

Revival of Saudi-Iran Relationship: Implications for the Region and Pakistan

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ABSTRACT

Saudi-Iran relation has gone through many ups and down since its diplomatic relations were established in 1929 via a friendship treaty. The Iranian revolution bitterer the already sour relations followed by the Iranian nuclear and its alleged support for the Hezbollah and other non-state actor which are considered by the Saudi leaders as Iranian proxies. In 1980s Saudi-Iran soured relations had given a chance to their immediate neighbor Iraq to set the region into war on which continued for almost a decade. Later on Gulf war provided a golden opportunity to foreign authorities for their permanent presence in the region. The presence of foreign forces in the area enhanced Iran-Saudi Arabia differences especially after the 1979 Islamic Revolution. The two rivals have fought economically, militarily, and ideologically, making the resource-rich region prone to continued violence. After the complete shutdown in 2016, the relations has been revived with the support of China in 2023 which amazed the world. This paper is an analysis of the revitalization of relations between these two powers and its implication for the region and Pakistan.

Keywords: Iran, Saudi Arabia, Middle East

Introduction

Iran and Saudi Arabia, two neighboring Muslim countries, occupy important position in the Middle Eastern region. In the East of the Middle East region Iran is situated while Saudi Arabia is in Arabian Peninsula of the Middle East region. Both countries belong to the one region but having no boarder with each other. Iran and Saudi Arabia represent the two main powers in the Middle East. Iran is having presidential form of government under the guidance of Supreme leader while Saudi Arabia is absolute monarchy. Majority of Saudi's follows the Sunni school of taught while Iran follow the Shai School of taught. Both the rivals were blaming each other on different issues in the Middle East. However, on March 10, 2023 in an unexpected development occurred in which the two nation signed a peace deal under the mediation from China. The whole world surprised by this deal and also by the leading role of China in the world affairs. This development has garnered substantial scholarly attention due to its potential to reshape the political and economic landscape of the Middle East and leave an imprint on the global stage. Since understanding historical underpinnings is crucial to contextualize contemporary developments in international relations, given their intricate and interconnected nature, along with the multiplicity of underlying factors. This study endeavours to analyses the dynamics between these two nations by delving into their histories to trace pivotal milestones that have generated and cultivated their

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rivalry. It aims to enquire what the possible reasons for the deal are. How have the changing dynamics of West Asia in the recent past contributed to the deal and explore whether is there a new consciousness emerging in West Asia about their identity and autonomy? The methodology used is a mixed research method, mainly Qualitative research (Content analysis) and quantitative for analyzing the relevant data. The objective of the literature review is to comprehensively explore historical progressions from various perspectives and to the current peace deal.

Research Methodology

To fulfill the objectives of this study, a qualitative research approach is adopted, focusing on secondary sources that address the impact and consequences of Saudi-Iranian rapprochement in Yemen and Syria and its implications for regional security. Data for this paper was gathered from secondary sources including books, previous research, and analytical materials. The selected sources were carefully examined to confirm their direct or indirect relevance to the main subject of the study.

Historical Perspective of Saudi-Iran Relations

The diplomatic relationship between Iran and Saudi Arabia had started in 1929 with the promulgation of Saudi-Iranian Friendship Treaty. However, after the Saudi-Iranian Friendship Treaty, no major development had been seen between their relations till in the beginning of 1960s. In reality, both governments were busy in developing their own country's infrastructures. Interestingly, both monarchies had achieved wide control of their countries in 1925; as in this year the Pahlavi Dynasty was established in Iran and Al Saud family ousted the Sharif from the Hejaz. So in first decade both were working on the establishment of their government and development of the country. From 1929 to 1968, many international and regional events took place which affected their foreign policy. However, on World War II, establishment of the Israel, Arab-Israel wars, impacts of Cold War era, concluding of Defense Treaties etc Iran and Saudi Arabia followed opposite policies against each other. In this phase both countries had faced the 2nd World War (1939-1945). As this war was fought between Allies headed by UK and other was headed by Germany. In this war both governments of the Iran and Saudi Arabia remained neutral status, however, because of the geo-political importance of the Iran and Shah's close ties with Germans, the British and Russian armies attacked on Iran from West and North sides without giving any ultimatum. In order to get the control of the Iranian oil reserves, its neutrality was not accepted. As expected, Shah of Iran (Raza Shah) was defeated by the Allies and a large part of the Iran went to the control of the Russia and British during the World War II. However, because of the King Abdul Aziz's inclination toward the American President Franklin Roosevelt, they could not continue their neutral position by supplied the oil to the Allies against the Germany's Army. Yet Saudi Arabia had not bearded any type of penalty and devastation in the World War II. Consequently, Saudi Arabia remained more save and sound than the Imperial state of the Iran. After the World War II as compared to British the American influence was more increased in the Middle East region. The result of the World War II had started the cold war era between Russia and America. For having the honors of World Super Power, they had to increase their influential circle with strongest position in the political and policy maker department of the countries of the different

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region. Because of the three attributes of the Middle East region, this was the key of attraction for the both parties of the cold war era. a) Geo-graphical location of the region b) Black gold means crude oil reserves c) Establishment of the Jewish state Israel. “In the 1950s, the Middle Eastern region was dominated by four different but overlapping struggles, each distinct from the other, but linked in various ways. The first was the geopolitical struggle for influence between the United States and the Soviet Union known as the Cold War. The second was the struggle between various Arab nationalists against the two remaining imperial powers, Britain and France. The third was the Arab-Israeli dispute, and the fourth was the struggle between different Arab states for the leadership of the Arab world, known as the Arab Cold War. (Craig, 2001).

The diminishing influence of the British after the World War II, opened the door for both nations to receive US funding to address the challenges brought about by wartime hardships. (Keynoush, 2016). During this period, the USA supplied arms to both nations intending to contain communism in the Middle East. The acceleration of this arms export occurred in 1971, propelled by the Twin Pillars policy endorsed by US President Richard Nixon. This policy positioned Saudi Arabia and Iran as guardians of US interests in the Persian Gulf. Nixon's doctrine further emphasized the cultivation of regional power brokers, favoring this approach over direct US involvement. (Brannon, 1994).

The rivalry between these two nations can be effectively categorized into two primary dimensions: Ideological and Geopolitical (Mabon, 2016). The ideological aspect finds its roots in ethno-nationalism and religious identities. Throughout history, the relationship between Arabia and Persia has been marked by tension arising from their distinct influences over the region. Both nations harbour separate civilizational linkages, which they deeply value and take pride in. Following the Iranian revolution, Iran began contesting the legitimacy of Al Saud, the ruling dynasty of Saudi Arabia. This stance extended to challenging Al Saud's role as the custodians of the holy sites of Mecca and Medina, thereby questioning the fundamental basis upon which the Saudi monarchy's legitimacy rests. The geopolitical rivalry, on the other hand, emerges from the shared aspiration to maintain dominance within the region. This rivalry became more pronounced following the decline of Iraq after 2003. The very name of the water body separating these nations is a point of contention: Iran refers to it as the Persian Gulf, while Saudi Arabia uses the term Arabian Gulf. Iran's perspective is rooted in its extensive ancient civilizational history dating back to 700 BC, leading it to view itself as a natural inheritor of the name (Mabon, 2016). This stance contrasts with the notion that other Middle Eastern states are constructs of colonialism. The rivalry's complexity is further compounded by both nations' roles as major oil producers and suppliers. This economic dimension adds another layer to the rivalry, intertwining economic interests with the broader ideological and geopolitical dynamics at play.

Chinese Involvement in the Middle East

The United States of America has long been very influential in Middle East, However the scenario is changing with Chinese foot hold in the region. This Chinese role is changing the geopolitics of region in terms of diplomacy and economic security. The

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deal leading by China is going to reduce the tension in the region. This de-escalation will help the people of Middle to leave in a peaceful environment and work for their economic development. With this peace agreement Saudi-Iran are coming close to each other for future collaboration (Analytica, 2023). The peace in the middle is significant for Chinese expanding economic needs also. The Middle East play a vital role for China in its economic and energy needs. China trade remained US\$ 330 billion with Middle East countries having US\$ 200 billion with Saudi Arabia and UAE only (Israsena-Pichitkanjanakul, 2022). Besides China has invested billions of dollars in these countries. Also, Gulf is important for the Chinese Belt and Road initiative. Besides this, Middle is also vital for China regarding their energy needs. In 2017, China surpassed US with respect to import crude oil and Saudi Arabia is largest supplier in this regard. Saudi company Aramco signed a memorandum of understating with Chinese company for collaboration (Hussain, 2023).

Implications for the Region

The tensions between Saudi Arabia and Iran have an impact on every aspect of political, economic, security, social, religious, and sectarian life. Furthermore, the conflict extends beyond the boundaries of the two countries, it also extends to the whole area of the region. As a result, the growing conflict between the two countries has become the focal point for all other issues and conflicts in the region, effectively dividing the territory and powers into two factions. There is no doubt that just as the Iran-Saudi conflict has had an impact on the region, its resolution may have a similar effect. Due to this agreement between Iran and Saudi Arabia, there is a strong possibility that some countries, such as Lebanon, Iraq, Yemen, and Syria, will no longer be the focus of the Saudi-Iranian conflict. The measure of the success of this agreement will be whether the parties continue to interfere in the domestic politics of countries throughout the region. Riyadh has long complained about Iranian support for armed groups across the region and its alleged efforts to incite insurgency among Saudi Arabia's minority Shiite population. Similarly, Iran accuses Gulf Arab states, including Saudi Arabia, of facilitating the presence of the United States and Israel on its doorstep.

The countries of the region has welcomed the peace agreement between Iran and Saudi Arab. UAE, Kuwait, Oman and Qatar and Bahrain issued statement that the agreement will bring peace and prosperity to the region and issues will be resolved through diplomatic means. Even Hizbullah showed their satisfaction over the agreement (International Crisis Group, 2023). In another development in the regions Syria was allowed to attend the Arab League summit and was welcomed in Riyadh (Aljazeera, 2023). Saudi hold talks with Houthis in Yemen in order to bring the regional peace. It is also expected that the sectarian connotation of these conflicts will end, and the region could witness much-needed peace and stability. This situation would put Pakistan at ease, allowing it to take a neutral position and not be involved in regional affairs unnecessarily. As a result, Pakistan would also be out of the ideological confrontation, and its soil would not be used as a proxy battleground at the cost of its national security (Hussian, 2024)

Both sides have agreed to implement the security and economic trade agreements signed by both countries in 1998 and 2001. Given that the disagreement between the two countries involves issues of national security, the restoration of the security

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agreement is critical. Security institutions are more reluctant than other institutions to establish channels of political communication and are wary of undertaking practical and concrete steps only when they do not obtain certainty about the motives and actions of the other party. Therefore, the implementation of the security agreement will enhance the political credibility of the revival of bilateral relations and garner support of national security defense institutions (International Institute for Iranian Studies, 2023).

The recent Israeli attack on Iran show that Saudi clearly condemned the attacked. The Saudi Foreign minister Faisal bin Farhan Al Saudi in a telephonic conversation with his counterpart, strongly condemned the attack and reiterated that this is no way to solve the problem. Attack on a sovereign countries will deteriorate the situation more rather than solve it. There is need of dialogue to address the nuclear issue. The Foreign Ministry said is statement that "we strong condemn and denunciate the heinous Israeli attacks against the brotherly Islamic Republic of Iran." Also added that Israel's brutal offensive on Iran "violates its sovereignty and constitutes a blatant breach of international laws and norms" (Aljazeera, 2025).

Implication for Pakistan

Pakistan has diplomatic relations with both Saudi Arabia and Iran. Saudi Arabia accommodate a huge number of Pakistanis which send a huge amount of remittances to the country and play their role in the economic development. on the other side Iran is our nighbour country which share 980 km border. Any disturbance in Iran adversely affect Pakistan, and if this disturbance is with Saudi Arabia then it became very difficult for Pakistan to choose one. Therefore, Pakistan has always tried to be a mediator between Iran and Saudi Arabia because choosing one is detrimental to the economic and political interests. . Because Islamabad is reliant on remittances from the Gulf region and has the largest expatriate community in the GCC, deterioration of relations with the Gulf region is nearly unthinkable for Pakistan. On the other hand, due to their sectarian leanings, about 15-20 percent of Pakistan's Shia community favour a better relationship with Iran. The current melt in ties between Iran and Saudi Arabia, shared with China's fresh strategic alliance with Iran and the convergence of the BRI with Saudi Arabia's Vision 2030, open up novel economic prospects for Pakistan. Therefore, the utilization of geographical closeness of the Gwadar and Chabahar ports becomes imperative. Also the investment intended by Saudi Arabia can materialize easily,. China's active involvement could guide and facilitate these economic initiatives for mutual advantages (Akhtar, 2023). Expressing interest in investment within Pakistan, both Iran and Saudi Arabia have the potential to play pivotal roles in tackling Pakistan's energy crises. Iran, with its abundant and untapped natural gas and energy resources, could significantly contribute to the Pakistan's gas and electricity needs. Concurrently, attracting investments from Saudi Arabia could assist in fortifying Pakistan's oil and gas sector, diminishing reliance on imported oil, and strengthening foreign exchange reserves (Abbas, 2023). One noteworthy project reaping benefits from improved relations is the Iran-Pakistan gas pipeline. While Iran has fulfilled its commitments, Pakistan's delays may result in a substantial \$18 billion penalty. Apprehension about upsetting Saudi Arabia and inviting American sanctions has impeded progress on the Pakistani front. Nevertheless, with Riyadh expressing interest in enhancing commercial ties with Iran, Pakistan can persuade them of the project's viability (Moini, 2023).

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The sectarian violence in Pakistan is exploited by the extremist groups in the country and this Shia-Sunni conflict has deteriorated the situation. Each group has been supported by their sympathizer and Iran and Saudi Arabia have used them a tool for geopolitical interests. This support has directly affected the internal situation and created a lot problem. Therefore, this normalization of relations between these two countries will have a very positive impact on Pakistan to defuse the sectarian tension. Also, improved relations between these regional powers could contribute to a more stable and peaceful Middle East, beneficial not only for Pakistan but for the broader international community.

Conclusion

The rapprochement between Iran and Saudi Arabia is a mile stone achieved with the support of China in March, 2023. This has brought both the close to each other and has pave the way for the economic development and peace of the region.. In the past the rivalry has been mutually destructive due to funding of proxy wars, hindered trade, sanctions, etc. leading to economic and political volatility in the region and providing a fertile ground for foreign powers to exploit the region for their interests. This will bring peace in region is going to provide an opportunity for favorable environment for peace and stability. This will also end the sectarian violence in the Middle East. The settlement between Iran and Saudi Arabia could positively impact the Gwadar region and the Iran-Pakistan border. Seizing this opportunity, Pakistan should invite the Saudi investor to invest in Pakistan and especially in Gwadar as it has showed interest to establish Aramco oil refinery. Now the Saudi government will have no reservation regarding Iran to damage its interest in Pakistan. This will also help in bringing peace to South Asia especially Pakistan and India as they have cordial relations with both the countries. A reduction in regional tensions may encourage Pakistan and India to engage in dialogue, seeking diplomatic solutions to their longstanding disputes.

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