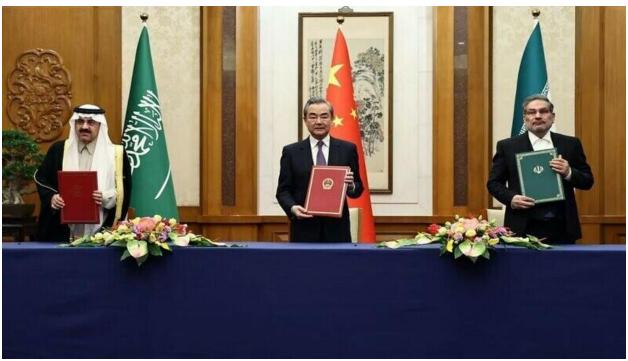
BIPSS Commentary



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The Changing Nature of Saudi Arabia and Iran Diplomatic Relations

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Source: Reuters

Introduction

Saudi Arabia and Iran, two prominent powers in the Middle East, have been engaged in serious conflicts for decades. However, recent developments indicate a positive change in their relationship and have caught the attention of the world community. Geopolitical tensions and indirect confrontations through proxy conflicts have marked the historical conflict between Saudi Arabia and Iran. Therefore, restoring their ties is a significant milestone for regional peace and

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fostering diplomatic ties. This development is significant for Saudi Arabia, Iran, and the Middle East, particularly in countries like Yemen, Lebanon, Syria, and other hotspots.

The commentary will look at the history of the conflict and the underlying reasons for this significant development. The significance, potential ramifications and challenges for the Middle East region will also be explored.

Historical Background

Saudi Arabia and Iran established formal relations in 1929 by signing a friendship treaty. Their relationship was relatively weak at the time. Following the 1979 Iranian Revolution, the rivalry between the two nations grew more intense. Due to the Islamic Republic's establishment and the Shah Dynasty's removal, the revolution is significant historically. Iran adopted its political system and evolved into the Shiite-led Islamic Republic.

In contrast, Saudi Arabia follows the Sunni Islamic model of administration. In November of the following year, Shiites in Saudi Arabia's eastern province demonstrated and openly criticized the Saudi government. Some people in the crowd also carried images of Ayatollah Khomeini. Saudi Arabia considered Iran an agitator and a threat to the region's stability.²



Source: Arab News

² Jonathan Marcus, 'How come Saudi Arabia and Iran don't get along?' (BBC News, 16 September, 2019) https://www.bbc.com/news/world-middle-east-42008809>

Saudi Arabia secretly supported Iraq during the 1980 Iran-Iraq War by providing them financial aid and access to their ports. The tragic accident during the Hajj in 1987 led to a deterioration in the relationship between the two nations. 402 people were killed, including 275 Iranians, 85 Saudi citizens and security men, and 42 pilgrims of other nationalities.³ As a result, protesters in Tehran turned outrage on the Saudi Embassy, which caused one of the Saudi envoys to fall from a window and perish. Tehran sought possession of the Holy Places of Riyadh. At the same time, Saudi Arabia accused Iran of delaying the diplomat's passage to the hospital. As a result, in 1988, Saudi Arabia's King Fahd broke diplomatic relations with Iran. Diplomatic ties between Saudi Arabia and Iran were reestablished in June 1991 after Saudi Arabia warmly welcomed Iran's choice to adopt a neutral and non-aligned policy during the First Persian Gulf War.

The diplomatic ties between the two countries grew stronger after Khomeini's death. By making history as the first Iranian president to visit Saudi Arabia in 1999, Mohammad Khatami made progress toward improving ties with that country. A security deal was subsequently formed between the two nations in 2001.⁴



Source- BBC News

³ Charles P. Wallace, '402 Die in Clashes of Saudis, Iranians : Killings at Shrine in Mecca Trigger Attacks on Four Embassies in Tehran' (Los Angeles Times)

https://www.latimes.com/archives/la-xpm-1987-08-02-mn-971-story.html

⁴ Faris Almaari, 'Clarifying the Status of Previous Iran-Saudi Agreements'

⁽The Washington Institute for Near East Policy, 16 March, 2023)

https://www.washingtoninstitute.org/policy-analysis/clarifying-status-previous-iran-saudi-agreements>

But Saudi Arabia began to worry more and more about Iran's nuclear development in the early 2000s. Following the attacks of 9/11, the relationship between the two countries underwent a substantial change. A turning point occurred when Tehran and Riyadh joined forces with the United States to provide humanitarian help for the reconstruction of Afghanistan as President George W. Bush decided to invade Afghanistan and Iraq. The United States, however, did not view Tehran as a reliable ally despite welcoming Riyadh as a new ally. After that, Iran and Saudi Arabia signed an oil agreement which caused the price of oil to rise dramatically on the world market.

President Saddam Hussein was successfully ousted in 2003 by a US-led war, which helped the Shia majority in Iraq gain more control. Iraq used the opportunity to strengthen its political position by skillfully leveraging American influence and welcoming the U.S. intervention in Baghdad. As a result, the developments in Iraq caused Saudi Arabia and Iran to become quite alarmed. For Tehran, Iraq, was significant since the two countries have a primarily Shiite Muslim population. On the other hand, Saudi Arabia became worried because it lacked influence over Iraq's newly elected government.

President Mahmoud Ahmadinejad took office in Iran in 2005 and launched the country's nuclear program. Saudi Arabia was concerned about this development because they saw Iran as having the ability to dominate the Gulf. Furthermore, Saudi Arabia believed Iran was creating a new regional alliance due to the prolonged conflict between Israel and Hezbollah.

Iran and Saudi Arabia played opposite roles in numerous conflicts and flashpoints in 2011 during the Arab Spring. Iran backed Assad in Syria, while Riyadh helped the opposition forces. Saudi Arabia intervened to put down the Shiite rebellion in Bahrain at the request of Bahrain's Sunni Royal Family. Iran also denied the claim made by the United States that it conspired to assassinate Saudi diplomat Abdel al-Jubeir in Washington.

Saudi authorities tightened restrictions on Iranian pilgrims after a clash occurred during the Hajj in 2015, leading to hundreds of people's deaths. Saudi Arabia and other regional nations reacted after Saudi Arabia accused Iran of backing the Houthi rebels in Yemen. Along with attacking the border, the Houthi rebels also used drones to launch an attack on Saudi Arabia.

On January 2, 2016, Saudi Arabia executed over 50 political dissidents, including eminent Shia cleric Sheikh Nimr al-Nimr.⁵ This incident provoked a protest in Iran, which resulted in an attack on the Saudi Embassy in Tehran. Iran imposed limitations on its pilgrims performing the Hajj the next year, citing Saudi Arabia's failure to safeguard the safety of pilgrims the year before. Saudi Arabia consequently broke all diplomatic ties with Iran.

Development of Saudi Arabia and Iran Relations

Oman and Iraq made steps in April 2021 to intervene between Saudi Arabia and Iran. These two nations acted as middlemen to promote communication and ease tensions between the two regional powers. Other countries, including Kuwait and Pakistan, have also attempted to initiate discussions between Tehran and Riyadh over the previous seven years. These activities reflect regional governments' continued diplomatic efforts to support mutually beneficial arrangements and strengthen ties between Saudi Arabia and Iran.

Iraq's efforts to play a role as a mediator between the two sides were severely hindered due to the ongoing turmoil in politics. There was a protracted period of no significant contact between both sides following the fifth round of negotiations in April 2022. However, Chinese President Xi Jinping traveled to Riyadh in early December 2022 to attend the first Chinese-Arab summit. China invited Saudi Arabia and Iran to meet during this conference to organize a Gulf-Iran meeting in China in 2023.

Senior Saudi and Iranian officials held additional in-depth negotiations at the Brazilian president's inauguration. During Ebrahim Raisi's state visit to China in February, China also stated that it intended to begin bilateral discussions with the Iranian president. An important development occurred on March 10 when Saudi and Iranian officials met in Beijing, China, for five days in private. They announced an agreement to resume diplomatic ties between the two countries, made possible by China.

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⁵ 'Sheikh Nimr al-Nimr: Saudi Arabia executes top Shia cleric' (BBC News, 2 January, 2016) https://www.bbc.com/news/world-middle-east-35213244



Source- WSJ News Exclusive

Iran has officially invited King Salman of Saudi Arabia to visit Tehran as part of continuing efforts to strengthen ties. This move represents several steps both countries have taken to advance their peace goals. Notably, on July 6, 2023, Iran reopened its embassy in Saudi Arabia following a seven-year closure.⁶ Saudi Arabia still didn't reopen the embassy in Tehran after reconstructing the building, which was damaged during the 2016 protest.

In Iran's view, resolving regional issues and alleviating socio-economic crises are the main goals of this agreement. Iran also wants to use its access to Gulf nations' financial resources to mitigate the effects of international sanctions. Antonio Guterres, the secretary-general of the United Nations, thanked China for its assistance in facilitating this agreement. Furthermore, the United States and its allies have permitted Saudi Arabia to restore diplomatic ties with Iran. The area's geopolitical dynamics have changed significantly due to this development.

The Joint Trilateral Statement

The Joint Trilateral Statement declared Saudi Arabia and Iran's joint decision to resume full diplomatic ties. Musaad bin Mohammed Al Aiban, the Saudi national security adviser, Ali

⁶ Maziar Motamedi, 'Iran to reopen embassy in Saudi Arabia after seven years' (Al Jazeera, 5 June, 2023) https://www.aljazeera.com/news/2023/6/5/iran-to-reopen-embassy-in-saudi-arabia-after-seven-years

Shamkhani, the Iranian Supreme National Security Council secretary, and Wang Yi, the head of the Foreign Affairs Commission of the Chinese Communist Party's Central Committee, all officially endorsed this significant agreement. The statement specifically acknowledged the appointment of ambassadors, indicating the official re-establishment of diplomatic lines.

The trilateral declaration highlighted Saudi Arabia, Iran, and China's shared commitment to aggressively advance regional and global peace and security in addition to the restoration of diplomatic ties. They have intentionally attempted to strengthen regional stability and promote an atmosphere beneficial to collaboration and communication, which is reflected in this agreement. The agreement strongly emphasized maintaining the values of sovereignty and non-interference in one another's domestic affairs. Reiterating their commitment to two prior agreements made in 1998 and 2001, the parties concerned aimed to further their goal of establishing strong and cooperative cooperation. The parties aimed to provide the groundwork for mutual respect and cooperation by demonstrating these ideals and promises.

Consequences and Impacts of the newly developed ties

Reestablishing diplomatic ties between Saudi Arabia and Iran is among the most significant moments in history. This significant move has the potential to bring peace and development to the Gulf area. The conflict between the two countries has significantly impacted the people's lives in the region, resulting in extreme violence and a humanitarian crisis. Additionally, it has had a significant impact on the business and politics of the area. Notably, as both nations are significant oil producers, their competition has led to an increase in the global price of oil. The conflict alone did not lead to economic growth stagnation in the regions. The Saudi-Iran rivalry has seriously affected the Middle East for many years. The consequences of the Beijing accord and the imminent Raisi visit to Riyadh will greatly influence Lebanon and Syria because they are intimately connected to this rivalry. Saudi Arabia and Iran, these two nations have long-standing political, economic, cultural, and religious ties. Stability, financial support, and societal harmony are examples of positive developments that could have a significant positive impact on both Syria and Lebanon. A positive outcome from the deal is feasible.

The agreement, which can support a de-escalation of conflict and secure the Middle East, may be responsible for the improved relations between the Gulf nations and Iran in the past two years.

Except for Oman, all Gulf Arab nations severed their ties with Tehran after the incident in 2016.⁷ Nonetheless, Oman, Qatar, and Kuwait have sporadically communicated with Tehran in recent years. Meanwhile, Saudi Arabia, the United Arab Emirates, and Bahrain supported U.S. President Donald Trump's sanctions to isolate and weaken Tehran. All of the Gulf Arab countries have currently mended their relations with Iran, except Bahrain. Additionally, the deal might help Iran, Iraq, and the Gulf Arab governments to undertake a security dialogue.

The Syrian regime will most certainly be one of the main beneficiaries of the new regional peace. Syria will probably gain from Beijing's rising interest in the area. The rivals faced off after the 2011 outbreak of the Syrian Civil War.



Source- Middle East Institute

One of Iran's closest allies has been the Damascus regime. Iran gave him military support and funding to combat opposition organizations, and Saudi Arabia supported Syrian Islamist groups working to remove al-Assad. According to Saudi Arabia, more dialogue may result in Syria rejoining the Arab League. The Iran-Saudi agreement follows the longest ceasefire in the civil

⁷ 'The Impact of the Saudi-Iranian Rapprochement on Middle East Conflicts' (International Crisis Group, 19 April, 2023, https://www.crisisgroup.org/middle-east-north-africa/gulf-and-arabian-peninsula/iran-saudi-arabia/impact-saudi-iranian

conflict in Syria by three years.⁸ According to Saudi Arabia, more interaction may result in Syria rejoining the Arab League. The Iran-Saudi deal has received high appreciation from the Syrian Foreign Minister, Faisal al-Mekdad, who described it as a significant step towards boosting regional security and stability. The Syrian administration is likewise interested in improving ties. The restoration of diplomatic ties could be used to end the continuous regional issues that have lasted for 10 years. A coalition led by Saudi Arabia and backed by the U.S. has intervened militarily in Yemen as part of a proxy war between Saudi Arabia and Iran since March 2015. ⁹ Their goals included-

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• ending the Houthis,

- restoring President Abd-Rabbu Mansour Hadi's administration, and
- limiting what they saw as growing Iranian influence in the region.

Despite years of fighting, there is no end to the battle. However, restoring ties between Riyadh and Tehran could make negotiating easier for Saudi Arabia and the Houthis.

One of Netanyahu's major diplomatic successes came in 2020 with the normalisation agreements that Israel negotiated with four Arab nations, including Bahrain and the United Arab Emirates, with U.S. assistance. The ultimate purpose of these agreements was to block Iran's nuclear program and regional dominance by isolating and opposing Iran in the area. After several Gulf countries joined, the attention turned to Saudi Arabia as the next goal. Despite having the identical aim of resisting Iran, Israel may need help due to the Saudi-Arabian agreement. The United States has facilitated a peace deal between Israel and Saudi Arabia.

The conflict between Iran and Saudi Arabia has harmed Lebanon's stability. Sectarian divisions have always influenced the exceptional complexity of Lebanon's political structure. Historically, Saudi Arabia has had a close relation with Lebanon, providing financial and political support. The relation, however, has deteriorated recently as a result of Hezbollah's growing power in Lebanon. A Shia political and military group funded by Iran, Hezbollah, has taken part in the fighting in Syria, which Saudi Arabia opposes. Hezbollah is still optimistic that Saudi Arabia and Iran will

⁸ Patrick Wintour, 'Iran and Saudi Arabia agree to restore ties after China-brokered talks' (The Guardian, 10 March, 2023) https://www.theguardian.com/world/2023/mar/10/iran-saudi-arabia-agree-restore-ties-china-talks

⁹ Nadeen Ebrahim and Mostafa Salem, 'A Saudi-Iran reconciliation may not end the war in Yemen just yet' (Meanwhile in the Middle East, 22 March, 2023)

https://edition.cnn.com/2023/03/22/middleeast/yemen-war-saudi-iran-mime-intl/index.html

¹⁰ 'How has the Saudi-Iran divide affected the Middle East?' (Al Jazeera, 7 Apr 2023)

https://www.aljazeera.com/news/2023/4/7/how-has-the-saudi-iran-divide-affected-the-middle-east

uphold the principles of state sovereignty, resulting in a decrease in Iranian meddling in Lebanese affairs. 11 The Saudi-Iran reconciliation will unlikely immediately impact Lebanon's financial problems and political situation. However, if Saudi Arabia continues to view Lebanon as a low priority, it may exacerbate the nation's problems by further ignoring it, adding to its economic and political difficulties. As a result, this may increase Hezbollah's power and make it more difficult to adopt significant reforms to address Lebanon's problems.

The Iran-Saudi Arabia pact bolsters China's image as a promoter of peace and stability in the Middle East. In a surprise turn of events, China was able to close the gap between the two nations, establishing its influence in the area and proving its importance. The fact that China is becoming more involved in the area and that it has strong ties to both Saudi Arabia and Iran is highlighted by this development. China, which depends on oil imports from Riyadh and Tehran, realized the need to normalize diplomatic ties between the two countries to ensure the safe transit of energy resources. 12 China has slowly built ties in the Middle East through business accords over several decades.

Conclusion

The conflict between the two bitter rivals, Iran and Saudi Arabia, has affected several Middle Eastern countries. The re-establishment of relations between Saudi Arabia and Iran is a significant turning point in their diplomatic history. The diplomatic interaction between Saudi Arabia and Iran raises the possibility of de-escalation and the settlement of protracted disputes. The reopening of embassies and participation in high-level discussions demonstrate an interest in addressing common concerns and promoting stability in the area.

The restored diplomatic ties between Saudi Arabia and Iran brings hope for reducing tensions and resolving long-standing conflicts. It is of the utmost importance for both countries to maintain open communication and to hold constructive dialogues. The outcome of the newly developed tie is uncertain, but the recent steps that Saudi Arabia and Iran took to increase the possibility of a more cooperative and peaceful Middle East.

¹¹ ibid

¹² Taylah Bland, 'China-Saudi Relationship is Evolving Beyond Oil to Help Reshape the Middle East' (Asia Society Policy Institute, 3 April, 2023)