As the anniversary of the 2011 troubles approaches, Bahrain's political battles are seemingly being fought out in the palaces as much as the streets. A long-running split in Bahrain's Sunni Muslim royal family over how to engage the island's majority Shiite population has visibly widened in the past two weeks as talks with the main opposition broke off and then suddenly revived. The flip-flop, likely due in part to U.S. and European pressure, is consistent with the often uncertain leadership style of King Hamad bin Isa al-Khalifa (age 63). Yet the latest developments could spur open political warfare between his moderate and hardline relatives. The key royal in favor of compromise is the king's American-educated eldest son, Crown Prince Salman (44), while the hardliners are grouped around the king's uncle, Sheikh Khalifa bin Salman al-Khalifa (78), who has held the position of prime minister uninterrupted since 1970.

JANUARY TENSIONS

For decades, the basic narrative of Bahrain's politics has been that of an underenfranchised and relatively impoverished majority Shiite population ruled by minority Sunnis. Since the 1979 Islamic Revolution in Iran, there has been an additional overlay: the idea that Bahrain's Shiites sympathize with their coreligionists in Iran and therefore cannot be trusted. While imperfect, this narrative has seemed particularly valid since February 2011, when Bahraini riot police -- eventually reinforced by Saudi and Emirati forces -- cracked down harshly on local protests mimicking the "Arab Spring" demonstrations sweeping other parts of the region. Meanwhile, the government's preferred narrative of cautious political evolution -- as seen when the country converted to a constitutional monarchy in 2002 -- has been tarnished by its reluctance to give Shiites proportional representation in parliament, and by the Khalifa family's determination to retain political power (e.g., royals hold about half of the cabinet).

The latest royal disarray has been on display since January 9, when the government suspended the so-called "National Dialogue" after a Sunni political group said it was backing out of the process, which had been hampered by a Shiite boycott since September. But on January 15, Crown Prince Salman, acting "upon the request of His Majesty King Hamad," met with opposition groups "to explore means of overcoming the challenges faced by [the] Dialogue." Among the attendees was Sheikh Ali Salman, an Iranian-trained Shiite cleric who leads al-Wefaq, the main opposition group. The meeting was all the more surprising because the government had placed a travel ban on Sheikh Ali in late December and charged him with "incitement to religious hatred and spreading false news likely to harm national security." The hardline prime minister apparently did not receive advance notice of this powwow, and his absence from the January 19 weekly cabinet meeting likely reflected anger over Salman's move.

Meanwhile, the opposition has continued to organize demonstrations, including a "peaceful march" on January 17, and reports continue of nightly skirmishes between security forces and firebomb- and stone-throwing Shiite youths. Although no American citizens have been attacked, the website of the U.S. embassy in Manama depicts a wide swath across the populated north of the island that should be avoided by Americans at all times, including some areas close to the large U.S. naval base that houses the headquarters of the Fifth Fleet.

ARMS SEIZURE, TEAR-GAS BOYCOTT, AND BRIBERY CHARGES

Against this backdrop of royal schisms and ongoing unrest, other recent news stories have added to the island's challenges:

- In late December, Bahraini authorities announced the seizure of a boat carrying weapons and military-grade explosives. Although the boat came from Iraq, Iran was assumed to be the main culprit behind the cargo, which could have radically altered the nature of confrontations between militants and Bahraini police.
- Earlier this month, South Korea suspended tear-gas exports to Bahrain, citing "unstable politics," deaths from gas exposure, and "complaints from human rights groups." The U.S. embassy website states that the government "routinely uses tear gas and stun grenades" against demonstrators, among other measures.
- On January 10, a joint venture controlled by the U.S. aluminum company Alcoa agreed to pay $384 million to settle Justice Department charges concerning bribery in Bahrain. Documents related to the case allege that
tens of millions were paid in court kickbacks to Bahraini officials, including senior royal family members. In a related criminal case that collapsed last year after witnesses refused to give evidence, Britain's Serious Fraud Office accused Alcoa of bribing Sheikh Isa bin Ali al-Khalifa, the chairman of the Bahraini aluminum smelting company Alba and a reportedly close advisor to the prime minister. Alba's former expatriate chief executive, who pleaded guilty to corruption in a separate London court case, agreed during cross-examination that "the royal family is all-powerful," and that "nothing of significance happened in Bahrain without the approval of the prime minister."

MAIN PLAYERS

The nature of the rivalry between Bahraini moderates and hardliners was aptly illustrated in the just-published memoirs of former U.S. defense secretary Robert Gates. The book recalls a February 2011 conversation in which Crown Prince Salman said "he was ready to become prime minister if asked." Yet despite describing him as "the voice of reason," Gates noted that Salman "was powerless" at the time. When visiting the island a month later, Gates "suggested to both the crown prince and king that they find a new and different role for the prime minister, who was disliked by nearly everyone but especially the Shia." Although Salman and the king responded positively to his suggestions, Gates concluded that "the royal family was split, and the hardliners had the edge."

How this rivalry will play out today is difficult to predict. The king will probably justify his reputation for vacillation, taking the advice of the last person to whom he speaks on any given issue. Although the crown prince has sought to curb corruption and engage the opposition, he still appears to lack supporters in the royal family, seemingly confirming the impression made on Gates in 2011. For his part, the prime minister is now more the godfather of the hardliners than their tactical political leader, but he is renowned for his political abilities -- his "people skills" far exceed those of the king. Even so, the most important hardliner at the moment is probably Field Marshal Khalifa bin Ahmed al-Khalifa, commander-in-chief of the armed forces (he is in his fifties; his exact age is unknown). Other royal hardliners play a central role as well, including the ministers of justice, the royal court, and interior.

Outside Bahrain, Saudi Arabia -- joined to the island by a causeway -- is the royal family's most important ally, far exceeding Washington's influence. A year ago, Riyadh seemed frustrated by the continuing crisis in Bahrain and was encouraging dialogue with the opposition, but that impulse seems to have faded. In November, former Saudi intelligence chief Prince Turki al-Faisal told a Washington audience that "Iran had been meddling" in Bahrain since "right after the 1979 revolution...and its propaganda broadcasts had never ceased," adding, "Saudi Arabia will never accept that Iran will take power in Bahrain."

NEXT STEPS

The revived talks between the palace and opposition reportedly cover five main issues: electoral districts; parliamentary approval of governments appointed by the king; the powers and composition of the appointed upper house of parliament; increased independence for the judiciary; and police and security matters. Such weighty subjects will be difficult to advance quickly. Meanwhile, Sunni supporters of the royal family are upset at what they see as concessions to the Shiite opposition. Overshadowing the whole process is the approaching anniversary of the 2011 troubles. The clandestine group "February 14," which rejects political compromise, is reportedly planning street action around that date.

The new talks, combined with the candor of the Gates book, provide an opportunity for U.S. diplomatic pressure to encourage political reform. Yet the timing is bad given the imminent protest anniversary and consequent increase in tensions. Washington's course of action could well depend on whether Saudi Arabia signals support for dialogue or sides with the hardliners.

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