

THE SAUDIS HAVE BEEN BUSY

The Saudis appear to be moving three chess pieces at once. I won't pretend to know what the moves mean. But I'd suggest that the coincidence of the three moves might suggest they're taking an upper hand in the US policy-making in the Middle East.

Nawaz Sharif

First data point: after preventing former Pakistani Prime Minister Nawaz Sharif from returning to Pakistan several weeks ago, the Saudis now appear to be forcing his return on Pervez Musharraf.

Mr. Sharif met Saudi King Abdullah in Riyadh yesterday evening, to clear his passage. Previously, Saudi Arabia had been complicit in keeping Mr. Sharif forcibly in the country under an agreement with Gen. Musharraf, who had told the kingdom's royal family that it was needed to ensure stability in Pakistan.

However, Saudi Arabia was angered when Gen. Musharraf allowed another opposition leader, Benazir Bhutto, back to Pakistan. The Saudis have always been sympathetic to Mr. Sharif's pro-religion politics, whereas Ms. Bhutto represents the forces of secularism.

When Mr. Sharif landed in Pakistan in September this year, he was quickly bundled off to Saudi Arabia by the Musharraf regime. This time, it seems unlikely that Mr. Sharif will be sent packing, as the Saudis are no longer willing to keep him. While Ms. Bhutto has engaged in sporadic power-sharing talks with Gen. Musharraf, Mr. Sharif has doggedly refused to negotiate with the general.

Musharraf made an unexpected trip to Saudi Arabia on Tuesday, at which he discussed Sharif's return. And Sharif apparently met with the chief of the ISI.

Musharraf had made a brief visit to Saudi Arabia on November 20 where he met the King and apparently discussed the issue of Sharif's return.

Though the military ruler's spokesman said there was no contact between Musharraf and Sharif, it is believed that Sharif met Lt Gen Nadeem Taj, chief of the Inter-Services Intelligence agency, who accompanied Musharraf to Riyadh.

So we've got a religious conservative returning to Pakistan in time to contest the election for President—with Saudi support and the potential involvement of the ISI.

Saudis to Attend Annapolis Peace Conference

And then, on the very same day that Sharif was finalizing his plans for return to Pakistan with King Abdullah, the Saudis announced they would attend the Middle East peace conference to be held in Annapolis starting Tuesday.

The US-brokered Annapolis peace conference was given a significant boost yesterday when heavyweight Saudi Arabia decided to send its foreign minister to the launch of the first peace talks between Israelis and Palestinians in seven years. Syria, Israel's most implacable Arab enemy, signalled that it was now also likely to attend.

Prince Saud al-Faisal said he would be taking part in next Tuesday's Maryland summit as part of an Arab "consensus" of support for the Palestinians—despite near-universal gloom about the prospects of agreement on the toughest issues.

The decision had as much to do with Arab consensus as it has to do with any events in Pakistan. For whatever reason, it appears the Arab states may believe the Saudi proposal—normalization in return for the pre-67 borders—may be on the table. It even appears possible that Syria will win recognition of its right to the Golan Heights, pretty remarkable given Israel's apparently successful recent strike in Syria.

Of significance, Bush will personally participate in the Annapolis conference, which might be read as a signal for his support of Condi's attempts at peace-making over Cheney's attempts to foment war. And it surely will give whatever discussions occur real emphasis.

"Dollar Diplomacy"

And then there's this data point from last weekend, when the Saudis let it be heard that OPEC would not make a public declaration about moving away from the dollar—because that would tank the dollar and with it the Saudi royal bank accounts. But—as was missed by most commentary on this "goof"—Saudi Foreign Minister Saud al-Faisal did not reject moving away from the dollar, he simply rejected speaking about it publicly. In fact, he clearly suggested the Finance Ministers of OPEC countries should discuss the issue. If you're skeptical, like me, that the release of this recorded conversation was a "goof" in the first place, then it might suggest that al-Faisal wanted the US to know the oil states would be discussing ditching the dollar. Which is tantamount to discussing ending the US consumer economy.

It might be worth mentioning that, since that "goof" the Euro has been dancing near the 1.50 dollar exchange rate, and oil has been dancing near the 100 dollar a barrel price point.

What It Means

Again, I don't pretend to know what this all means. But it sure seems like Saudi Arabia is in

a strong negotiating position, seeing as how they have our economy by the balls. And it sure seems like some pro-Arab issues may be on the table in Annapolis that Bush has refused to consider for the last six years. How that connects to Pakistan? It may not, but then again, Sharif is the guy who tested Pakistan's nukes, and he was at least originally elected as a religious conservative, a stance sure to please the Saudis.

Update: From Gershon Shafir at Juan Cole's Global Affairs blog:

Finally, the significance of Olmert's promises [to deliver on almost all the demands of the 2002 peace proposal] is that they will allow Saudi Arabia to attend the Annapolis conference. In fact, for the Israelis this might be the real lure of the conference. But it is probably equally important for the Saudis themselves to sit down with the Israelis. The Saudis, after the inconclusive Israel-Hizbullah war of last summer and the Iranian nuclear sabre rattling, are intent on pulling together the Sunnis of the Middle East. For the purposes of an anti-Iranian and an anti-Iranian-supported-Shi'a coalition, the Israelis seem to qualify as honorary Sunnis.

Have recent events allowed the Saudis to put the final pieces in place for their Sunni-Israeli block of power, intended to combat rising Iranian strength?

Update: Mary points to these two posts by Lotus, which are both worth reading, particularly some of the excerpts from the Dawn article on Sharif's return.

The Pakistani paper *Dawn* leaves no room for doubt: Sharif met with King Abdullah for a couple of hours Saturday and was also invited to what many termed

here a farewell dinner by the Saudi king.

According to the sources, Nawaz Sharif himself had sought the meeting so as to find out details of the discussions earlier during the week between President Gen Pervez Musharraf and the Saudi leadership.

Riyadh has been abuzz with rumours that an "understanding" was likely between Gen Musharraf and Nawaz Sharif after the president's visit to the Saudi capital. Such speculations got credence after Prince Muqrin, the Saudi intelligence chief, and Foreign Minister Saud al-Faisal called on President Musharraf during his stay in Riyadh.

The foreign minister has been meeting the former prime minister frequently since his arrival in Saudi Arabia on Sept 10.

Furthermore, the ISI chief, who accompanied the president to Saudi Arabia, stayed back in Riyadh after Gen Musharraf's entourage moved to Jeddah. Gen Nadeem Taj's prolonged stay in the Saudi capital fuelled speculations that an understanding between the two leaders was on the cards.

Sources said the ISI chief was again in Riyadh when Nawaz Sharif flew into the city on Friday.

Musharraf was supposed to give up his uniform.
Didn't go so well, that giving up of the
uniform, apparently.

I