

Roundtable Takeaways

Navigating Stormy Seas: Saudi Arabia's Foreign Policy Amid Regional Tensions, Normalization Prospects, and Eastern Pivot

School of Government, Luiss Guido Carli

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Moderating:

- Luigi Narbone, Director, Luiss Mediterranean Platform
- Meryem Akabouch, Research Associate, Luiss Mediterranean Platform

Speakers:

- Fatiha Dazi-Heni, Senior Researcher, Institut de recherche stratégique de l'École militaire (IRSEM) and Sciences Po Lille
- Salman Al-Ansari, Founding President, Margin Scope

Introduction

The last Luiss Mediterranean Platform roundtable examined the ongoing developments in Saudi Arabia foreign policy in the context of the Gaza war, the rising regional tensions with Iran and its proxies, and the prospects for Saudi involvement in shaping or implementing post-Gaza plans.

It also sought to explore the wider geopolitical landscape, discussing the prospects for normalization with Israel and the role of a possible security agreement with the US; the relations with Russia and China; and the pivot to the East.

Finally, it looked closely at the possible domestic implications of these dynamics, such as the implementation of Saudi Vision 2030.

Let's talk about Saudi Arabia before and after the war on Gaza.

Fatiha Dazi-Heni

Before the war

Has Saudi Arabia really transformed in the past years?

Yes. As someone who has studied and followed the Kingdom for the past 25 years, it's surprising to see the neoliberal approach used to drive this deep transformation of the country.

What was the outlook for Kingdom at the beginning of the fall of 2023?

It was very positive. Vision 2030 was moving at full speed to turn the Kingdom into a luxury tourism destination, and a platform for technology and energy transition.

In terms of foreign policy, how has this transformation impacted the Kingdom's diplomatic strategy?

Saudi Arabia's new approach is to prioritize its national interests, above all else, through multi-aligned diplomacy.

But is it really that different from its previous foreign policy?

Definitely, the Kingdom's foreign policy has shifted from being political to being economic. Saudi Arabia no longer claims leadership in the Arab Muslim world, despite being home to the Holy Sites. Its main interest now, as claimed by the Crown Prince, is to be a powerful economic Western Asian power.

But it will be important to see how Saudi Arabia can manage to be a super economic power without having strong political leadership in the region.

What were some results of this change in foreign policy?

In terms of bilateral relations, the Kingdom managed to successfully reconcile with Qatar in January 2021, despite some resentment with his immediate neighbors UAE and Bahrain. This was followed by normalization of relations with Iran in March 2023, under the aegis of China, and a prospect of success in the negotiations with the Houthis last September.

In terms of soft power, the Kingdom also reached its peak in early October, with the award of the Universal Expo in Riyadh in 2030, the prospect of hosting of the football World Cup in 2034, and multiple international forums, including the first Al-Ula World Archaeology Summit.

What prospects were there for Saudi Arabia's normalization deal with Israel?

The Saudi-Israeli-American negotiations for the normalization of relations between Riyadh and Tel Aviv was supposedly imminent last fall.

Let's fast-forward to October 7. What happened after the war on Gaza?

The past year has been marked by the return of the Palestinian question following the Hamas attacks on Israel on October 7, 2023, which led to a relentless military response in the Gaza Strip.

How does this challenge Saudi leadership?

On the political side, the media frenzy after October 7, 2023 highlighted a less rosy reality about Saudi Arabia's supposed imminent normalization with Israel, lending credence to the thesis that the Hamas attacks were carried out to derail Saudi-Israeli normalization.

It has also highlighted the striking contrast between the exorbitantly priced mega-projects and the humanitarian disasters prevailing nearby in Gaza, Yemen, Sudan, Ethiopia, Somalia, an impoverished Egypt, and Lebanon.

Has the war on Gaza also had an impact on Vision 2030?

Yes. Saudi Arabia has struggled to continue the transformation of the Kingdom into a diversified economy at full speed, dimming the prospects for Vision 2030.

Why is that so?

The expensive mega-projects of Vision 2030 are mainly located along the thousand kilometers of coastline bordering the Red Sea, so they intersect precisely with the war on Gaza. The Houthis have undertaken to attack boats linked to Israel until a ceasefire is declared.

How have their attacks affected the Red Sea region?

They have disrupted navigation between the Babel el-Mandab Strait and the Suez Canal. And they have persisted despite the US-led Guardians of Prosperity Operation since December 19, 2023.

So, what must Riyadh do to navigate this context?

Throw all its weight behind a political settlement to the Israeli-Palestinian conflict; it's the only way to end the cycle of wars since 1948.

And how do you rate the performance of Saudi efforts so far?

Saudi Arabia has been proactive in organizing summits and meetings but has unfortunately had no success in reaching any tangible result or convincing the US to change its position on Israel.

What is the status of negotiations between Israel and Saudi Arabia?

Their outcome is far from certain. Negotiations have been frozen by Riyadh since the beginning of the war on Gaza, but are still not off the table, supported at arm's length by US President Joe Biden. The Crown Prince and Saudi Arabia are motivated to obtain from the US a binding defense pact and cooperation on civil nuclear power in exchange for future normalization.

How is Saudi Arabia rising as a regional power?

Salman Ansari

Could you start by giving us a quick an idea about Saudi Arabia's strategic importance?

Saudi Arabia is strategically positioned at the crossroads of Asia, Africa, and Europe. It is close to three of the world's most important straits: the Strait of Hormuz, Bab el-Mandab, and the Suez Canal, making it logistically essential for global business.

How have Saudi Arabia's relations with global powers evolved over time?

Historically, Saudi Arabia maintained good relations with the West, specifically the United States, and didn't have significant or strong relations with the Soviets and the Chinese due to local and domestic interests. Now, it seeks strategic relations with all countries and has diversified its relations with global powers.

What is Saudi Arabia's current relationship with China?

Saudi Arabia recognizing the importance of China as the factory of the world. China is the biggest trading partner among over 100 countries, including the United States and Europe.

But the Kingdom's good relations with China does not mean it's distancing itself from the West.

How have Saudi Arabia's relations with Russia evolved?

Saudi Arabia and Russia have built their relationship on stabilizing oil prices, an important factor for global economic stability. And again, this broader cooperation doesn't come at the expense of other relations.

So, could we say that Saudi Arabia's foreign policy has fundamentally changed?

No and yes. On one side, Saudi Arabia's foreign policies have stayed consistent but has diversified to include the countries that pose a direct threat to the Kingdom's survival or national interest.

On the other side, Saudi Arabia is tired of giving support, as it had done in the past, and not receiving anything in return. So, there is now a shift in the Kingdom's foreign policy in the region.

What is the status of Saudi Arabia's relationship with Iran?

While there has been a deal brokered by China, several issues still remain. Iran continues to support terrorist groups in the region. They support the Houthis in Yemen, Hezbollah in Lebanon, and more than 75 militias in Iraq. So, you can imagine the impact of this on the security architecture in the region.

In addition, intervention in the region doesn't seem to be advancing Iran's interest at all. Quite the contrary, the Republic's policies have resulted in a lack of economic prosperity and more than 40 percent of the Iranian's living under the poverty line.

Speaking of economic prosperity, how has Saudi Arabia's economy changed in the past years and how does the future look?

In terms of success, the past eight years have been remarkable for Saudi Arabia, where it has led by example. The Kingdom has reduced its dependency on oil revenues from 92 percent to 50 percent, with plans to go below 30 percent by 2030.

In cybersecurity, Saudi Arabia rose to become the second most advanced system in the world, according to the cybersecurity index. And in terms of consumer confidence and safety, the Kingdom also ranks first among the top G20 nations.

The Saudi success has surprised even Saudi citizens, leaving them with a sentiment of optimism.

Are you also optimistic about Saudi Arabia's economic future?

Cautiously optimistic, yes. I believe this optimism should be tempered by the many conflicts in the region. Saudi Arabia is deeply concerned about the conflicts in Sudan, Lebanon, and Gaza, and sees that that it cannot achieve economic prosperity without regional stability. Given the Kingdom's responsibility towards the Arab and Islamic world, it aims to end these conflicts to ensure long-term stability.

What are some of the Saudi efforts to address the issue of non-state actors and terrorism?

The Saudi government and its counterparts in the Gulf and Egypt have adopted a zero-tolerance policy towards non-state actors and terrorism, which will have a long-term positive impact. This came after a period where most Arab countries tried to accommodate extremist elements, but ultimately failed. Now there is no tolerance for such groups, as they hinder the proper functioning of government.

What is Saudi Arabia's stance on the Palestinian issue?

The Crown Prince expressed openness to normalizing relations with Israel, but also that it would rely on addressing the Palestinian issue. To that end, Saudi Arabia has used its diplomatic power to gather Arab countries multiple times to address the conflict and the humanitarian catastrophe it has caused.

Saudi Arabia has also long pushed for a two-state solution, which has been repeatedly turned down by Israel and the international community. But if this keeps being the case, then we will just continue to see the same cycle of violence repeat again and again.