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Bahrain: Issues for U.S. Policy

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Summary

The Kingdom of Bahrain is an island nation, wedged between the coasts of Saudi Arabia (15.5 miles away) and Iran (124 miles away). Though small geographically, Bahrain has outsized importance for U.S. policy in the Persian Gulf, and U.S.-Bahrain ties have deepened over the past four decades as the Gulf region has faced increasing threats from Iran. Bahrain has hosted a U.S. naval command headquarters for the Gulf region since 1948, and the United States and Bahrain have had a formal Defense Cooperation Agreement (DCA) since 1991.

Bahrain is ruled by a hereditary monarchy and is a member of the Gulf Cooperation Council (GCC: Saudi Arabia, Kuwait, United Arab Emirates, Bahrain, Qatar, and Oman); its politics have been restive, though the monarchy's control has not been threatened. With a population of 1.5 million people, a little over half of whom are Bahraini citizens, Bahrain has a history of sectarian tensions between Sunni and Shia Muslims. Bahrain is the only GCC state to have a Shia majority population, and Bahrain's politics have been unsettled since a 2011 uprising by a mostly Shia opposition to the Sunni-minority-led government of Bahrain's Al Khalifa ruling family. The stated goals of the opposition for a constitutional monarchy have not been realized, but since 2014, the unrest has been relatively low-level. Several senior opposition leaders remain imprisoned.

Bahrain closely aligns with de facto GCC leader Saudi Arabia, which provides Bahrain with substantial financial support and which intervened in 2011 to help Bahrain's government repress protests. Bahrain, like several other GCC states, has been building ties to Israel and, in September 2020, Bahrain signed agreements at the White House to fully normalize its relations with Israel as part of the "Abraham Accords." In February 2022, two weeks after Bahrain and Israel signed a security cooperation agreement, Israel's then Prime Minister Naftali Bennett became the first Israeli leader to visit Bahrain.

Bahrain has fewer financial resources than most of the other GCC states. Bahrain's oil revenues emanate primarily from a Saudi oil field whose proceeds go partly to Bahrain. In 2004, the United States and Bahrain signed a free trade agreement (FTA); legislation implementing it was signed January 11, 2006 (P.L. 109-169). In 2005, bilateral trade was about \$780 million, and U.S.-Bahrain trade has since increased fourfold. In 2022, the total volume of bilateral trade stood at \$2.8 billion.

Naval Support Activity (NSA) Bahrain, the U.S. Navy base in Manama, Bahrain, is the headquarters of the U.S. Navy's Fifth fleet, which oversees all Navy operations in the U.S. Central Command (CENTCOM) area of responsibility (AOR). As of 2022, there were over 9,000 U.S. military personnel and civilian employees assigned to NSA Bahrain. In FY2022, the U.S. Department of Defense estimates that it spent \$485 million on personnel, operations, maintenance, military construction, and family housing costs for U.S. personnel stationed in Bahrain.

Some Members of Congress frequently travel to Bahrain to visit U.S. armed services personnel and provide oversight over the U.S. bilateral relationship and defense presence in the kingdom. During the 117th Congress, House and Senate lawmakers introduced the Bahrain Security Cooperation Improvement Act, which would have required the U.S. Department of Defense (DOD) to, among other things, assess DOD efforts to increase the number of U.S.-Bahraini official exchanges in order to improve interoperability between Bahrain's forces and the Fifth Fleet.

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Overview

As the smallest, least oil-endowed member of the Gulf Cooperation Council (GCC), the island Kingdom of Bahrain has established close partnerships with its larger Gulf neighbors, most notably Saudi Arabia, as well as Western powers, such as the United States and United Kingdom. U.S.-Bahraini ties are long-standing and have deepened over the past five decades as the Arab Gulf states have faced threats from Iran. Bahrain is the only GCC state to have a Shia majority population, and Bahrain's Shias have long asserted they are discriminated against by the Sunni Al Khalifa-led government and accused by Sunnis of loyalty to Iran. Bahrain has hosted a U.S. naval command headquarters for the Gulf region since 1948, and there are several thousand U.S. military forces serving at the naval facility.

Historical Background

The Al Khalifa family, a branch of the Sunni Muslim Bani Utbah tribe, has ruled Bahrain since 1783, when it left the Arabian peninsula and captured a Persian garrison controlling the main island of Bahrain (the Persian Safavid dynasty had an intermittent presence in Bahrain from 1602-1782). During the 19th century, Bahrain's Al Khalifa rulers signed various treaties with the United Kingdom, which was then the dominant foreign naval power in the Gulf. In the late 19th century, the British Empire entered into additional treaties with Bahrain, making the island kingdom a British protectorate. For over a century, the British exercised control over Bahrain's foreign and defense policies in exchange for recognizing the Al Khalifa dynasty as the rulers of the kingdom.

Prior to the discovery of oil, Bahrain's economy centered on trade and pearl diving. Oil exploration began in the 1920s and production followed a decade later. In the 1930s, Iran unsuccessfully sought to deny Bahrain the right to grant oil concessions to the United States and Britain.

By 1968, as Britain reduced its military presence in the Gulf, Bahrain and the other smaller Persian Gulf emirates (principalities) sought a permanent status. At the time, Iran also claimed sovereignty over Bahrain and refused at first to recognize its independence.¹ A 1970 U.N. survey ("referendum") determined that Bahrain's inhabitants wanted independence, a finding that was endorsed by U.N. Security Council Resolution 278 and recognized by Iran's then-parliament. Bahrain negotiated with eight other Persian Gulf emirates during 1970-1971 on federating with them, but Bahrain and Qatar each became independent (Bahrain on August 15, 1971), and the other seven emirates federated into the United Arab Emirates (UAE).

In fifty years as an independent nation, Bahrain has become a high income country as defined by the World Bank. The kingdom's rulers have used the nation's limited oil wealth, with aid from its larger GCC neighbors, to construct a financial services and tourism-centered economy in which Bahraini per capita income is equivalent to some Western European nations, such as Spain, Portugal, and the Czech Republic. Nevertheless, structural inequalities and sectarian tensions persist, as many Shia citizens contend that the state suppresses Shia political identity and denies Shia citizens access to high positions of governmental authority. A 2011 uprising by a mostly Shia opposition against the Sunni monarchy is the most recent episode of unrest in the kingdom; since then, the government has suppressed organized opposition political activities.

¹ Ahisha Ghafoor and Paul Mitchell, "Secret deals ending Britain's control in Gulf revealed," *BBC*, August 30, 2022.

Domestic Politics

The Al Khalifa Dynasty

King Hamad bin Isa Al Khalifa (73 years old) is the 14th ruling Al Khalifa monarch and the second ruler since the island kingdom's independence in 1971 (until 2002 Bahrain's heads of state were first referred to as "Hakims" then "Emirs"). Educated at Sandhurst Military Academy in Britain, King Hamad (see **Figure 1**) was previously commander of the Bahraini Defense Forces (BDF) and has ruled Bahrain since 1999. The constitution gives the king broad powers, including appointing all ministers and judges and amending the constitution. Nevertheless, during his first two decades of rule, King Hamad's late uncle, the longtime Prime Minister Sheikh Khalifa bin Salman Al Khalifa, exercised widespread executive authority over the government, particularly its internal security services. According to one account, though King Hamad had early in his reign attempted to liberalize Bahrain's political system, "Khalifa frustrated that process."² At the time of his death in November 2020, Khalifa bin Salman had been the longest serving prime minister in the world.

Since his uncle's death, King Hamad has appeared to focus on consolidating power amongst his direct descendants, accelerating Bahrain's economic diversification, and incorporating younger Bahrainis into the political system.³ His eldest son, 53-year-old Crown Prince Salman bin Hamad Al Khalifa,⁴ is the prime minister and the de facto face of the country's attempt to modernize its institutions. In 2022, King Hamad reshuffled the cabinet, which the Crown Prince expressed hope would "bring in new ideas and a renewed drive to continue advancing the public sector."⁵ Another of the king's sons, 36-year-old Sheikh Nasser bin Hamad Al Khalifa, serves as national security advisor (appointed in October 2019) and royal guard commander. Sheikh Nasser also holds the title of major general and routinely meets with U.S. and other foreign defense officials. According to one account, Sheikh Nasser's role is growing increasingly prominent, as he and the crown prince vie for power amongst the next generation of Al Khalifa royals.⁶ *The Economist* notes that Sheikh Nasser is "reportedly the king's favourite [sic] son."⁷

Figure 1. King Hamad bin Isa Al Khalifa



Source: Government of Bahrain

² "Sheikh Khalifa bin Salman Al Khalifa," *The Times* (UK), December 16, 2020.

³ Kristin Smith Diwan, "Death of Bahrain's Prime Minister Promotes Reformer, But Perhaps Not Reforms," *The Arab Gulf States Institute* in Washington, November 18, 2020.

⁴ According to Bahrain's constitution, royal succession is determined by agnatic primogeniture amongst the male descendants of King Hamad bin Isa Al Khalifa. The constitution does grant the king the power to appoint any of his other sons as his successor.

⁵ "Bahrain's king orders cabinet reshuffle, names new oil minister -state media," *Reuters*, June 13, 2022.

⁶ Simon Henderson, "Bennett's Bahrain Visit Further Invigorates Israel-Gulf Diplomacy," *The Washington Institute for Near East Policy*, February 14, 2022.

⁷ "Sunnis and Shias in Bahrain remain as far apart as ever," *The Economist*, January 22, 2022.

Political Currents in Bahrain

Within the GCC, Bahrain's political life is unique and has been influenced by Sunni-Shia sectarian tensions, labor unrest, and its geography. Though Bahrain's constitution identifies the nation as an "Islamic Arab State," over time, Bahrain has been influenced by the presence of different ethnicities (Arab, Persian, South Asian, Western) and religions (Islam, Christianity, Judaism, Hinduism), creating a less religiously conservative culture than exists in neighboring Saudi Arabia and Qatar. For example, alcohol is legal in Bahrain. Saudi tourists frequently visit using the 15.5 mile King Fahd causeway that connects Bahrain to the Arabian Peninsula.

Existing alongside its reputation for openness is a long history of Sunni-Shia sectarian tension.⁸ Though at times, Sunnis and Shias have protested together, particularly during periods of labor unrest in the oil industry in the mid-20th century. The 1979 Iranian revolution ushered in a period of Shia political activism and concomitant Sunni suspicion.⁹ According to one account, "Since the Islamic revolution of 1979 that convulsed Iran and threatened the thrones of Sunni Arab monarchs across the Gulf, Bahrain has been on the fault line of the Sunni-Shia division."¹⁰ Today, though many Bahraini Shia have risen to positions of power in the public and private sectors, Bahraini human rights organizations still report that the community is subjected to state-sponsored discrimination. According to the latest U.S. Department of State report on religious freedom, "According to Shia leaders and community activists, the government continued to discriminate against Shia citizens and to give Sunni citizens preferential treatment for scholarships and positions in the MOI [Ministry of Interior] and military."¹¹

Foreign influence, particularly from neighboring Saudi Arabia, is a major factor in maintaining the political status quo in Bahrain. The island kingdom is dependent on the financial largesse of its Saudi neighbor, as Saudi Arabia seeks to keep Bahrain in its orbit, lest the Shia of Bahrain influence Saudi Arabia's own Shia population in its oil-rich Eastern Province. Some critics also assert that the U.S. naval presence in Bahrain legitimizes and bolsters Bahrain's unequal political structure.¹²

The National Assembly

Bahrain's legislative branch of government consists of a bicameral National Assembly: the directly elected, 40-seat Council of Representatives (COR or *Majlis al Nuwab* in Arabic) and the royal-appointed, 40-seat Consultative Council (*Majlis al Shura* in Arabic). Enactment of any legislation requires concurrence by the king, but a veto can be overridden by a two-thirds majority vote of both chambers. In implementation of an agreement with the Shia opposition in 2012, King Hamad amended the constitution to designate the COR as the presiding chamber and give it the power to remove individual ministers by two-thirds majority. Still, the *Shura* Council's concurrence is needed to enact legislation, and King Hamad has tended to appoint only government supporters, including former high-ranking government officials, to that body. King Hamad also has typically appointed to the *Shura* Council several women and members of minority communities (Jewish and Christian) that have difficulty winning seats in the COR.

In the aftermath of Bahrain's 2011 uprising, the government has banned political parties and dissolved various political societies that were legally able to operate before 2011. In 2016, Bahraini courts approved government requests to dissolve Al Wifaq (Accord National Islamic

⁸ According to an older, but still relevant study from 1955, Bahrain's Shia population are "the oldest group among the present inhabitants of the shaykhdom and have been subjected through the centuries to successive conquests, so that although at present they equal or exceed the Sunnis in number - as the 1941 census indicates- they constitute the poorer and lower classes of society and manifest all the markings of a minority group." See, Fahim I. Qubain, "Social Classes and Tensions in Bahrain," *Middle East Journal*, Vol. 9, No. 3, Summer, 1955, pp. 269-280.

⁹ Louay Bahry, "The opposition in Bahrain: a bellwether for the Gulf?" *Middle East Policy*, Vol. 5, Issue 2, May 1997.

¹⁰ "Can Bahrain's division between Sunnis and Shias be healed?" *The Economist*, November 24, 2022.

¹¹ U.S. Department of State, 2021 Report on International Religious Freedom: Bahrain, June 2, 2022.

¹² Thérèse Postel, "Here's One Way to Stop the Brutal Repression in Bahrain," *The Atlantic*, March 13, 2013.

Society, alt. sp. *Wefaq*), the most prominent Shia political society. Its officials had engaged with the government in and outside of formal “national dialogues” after the 2011 uprising.

During the November 2022 COR elections, which some Shia groups had called on citizens to boycott, 73% of registered voters elected 40 members to the COR, of whom eight were women. One report suggests that since the pool of eligible voters in 2022 was actually smaller than in previous years (despite a population increase) that significant numbers of Bahraini citizens have been deemed ineligible to vote.¹³ With banned opposition parties unable to field candidates, most candidates were independents. According to one analysis, “Official figures claim a record turnout of 73%. However, a broad lack of enthusiasm about the candidates, few of which obtained the requisite 50% vote share in their constituencies in the first round, reflects broad disillusionment with the chamber’s limited powers and the repressive political climate.”¹⁴

Human Rights

U.S. and global criticism of Bahrain’s human rights practices focuses on the government response to political opposition, including lack of accountability of security forces, suppression of free expression, and treatment of prisoners. According to the latest U.S. Department of State Country Report on Human Rights Practices, significant human rights issues include, among other things: credible reports of inhuman or degrading treatment or punishment by the government; political prisoners; arbitrary or unlawful interference with privacy; serious restrictions on freedom of expression and media, including censorship and enforcement or threat to enforce criminal libel laws; serious restrictions on internet freedom; and interference with the freedom of peaceful assembly and freedom of association.¹⁵

Table I. Democracy, Human Rights, and Development Indicators

Issue	Index	Ranking
Democracy	Freedom House, Freedom in the World 2022	“Not Free”
Press Freedom	Reporters Without Borders, World Press Freedom Index 2022	167/180 Countries
Corruption	Transparency International, Corruption Perceptions Index 2022	69/180 Countries
Human Development	United Nations Human Development Programme, Human Development Index 2021/2022	35/191 Countries

Source: Freedom House, Reporters Without Borders, Transparency International, and United Nations Human Development Programme.

In a joint statement accompanying the 2022 U.S.-Bahrain Strategic Dialogue, the U.S. and Bahraini governments recounted how both governments “engaged in constructive dialogue on how best to advance human rights.”¹⁶ The statement also noted that the United States “welcomed the Kingdom of Bahrain’s expanded application of the alternative sentencing program. It also recognized continued progress by the Kingdom of Bahrain on labor reforms and its admirable record as a regional leader in combating human trafficking...”¹⁷

¹³ Dominic Dudley, “The Curious Case of Bahrain’s Disappearing Voters,” *Forbes*, November 19, 2022.

¹⁴ Economist Intelligence Unit, Bahrain Country Report, Updated February 8, 2023.

¹⁵ U.S. Department of State, 2022 Country Reports on Human Rights Practices: Bahrain.

¹⁶ U.S. Department of State, Joint Statement of the Second U.S.-Bahrain Strategic Dialogue, March 7, 2022.

¹⁷ Ibid.

Congressional Action in Support of Human Rights in Bahrain

In 2011, the “Arab Spring” spread to Bahrain resulting in mass demonstrations led by mostly Shia opponents of the Sunni-minority-led government. In response, the Bahraini government’s use of force, with assistance from Saudi Arabia and other GCC states to quell the protest movement, led some Members of Congress to question U.S.-Bahraini security ties.¹⁸ In 2011, the Bahrain Independent Commission of Inquiry (BICI) issued a report that contained 26 recommendations to hold accountable those government personnel responsible for abuses during the 2011 uprising.¹⁹ Since 2011, the Tom Lantos Human Rights Commission, has held several hearings and public briefings on Bahrain’s human rights practices, particularly its treatment of the Shia opposition.²⁰ In the 112th Congress, two joint resolutions (S.J.Res. 28 and H.J.Res. 80) would have withheld the sale of 44 “Humvee” (M115A1B2) armored vehicles and several hundred TOW missiles of various models pending Obama Administration certification that Bahrain had improved its human rights practices. In January 2012, the Obama Administration put the sale on hold, but in June 2015, the State Department announced that the sale would proceed because the government had “made some meaningful progress” in its human rights practices.”²¹ In 2017, the Trump Administration agreed to sell Bahrain 221 TOW missiles of various types, with an estimated valued of \$27 million. Also in the 112th and 114th Congresses, some Members introduced legislation titled the Bahrain Independent Commission of Inquiry (BICI) Accountability Act, which would have prohibited U.S. sales to Bahrain of tear gas, small arms, Humvees, and crowd control items until the State Department certified that Bahrain had fully implemented all 2011 BICI recommendations. Congress did not consider successive versions of the bill.

Women’s Rights

Though Bahraini leaders have sought to promote the role of women in government and society, Bahrain scores low on international rankings of overall gender equality. The World Economic Forum’s 2022 Global Gender Gap report ranks Bahrain 131 out of 146 countries overall, though Bahrain scored higher on women’s educational attainment.²² The cabinet regularly has several female ministers (currently four), and, after the 2018 election, the COR elected its first woman speaker. International organizations have noted that Bahraini women are becoming better represented in the private sector. According to the World Bank Women, Business and the Law 2022 Index, Bahrain’s score improved due to legal reforms that mandated “equal remuneration for work of equal value.”²³

Still, traditional customs and some laws tend to limit women’s rights in practice. Women can drive, own and inherit property, and initiate divorce cases. However, the children of Bahraini men who are married to foreigners automatically are granted citizenship; Bahraini women married to non-nationals must petition the state to confer citizenship to their children. There are several women’s advocacy organizations in Bahrain, including the Supreme Council for Women, backed by the wife of the king.

Religious Freedom

The State Department’s 2021 Report on International Religious Freedom notes that Shia activists, nongovernmental organizations, and the political opposition continue to report Bahraini

¹⁸ Josh Rogin, “Congress Gears Up to Fight Arms Sales to Bahrain,” *Foreign Policy*, October 5, 2011.

¹⁹ For more information, see <https://www.bici.org.bh/>.

²⁰ For example, see <https://humanrightscmission.house.gov/events/hearings/bahrain-2022-elections>.

²¹ Statement by State Department spokesperson John Kirby, “Lifting Holds on Security Assistance to the Government of Bahrain,” June 29, 2015.

²² World Economic Forum, Global Gender Gap Report 2022, July 2022.

²³ The World Bank, Women, Business and the Law 2022.

government targeting of Shia religious leaders, anti-Shia commentary on social media, and continued discrimination against Shia citizens.²⁴

Bahrain's constitution declares Islam the official religion, but the government allows freedom of worship for Christians, Jews, and Hindus, although non-Muslim groups must register with the Ministry of Social Development to operate, and Muslim groups must register with the Ministry of Justice and Islamic Affairs. There are 19 registered non-Muslim religious groups and institutions, including Christian churches of many denominations, and Hindu and Sikh groups. In 2022, Pope Francis visited Bahrain; the kingdom is home to an estimated 80,000 Catholics and was the first Gulf country to open a Catholic Church (1939). A small Jewish community—mostly from families of Iraqi Jews who settled in Bahrain in the 19th century or from southern Iran—remains in Bahrain and is integrated into Bahraini society, including serving in appointed seats in the National Assembly and in diplomatic posts.²⁵

The Economy

Bahrain has fewer financial resources than do most of the other GCC states and runs chronically high budget deficits. Public debt is 100% of Gross Domestic Product (GDP), the highest level of indebtedness in the GCC. Bahrain's oil revenues emanate primarily from a Saudi oil field whose proceeds go partly to Bahrain. Other GCC states also provide various forms of financial assistance. In 2018, Saudi Arabia, Kuwait, and the UAE provided Bahrain with a \$10 billion grants and loans aid package.

Over the past year, higher global oil prices and higher domestic taxes have resulted in a modest budget surplus for the kingdom. Earnings on oil and non-oil exports (mainly iron and aluminum products) have increased, and tourist visits were 75% higher in 2022 than the previous year when tourism and global oil prices had been affected by the COVID-19 pandemic.²⁶ Nevertheless, the International Monetary Fund (IMF) projects public debt of 127% of GDP by 2027.²⁷

Though Bahrain's overall economy has been diversified away from hydrocarbon production, the government is dependent on oil and gas for 70%-80% of revenue. In 2023, Bahrain's energy industry is at a crossroads. While

Figure 2. Map of Bahrain



Source: Map created by CRS using State Department and Esri data.

²⁴ Op. cit., U.S. Department of State, 2021 Report on International Religious Freedom: Bahrain, June 2, 2022.

²⁵ "Jews have lived in Bahrain for 140 years; the Israel deal changes their lives," *Times of Israel*, September 18, 2020.

²⁶ Economist Intelligence Unit, "Bahrain's Current-Account Surplus Surges in First Half," September 12, 2022.

²⁷ International Monetary Fund, IMF Executive Board Concludes 2022 Article IV Consultation with The Kingdom of Bahrain, June 30, 2022.

existing natural gas reserves are dwindling and the country may become a net importer in the years ahead, two new off-shore reservoirs were discovered in 2022. Four years earlier, significant deposits of off-shore shale oil also were revealed, though the government continues to evaluate the costs of extraction and production.

Foreign Policy Issues

Bahrain's regional and broader foreign policy generally adheres to that of its closest ally in the GCC, Saudi Arabia. The close Bahrain-Saudi relationship was demonstrated by the Saudi-led GCC intervention to help the government suppress the uprising in 2011, and Bahrain's joining of the June 2017 Saudi-led move to isolate Qatar. Bahrain is also politically close to Kuwait, in part because of historic ties between their two ruling families. Both families hail from the Anizah tribe that settled in Bahrain and Kuwait.

Iran

With the smallest armed forces of any Gulf state, Bahraini leaders have long feared that Iran seeks to destabilize the kingdom, given the centuries-long Iranian contestation of Bahrain's sovereignty.²⁸ Since 1979, as Iran's theocratic rulers have sought to export their model of religious governance to parts of the Arab world, Bahrain has publicly accused Iran of trying to organize coups by pro-Iranian Bahraini Shias.²⁹ Bahraini officials have also accused Iran of backing violent Shia groups in Bahrain. In 2016, Bahrain supported Saudi Arabia in a dispute with Iran over the Saudi execution of a dissident Shia cleric and attacks by Iranian protestors on two Saudi diplomatic facilities. Bahrain broke diplomatic relations with Iran at that time and diplomatic ties have not been restored. In 2022, perhaps as a response to closer Israeli-Bahraini ties, official Iranian media once again revived Iranian territorial claims on Bahrain.³⁰

Despite these longstanding tensions, Bahrain, like other GCC states, has endorsed dialogue between the Gulf Arab states and Iran. In a September 2022 speech in New York, Bahrain's Ambassador to the United States Sheikh Abdullah bin Rashid bin Abdulla Al Khalifa argued that while the country's defense posture is geared toward countering direct and indirect threats from Iran, at the same time, it is important to "ensure some kind of dialogue with Iran."³¹

In March 2023, the Bahraini government officially welcomed the Chinese-brokered agreement between Saudi Arabia and Iran to resume diplomatic relations.³² Iranian officials reportedly are seeking to restore full diplomatic relations between Iran and Bahrain.³³

²⁸ Even before the formation of the Islamic Republic in 1979, Iran contested Bahrain's sovereignty throughout the 19th and 20th centuries. In 1957, the Shah of Iran designated Bahrain as the country's fourteenth province ("Mishmahig Island" in Farsi).

²⁹ In 1981, the Islamic Front for the Liberation of Bahrain, a Bahraini Shia revolutionary group backed by Iran, attempted to carry out a coup in Bahrain. See John Vinocur, "1981 Plot in Bahrain Linked to Iranians," *New York Times*, July 25, 1982. See also, "Bahrain Coup Suspects Say They Trained in Iran," Reuters, June 6, 1996.

³⁰ Hussein Ibish, "Iran's New Ploy to Disrupt the Mideast: Laying Claim to Bahrain," *Bloomberg*, September 21, 2022.

³¹ Lahav Harkov, "Middle East nations must strengthen defense against Iran, Bahraini envoy says," *Jerusalem Post*, September 18, 2022.

³² "Bahrain welcomes Saudi, Iran deal on resuming diplomatic ties - Foreign Ministry," Reuters, March 10, 2023.

³³ "Iran wants progress in Bahrain normalization, addressing security concerns with UAE," *Al Arabiya News*, March 19, 2023.

Bahrain joined the other GCC countries in expressing public support for the 2015 multilateral Iran nuclear deal (Joint Comprehensive Plan of Action, JCPOA) that sought to limit Iran's nuclear program, although Bahrain's leaders and those of other Gulf states reportedly were critical that the agreement was limited to Iran's nuclear program and did not address Iran's support for regional armed factions.³⁴ Bahrain's leaders publicly supported the Trump Administration's May 2018 withdrawal from the JCPOA in favor of a strategy of "maximum pressure" on Iran. Bahrain's Undersecretary for International Relations stated during an August 2021 visit to Israel that while Bahrain had hoped that the nuclear deal would change Iranian behavior for the better, instead it had "fueled crises" across the Middle East.³⁵ The statement may signal opposition to the Biden Administration's now-abandoned efforts to restore full U.S. and Iranian compliance with the agreement.

Israel, Bahrain, and the Abraham Accords

On September 16, 2020, Israel and Bahrain signed the Declaration of Peace, Cooperation, and Constructive Diplomatic and Friendly Relations, a diplomatic normalization agreement commonly referred to as one of the "Abraham Accords."³⁶ Since then, Israel and Bahrain have increasingly publicized their close and formerly discreet links on defense and intelligence issues. In February 2022, Bahrain signed a Memorandum of Understanding (MOU) with Israel on security cooperation.³⁷ This MOU appears to anticipate more intelligence sharing, joint exercises and training, and arms sales. Bahrain is now purchasing arms from Israel, and reportedly, Israel also has agreed to provide Bahrain with unmanned aerial vehicles (UAVs) and counter-drone systems.³⁸ In February 2022, Bahrain confirmed that an Israeli naval officer would be permanently stationed in Bahrain as a liaison officer for the U.S. Navy's Fifth Fleet, as part of an international coalition supporting freedom of navigation in the Persian Gulf.³⁹

The expanded official bilateral relations between Israel and Bahrain have opened the way for greater ties across various sectors of society—including trade and investment, culture and education, and tourism.⁴⁰ In September 2022, Israel announced that it had begun negotiating a free trade agreement with Bahrain.

Despite these opportunities for expanded ties, Israeli-Bahraini engagement has not advanced much beyond the military sphere. One 2021 public opinion poll conducted in Bahrain indicated that only 18-20% of Bahrainis, whether Shia or Sunni, say the Abraham Accords will have "a positive effect on the region."⁴¹ During the December 2022 visit by Israeli President Isaac Herzog, some observers noted that while ties between Israel and the UAE have progressed significantly since 2020, relations between Israel and Bahrain have been lackluster. According to

³⁴ Karen DeYoung and Liz Sly, "Gulf Arab States that opposed the Iran nuclear deal are now courting Tehran," *Washington Post*, December 21, 2021.

³⁵ Lazar Berman, "Visiting Israel, Bahraini Minister Slams Iran Nuclear Deal: 'It Fueled Violence,'" *Times of Israel*, September 8, 2021.

³⁶ U.S. Department of State, "The Abraham Accords," accessed February 16, 2023.

³⁷ Rina Bassist, "Israel Signs Security Cooperation Agreement with Bahrain," *Al Monitor*, February 3, 2022.

³⁸ Dion Nissenbaum and Dov Lieber, "Biden Presses for Israeli-Arab Security Ties to Come Out from the Shadows," *Wall Street Journal*, July 12, 2022.

³⁹ "Bahrain Confirms Israeli Officer to be Stationed in the Country," *Al Jazeera*, February 12, 2022.

⁴⁰ "More than just business buddies," *The Economist*, June 2, 2022.

⁴¹ David Pollock, "Bahrain Polls Shows Sharper Sectarian Split on Iran, Less Hope on Israel Peace Policy Analysis," *Fikra Forum*, Washington Institute for Near East Policy, January 14, 2022.

the *Wall Street Journal*, “Trade between Israel and the U.A.E. more than doubled between the first half of 2021 and the first half of 2022, from \$560 million to more than \$1.2 billion. Trade between Israel and Bahrain in 2021 was \$7.5 million. More than half a million Israelis have traveled to the U.A.E. since 2020. Fewer than 20,000 Israelis have traveled to Bahrain this year [2022].”⁴²

Section 1658 of P.L. 117-263, the James M. Inhofe National Defense Authorization Act for Fiscal Year 2023, requires the Defense Department to provide Congress with a strategy on cooperation with allies and partners in the area of responsibility of the United States Central Command to implement a multinational integrated air and missile defense architecture to protect against threats emanating from Iran or Iran-supported groups.

U.S. Relations

U.S. Defense Presence in Bahrain

A hallmark of the U.S.-Bahrain relationship is U.S. access to Bahrain’s naval facilities. The United States has had a U.S. naval command presence in Bahrain since 1948: MIDEASTFOR (U.S. Middle East Force); its successor, U.S. Naval Forces Central Command (NAVCENT); and the U.S. Fifth Fleet (reconstituted in 1995), have been headquartered at a sprawling facility called “Naval Support Activity (NSA)-Bahrain,” identified as the only permanent U.S. military base in the region. Also headquartered at NSA are the forward-deployed U.S. Marine Corps 5th Marine Expeditionary Brigade and Marine Positioning Force, and the Joint Special Operations Task Force-Arabian Peninsula. The Khalifa bin Salman Port is one of the few facilities in the Gulf that accommodates U.S. aircraft carriers and amphibious ships.⁴³

⁴² Dion Nissenbaum, “Israel’s President Visits Bahrain to Address Stalled Relations,” *Wall Street Journal*, December 4, 2022.

⁴³ Ibid.

Naval Support Activity Bahrain

NSA Bahrain, the Navy port in Manama, Bahrain, is the headquarters of the U.S. Navy's 5th fleet, which oversees all Navy operation in the U.S. Central Command region. As of 2022, there were over 9,000 U.S. military personnel and civilian employees assigned to NSA Bahrain.⁴⁴ In FY2022, the U.S. Department of Defense estimates that it spent \$485 million on personnel, operations, maintenance, military construction, and family housing costs for U.S. personnel stationed in Bahrain.⁴⁵ The U.S. Navy has homeported several ships—most of them smaller vessels—at Manama, Bahrain for many years. Navy ships homeported at Manama as of December 21, 2021, included one Expeditionary Support Base (ESB) ship, four mine countermeasures ships (MCMs), one Expeditionary Fast Transport ship (EPF), and one fleet tug (TATF).⁴⁶ The USS *Lewis B. Puller* ESB-3 ship in Bahrain is designed as an afloat forward staging base. Its hull design is based on an oil tanker and it includes a flight deck that can accommodate large helicopters. It is designed for use to support Special Operations missions in littoral regions. In addition to the Navy ships, six of the Coast Guard's Fast Response Cutters (FRCs), which are large patrol craft, are stationed in Bahrain.⁴⁷ Patrol Forces Southwest Asia (PATFORSWA), which is stationed in Bahrain, is the Coast Guard's largest unit outside of the United States.

As part of the U.S.-led coalition that ousted Iraq from Kuwait in 1991, Bahrain hosted U.S. troops and combat aircraft that participated in the 1991 Desert Storm offensive against Iraqi forces. Bahraini pilots flew strikes during the war, and Iraq fired nine Scud missiles at Bahrain, hitting three facilities. After that war, Bahrain and the United States institutionalized their defense relationship by signing a Defense Cooperation Agreement (DCA) on October 28, 1991. It was renewed in 2017 for 15 years.⁴⁸ Under the DCA, Bahrain provides access, basing, and overflight privileges to facilitate U.S. regional military operations.⁴⁹ Since 1971, the United States and Bahrain have maintained a Status of Forces Agreement (SOFA), which grants the U.S. government criminal jurisdiction over U.S. armed forces members stationed in Bahrain; the SOFA grants the Bahraini government civil jurisdiction over U.S. forces, “except for those matters arising in the course of the performance of their official duties.”⁵⁰

⁴⁴ U.S. Department of Defense, Naval Support Activity Bahrain In-depth Overview, Military Installations, updated as of September 14, 2022.

⁴⁵ U.S. Department of Defense, Office of the Under Secretary of Defense, (Comptroller)/Chief Financial Officer, Defense Operation & Maintenance Overview Book, Fiscal Year 2023 Budget Request, May 2022. Overseas costs are funded by the following appropriations: Military Personnel; Operation and Maintenance; Family Housing Operation and Maintenance; Family Housing Construction; and Military Construction to support all DoD activities located outside the United States that are being performed on a permanent basis at U.S. military bases and other locations (U.S. Embassy, U.S. Consulates, U.S. Mission, etc.). Overseas costs also include the cost of transporting personnel, material, and equipment to and from overseas locations. The overseas amounts do not include incremental costs associated with contingency operations.

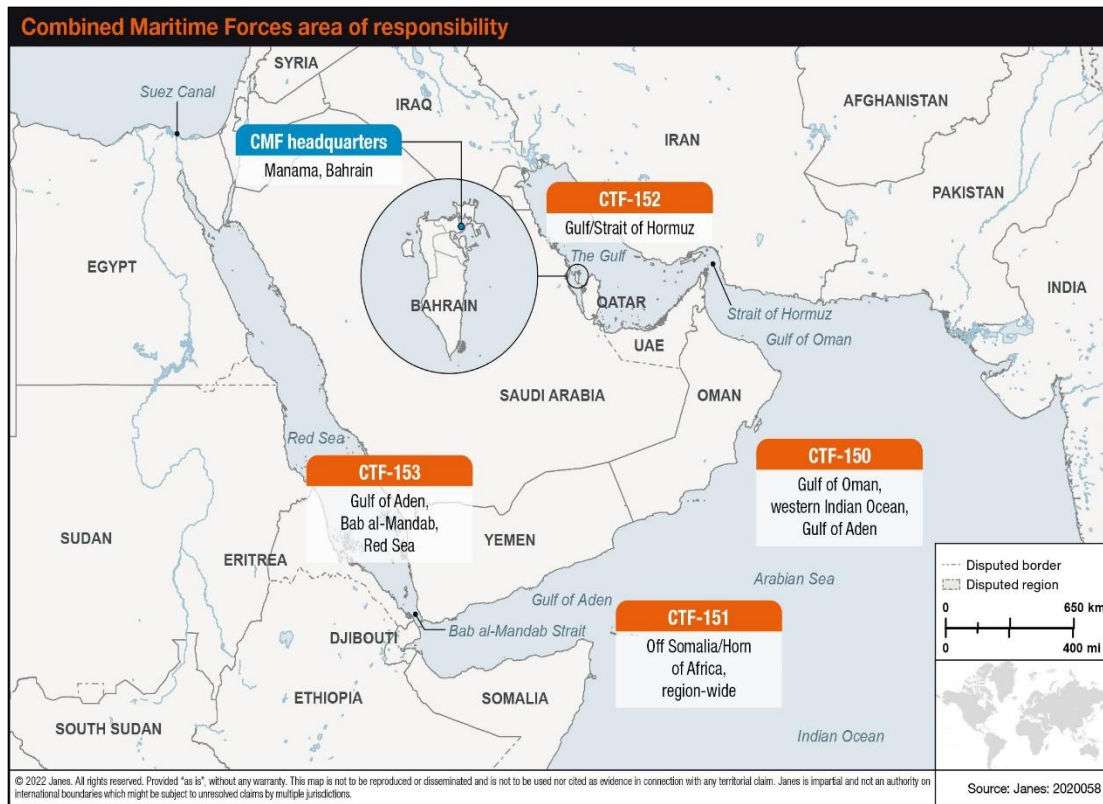
⁴⁶ Navy ship location data current as of the end of FY2021; information provided to CRS by the U.S. Navy.

⁴⁷ See CRS Report R42567, *Coast Guard Cutter Procurement: Background and Issues for Congress*.

⁴⁸ “US, Bahrain Extend Defense Cooperation for 15 Years.” *Al Defaiya*, April 12, 2017.

⁴⁹ U.S. Department of State, U.S. Security Cooperation with Bahrain, Fact Sheet, June 14, 2021.

⁵⁰ See, 1971: Agreement for the Deployment in Bahrain of the United States Middle East Force (22 U.S.T. 2184) - modified by 1975 agreement for the Deployment in Bahrain of the United States Middle East Force (26 U.S.T. 3027) and 1977 agreement on the Status of Administrative Support Unit Personnel (28 U.S.T. 5312) 1991: Agreement concerning the deployment of United States forces (T.I.A.S. 12236).

Figure 3. Combined Maritime Forces

Source: Janes Intelligence Review, May 18, 2022

NSA-Bahrain also hosts and coordinates the Combined Maritime Forces (CMF) partnership (see **Figure 3 above**), which brings together naval forces from 34 countries to operate a series of task forces (currently four) that target threats to maritime security in waters near the Arabian Peninsula. U.S.-Bahrain naval cooperation helped facilitate Bahrain's August 2019 decision to join and headquarter a U.S.-led maritime security operation ("International Maritime Security Construct," IMSC, formerly called "Operation Sentinel") to secure the Gulf against Iranian attacks on commercial shipping.⁵¹

CMF, which was formed in 2001, counters piracy and bolsters maritime security across a vast area stretching from the Persian Gulf to the Suez Canal (over 4,300 miles of coastline). In order to counter weapons and drug trafficking in the Gulf of Oman, U.S. Naval forces, in conjunction with regional partners in the CENTCOM AOR, patrol coastal waters and routinely interdict suspected smuggling operations. In 2022 and 2023, CMF reported several large drug (heroin, hashish) and weapon (rifles, explosives, and ammunition rounds) seizures in the Gulf of Oman.⁵²

⁵¹ Rebecca Kheel, "Bahrain Joins U.S.-led Coalition to Protect Gulf Shipping," thehill.com, August 19, 2019.

⁵² For example, see U.S. Naval Forces Central Command Public Affairs, U.S. Coast Guard Seizes Heroin Shipment in Gulf of Oman, June 2, 2022; U.S. Naval Forces Central Command Public Affairs, U.S. Ship Seizes Illegal Narcotics in Gulf of Oman, August 31, 2022; U.S. Naval Forces Central Command Public Affairs, U.S. Coast Guard Ship Seizes \$48 Million in Drugs in Middle East, October 11, 2022; U.S. Naval Forces Central Command Public Affairs, U.S. Naval Forces Intercept Explosive Material Bound for Yemen, November 15, 2022; U.S. Naval Forces Central Command Public Affairs, U.S. Seizes 1.1 Million Rounds of Ammunition, Other Illegal Weapons in Gulf Of Oman, December 4, 2022; and U.S. Naval Forces Central Command Public Affairs, U.S., International Forces Seize Illegal

The Biden Administration has reemphasized U.S. support for Bahrain's defense. During their second U.S.-Bahrain Strategic Dialogue, both countries noted in a joint statement that "The two countries stand shoulder-to-shoulder in countering Iran's destabilizing influence."⁵³ In October 2022, CENTCOM commander General Michael Kurilla visited Bahrain for the third time in 2022 to discuss various issues with his Bahraini counterparts, including progress on scheduled U.S. Foreign Military Sales (FMS), such as F-16s, Patriot missile systems, and AH-1 Cobra helicopters. The Royal Bahraini Air Force is expected to receive its first batch of upgraded F-16 Block 70 aircraft in 2024 (**see below**).

As the Biden Administration works to integrate the naval capabilities of the United States with GCC partner navies, Bahrain has become an operational hub for new U.S. naval technologies aimed at increasing domain awareness in the Persian Gulf. In 2021, NAVCENT established Task Force 59, which aims to use artificial intelligence technology in directing a fleet of Unmanned Surface Vessels (USVs) and unmanned underwater vehicles (UUVs) in the CENTCOM AOR.⁵⁴ NAVCENT Commander Vice Admiral Brad Cooper has said that Bahrain and Kuwait have publicly committed to purchasing USVs.⁵⁵ The Royal Bahrain Naval Force, in conjunction with U.S. and other international forces, has already participated in maritime exercises which combine manned and unmanned vessels working together to patrol the Persian Gulf.⁵⁶

Drugs in Gulf of Oman, January 31, 2023.

⁵³ Op. cit., U.S. Department of State, Joint Statement of the Second U.S.-Bahrain Strategic Dialogue, March 7, 2022.

⁵⁴ U.S. Naval Forces Central Command Public Affairs, NAVCENT Expands Unmanned Integration, Operates Saildrone in Arabian Gulf, January 27, 2022.

⁵⁵ John Grady, "Navy Wants More Middle East Countries in Unmanned Maritime Awareness Network," *USNI News*, February 14, 2023.

⁵⁶ U.S. Congress, Senate Armed Services Committee, *Posture of United States Central Command and United States Africa Command in Review of the Defense Authorization Request for FY2024 and the Future Years Defense Program*, 118th Congress, 1st sess., March 16, 2023.

Figure 4. Crown Prince Salman bin Hamad Al Khalifa visits NAVCENT



Source: U.S. 5th Fleet Public Affairs, March 4, 2020

U.S. Arms Sales and Foreign Assistance to Bahrain

The Bahrain Defense Force (BDF)—Bahrain’s regular military force—has about 10,000 active duty personnel, including Bahraini Air Force and Navy personnel. There are another 2,000 personnel in Bahrain’s National Guard—a unit that is separate from both the BDF and the Ministry of Interior. Bahrain’s small national budget allows for modest amounts of national funds to be used for purchases of U.S. major combat systems, offset partly by U.S. security assistance credits. As previously mentioned, the Bahraini government’s response to the 2011 political unrest caused the Obama Administration to put on hold U.S. sales to Bahrain of arms that could easily be used against protesters, such as Humvees, until Bahrain had met U.S. conditions for improving its human rights record.⁵⁷ The Trump Administration maintained restrictions on security cooperation with Bahrain’s Interior Ministry, which supervises Bahrain’s internal security forces, while dropping conditions or holds on sales of most major combat systems, including F-16s.⁵⁸ The Biden Administration has not announced any policy changes on cooperation with Bahrain’s internal security agencies.

⁵⁷ Op. cit., Statement by Department of State spokesperson John Kirby, “Lifting Holds on Security Assistance to the Government of Bahrain,” June 29, 2015.

⁵⁸ “Trump administration drops human rights conditions to sell fighter jets to Bahrain,” *The Guardian*, March 30, 2017.

F-16 Sale to Bahrain

In 1998, Bahrain purchased 22 U.S.-made F-16 Block 40 aircraft. In 2016, the Obama Administration conditioned the sale of an additional 19 F-16s on an improvement in Bahrain's human rights record.⁵⁹ The Trump Administration dropped that condition, and in September 2017, notified Congress of the possible sale to Bahrain of 19 F-16s and upgrading of Bahrain's existing F-16s, at an estimated value of nearly \$4 billion (if all options would have been exercised).⁶⁰ In 2018, Lockheed Martin received a \$1.1 billion contract to produce 16 F-16 Block 70 fighters for Bahrain to be delivered in four batches of four starting in 2024. Bahrain is to become one of the first international customers to receive the most advanced F-16 Block 70 variant. In March 2023, Lockheed Martin rolled out the first F-16 Block 70 Fighting Falcon for Bahrain at a ceremony at Lockheed Martin's Greenville, South Carolina F-16 production line.

About 85% of Bahrain's military equipment is of U.S.-origin. As of January 2021, the United States has \$5.8 billion in active government-to-government sales cases with Bahrain under the Foreign Military Sales (FMS) system, and U.S. agencies perform end-use monitoring of how Bahrain uses its U.S.-supplied weaponry.⁶¹ According to the U.S. Department of State, the United States has provided Bahrain with \$22.5 million in Foreign Military Financing (FMF) since 2014.⁶² The State Department notes that "U.S. assistance has also strengthened Bahrain's interoperability for regional security and counterterrorism cooperation, boosted its maritime defenses against smuggling and terrorism, and improved its ability to deny terrorist sponsorship, support, and sanctuary in a manner that respects the human rights of its citizens."⁶³

Major Non-NATO Ally Designation and Excess Defense Articles

In March 2002, President George W. Bush designated Bahrain a "major non-NATO ally" (MNNA) in Presidential Determination 2002-10. The designation qualifies Bahrain to purchase certain U.S. arms, receive excess defense articles (EDA), and engage in defense research cooperation with the United States for which it would not otherwise be eligible. Since 2010, the United States has provided Bahrain with \$36 million in EDA grant assistance.⁶⁴ Among the major military equipment transferred to Bahrain as EDA are armored personnel carriers and Mark V Special Operations Craft.

U.S. Trade and Investment

To encourage reform and signal U.S. appreciation, the United States and Bahrain signed an FTA on September 14, 2004. Implementing legislation was signed January 11, 2006 (P.L. 109-169). In 2005, bilateral trade was about \$780 million, and U.S.-Bahrain trade has increased fourfold since (see Figure 5). In 2022, the total volume of bilateral trade stood at \$2.8 billion with the United States running a trade deficit with Bahrain slightly under \$1 billion.⁶⁵ Bahrain's other major trading partners include China, Saudi Arabia, and the United Arab Emirates.

⁵⁹ Anthony Capaccio, "Bahrain's Lockheed F-16 Buy Said to Come with U.S. Strings," *Bloomberg News*, September 30, 2016.

⁶⁰ U.S. Department of Defense, Defense Security Cooperation Agency (DSCA) Transmittal numbers 16-60 and 16-59.

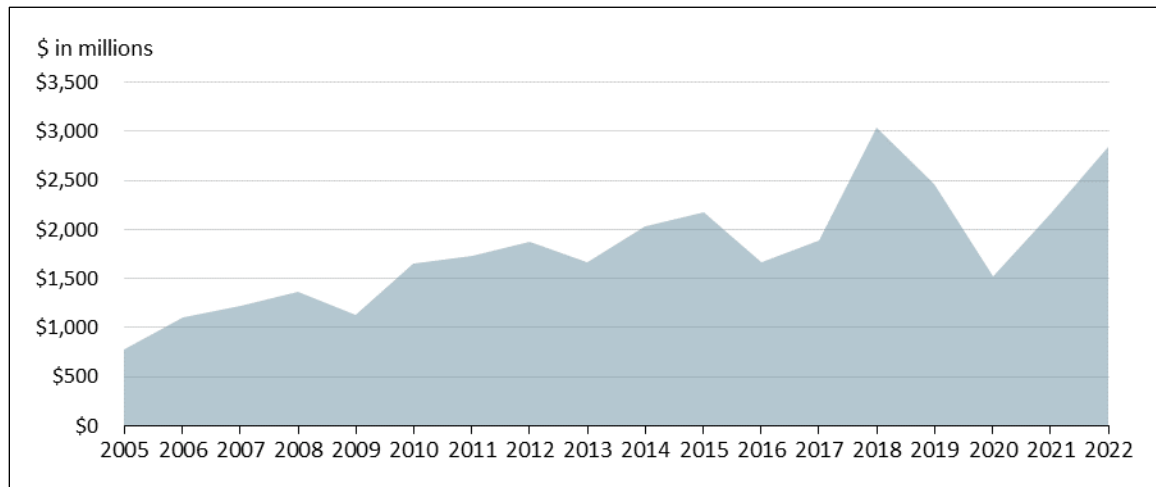
⁶¹ Op. cit., U.S. Department of State, U.S. Security Cooperation with Bahrain, Fact Sheet, June 14, 2021.

⁶² Ibid.

⁶³ Ibid.

⁶⁴ U.S. Department of Defense, Defense Security Cooperation Agency, EDA Database Tool, accessed on February 14, 2023.

⁶⁵ United States Census Bureau, 2022: U.S. trade in goods with Bahrain, available at <https://www.census.gov/foreign-trade/balance/c5250.html>

Figure 5. U.S.-Bahrain Annual Volume of Trade

Source: U.S. Census Bureau. Chart, CRS.

The United States buys very small volumes of oil and petroleum products from Bahrain - 2,000 barrels per day in December 2022, according to the U.S. Energy Information Administration.⁶⁶ The major U.S. import from the country is aluminum. In 2019, the United States and Bahrain signed a memorandum of understanding for a “U.S. Trade Zone,” located on land near the Khalifa bin Salman Port, to facilitate U.S. direct investment in Bahrain and U.S.-Bahrain trade.⁶⁷ The first phase of a buildout of the zone was inaugurated in February 2022.

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⁶⁶ U.S. Energy Information Administration, U.S. Net Imports from Bahrain of Crude Oil and Petroleum Products, available at https://www.eia.gov/dnav/pet/hist/LeafHandler.ashx?n=PET&s=MTTNT_NUS-NBA_2&f=M

⁶⁷ Hudhaifa Ebrahim, “Bahrain Begins Construction of US Trade Zone,” *Jerusalem Post*, February 24, 2022.

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