



SAUDI KING SALMAN'S VISIT TO THE U.S.: 5 ESSENTIAL QUESTIONS

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OVERVIEW OF THE KING'S VISIT

King Salman bin Abdulaziz Al Saud of Saudi Arabia will meet with President Obama at the White House on September 4th in his first visit to the U.S. since acceding to the throne.

The King's visit will be a largely private affair, with his trip to the White House reportedly the only scheduled event on his calendar. The real action will happen after the King's visit, when his large delegation of senior officials fan across the city to meet with U.S. policymakers, business executives, and the media. Deputy Crown Prince Mohammad bin Salman, the King's son and lead adviser on both defense and the economy, is expected to join the delegation and to stay largely at his father's side.

1. WHY IS KING SALMAN COMING TO THE U.S.?

It is no secret that there have been major differences between the U.S. and Saudi Arabia over the past few years. Disagreements over how to handle former Egyptian President Hosni Mubarak, embattled Syrian President Bashar al-Assad, and the broader threat of Iran point to real, fundamental differences that go beyond just the nuclear issue. King Salman's decision not to attend the U.S.-Arab summit at Camp David in May was a rare public reflection of these tensions. Salman's visit will be important as a means to reset U.S.-Saudi relations at a time of real turbulence in the region.

2. WHAT WILL KING SALMAN AND PRESIDENT OBAMA DISCUSS?

Talk of Iran will unsurprisingly dominate the King's visit to Washington. The Saudis have come out in cautious support of the deal in recent weeks, but by all accounts, they remain concerned about the implications for Iran's regional behaviour. During their time in Washington, therefore, the King and his advisors will likely focus their attention on obtaining U.S. assurances to help counter Iran's influence in the region. The King's conversation will likely focus on three broad issues: the

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3. WHAT ABOUT IRAN?

Ultimately, the trip will have two storylines for the Saudis. The first will be a story of near-term trade-offs: what will Riyadh receive in return for its cautious support of the Iran deal? The second will be a story of the future: how much can the Saudis rely on the U.S. as a partner over the long-term? Will the U.S. become more active in Yemen, put more pressure on Bashar al-Assad in Syria, and right its relationship with Egypt? Does the U.S. still see Saudi Arabia as critical to the stability of energy markets?

The White House, for its part, hopes to secure the King's public support for the Iran deal and then use that endorsement to help convince Congress not to block the implementation of the agreement. The Saudis may be reticent to inject themselves into the debate, but how the King communicates his stance in public, if he does, will help determine how the deal is perceived by the rest of the region. Longer-term, the Administration seeks to align Saudi and U.S. priorities so that the two countries are working to counter real threats from Iran and elsewhere, without exacerbating the regional Sunni-Shia conflict.

4. IS THERE TURMOIL AHEAD FOR THE HOUSE OF SAUD?

King Salman is 79 years old, with a variety of health issues, so how long he reigns and what follows is very important for foreign governments and firms. The King's decision to remove former Crown Prince Muqrin, and to install his son Mohammad bin Salman as Deputy Crown Prince, has injected new uncertainty about succession in a Kingdom that has been known for its stable transitions. The composition of the delegation will provide a rare glimpse into the family's politics. How is the King's health? Who accompanies him to the meeting with the President? Which Saudi officials will meet with other senior U.S. officials during the trip? The answers will help clarify the power structure in the Kingdom.

5. WILL THE KING'S VISIT LEAD TO NEW OPPORTUNITIES FOR U.S. BUSINESSES?

The Saudis are working hard to raise the attractiveness of their economy to U.S. investors. The government has loosened rules governing foreign investment, has opened up its stock market, and has made a big push to attract foreign firms to compete in the Kingdom's transportation, health and pharmaceuticals, education, and life sciences sectors. The Saudi Arabian General Investment Authority (SAGIA) – the agency in charge of approving and monitoring foreign investment – is expected to join the King's delegation in Washington and host an investor conference to highlight opportunities for U.S. investors and businesses. The Health Minister and other senior officials may attend. The U.S. Chamber of Commerce and the U.S.-Saudi Business Council will be hosting investment focused events in honor of the Saudi delegation on September 3 and 4 respectively.

Energy and the environment are two other areas that may receive particular attention during the King's visit. The Saudis are not expected to budge from their current production position, despite the pressure it has put on American producers and Saudi Arabia's own economy. Instead, the two leaders will likely reiterate their commitment to ensuring global oil supplies and explore opportunities to strengthen cooperation on climate change. Here, talk will turn to carbon capture and energy efficiency technology, two areas which offer real opportunities for foreign firms. Talk of civilian nuclear cooperation will likely take a back seat until the dust settles around the Iran deal.