Yet, the U.S., as well as Saudi diplomats, have remained engaged in Yemen peace talks, perhaps hoping that a solution to the Yemen war would prompt the Houthis to end their campaign against international shipping in the Red Sea. The Kingdom calculates that remaining [diplomatically engaged](#) with the Houthis will ensure they do not resume missile and drone attacks on Saudi targets, expanding the Mideast crisis further and distracting MBS from his ambitious economic diversification strategy. At the same time, there is a significant possibility the Houthis will lash out in multiple directions, at a variety of Arab state actors, or perhaps in a new ground offensive, as the U.S. air campaign against the movement continues. Despite the Kingdom's restraint, the Houthi fervor provides significant potential for further expansion of the October 7- related regional conflict.

---