

Pragmatic Re-Balancing: the Saudi Dual Outreach to Israel and Iran

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Brief Analysis

While the Middle East remains littered with flashpoints, Saudi Arabia is reaching out to Israel and Iran in an attempt to defuse simmering tensions and build consensus, with the Kingdom shifting from a confrontational to fence-mending approach.

The uncertainty about the future of the U.S. military footprint in the Middle East and the growing threats looming over regional stability have prompted Saudi Arabia to engage in a pragmatic balancing act with both Israel and Iran. Although the Saudi attempt to simultaneously build better ties with the Israelis and Iranians have significant potential stumbling blocks, the twin moves display a concerted effort to lower the political temperature across the Middle East. Biden's recent visit to the region has again highlighted how Iran's increasingly interventionist regional policy—especially as the U.S. presence recedes—is shifting other regional powers' foreign policy calculations, with Saudi Arabia proving no exception. Whether Riyadh's current conciliatory efforts will pay dividends rests on the Saudi leadership's capacity to balance the underlying contradictions, centripetal pressures, and different goals that factor into these two relationships.

The Price of Boldness: Fine-Tuning Adjustments to the Saudi Foreign Policy

Traditionally, a strong desire for leadership and a cautious approach towards international affairs have been the main tenets of Saudi foreign policy. On the one hand, Saudi Arabia sees the Arabian Peninsula and its immediate surroundings as a natural sphere of influence. The national role conception of the Saudi elite has deeply informed the country's foreign policy-making, as has the expectation that other Arab Gulf monarchies will align with its political and security agendas. On the other hand, the nature of the Saudi decision-making process—based on regular consultation between the King, his brothers, and close advisers—generally resulted in prudent foreign policies. While there have been some moments in which Saudi Arabia assumed an assertive posture on the international stage, such as during the 1973 oil crisis, these episodes represented the exception rather than the rule

in Saudi foreign policy-making.

Nevertheless, the mechanisms and dynamics shaping the trajectory of Saudi foreign policy and how it operates underwent a **significant overhaul** (<https://www.tandfonline.com/doi/abs/10.1080/03932729.2017.1308643?journalCode=rspe20>) after the ascent of King Salman bin Abdulaziz to the Saudi throne in January 2015 and the nomination of his son, Mohammed bin Salman, to the position of Crown Prince in June 2017. The reshuffle at the helm of the Saudi leadership brought about a recalibration of the tenets informing Saudi Arabia's foreign policy, pivoting toward a risk-taking posture. The Saudi Crown Prince inaugurated a more centralized, assertive, and personalistic style of conducting foreign policy, which primarily unfolded in a proactive containment of Iran-sponsored malign activities in the Middle East.

This shift delivered mixed results. On the one hand, the fact that the GCC members held a **meeting** (<https://english.alarabiya.net/News/gulf/2021/01/06/Full-transcript-of-AlUla-GCC-Summit-Declaration-Bolstering-Gulf-unity>) to end the three-year long spat with Qatar in al-Ula, the crown jewel of Saudi archeological sites, and that U.S. President Joe Biden visited Riyadh this summer both demonstrate that Saudi Arabia continues to have a front-row seat to regional and global affairs. On the other hand, Saudi Arabia has seen a gradual erosion of its leadership role among the GCC members, especially vis-à-vis the United Arab Emirates (UAE) and Qatar, and it has found itself increasingly politically isolated.

It is against the background of weakening Saudi clout in the region and the realization of the inherent limits in a more confrontational foreign policy approach that Riyadh has partially resumed its traditional conciliatory posture. Riyadh seems to have become increasingly aware that, in the current geopolitical environment of precarious détente, an openly belligerent position does not pay dividends, especially as it exposes the country to an array of threats that risk undermining its ambitions and strategic interests. Riyadh's attempts to simultaneously reach out to Tel Aviv and Tehran, though seemingly contradictory, reflect how Saudi Arabia aims to pursue a multifaceted array of goals that require complex navigation of regional relationships.

These efforts jointly contribute to strengthening the core of Saudi national interests: namely, to ensure the long-term security of the ruling elite and support the Crown Prince's vision for a new Saudi state. Nevertheless, the Saudi pragmatic balancing act is not immune to risks, and its underlying limits loom over the success of this tactical repositioning.

Postponing the Inevitable? The Saudi-Israeli Tacit Entente Makes Inroads

Diplomatic ties between Saudi Arabia and Israel have turned from a taboo into a **quiet reality** (<https://www.tandfonline.com/doi/abs/10.1080/25765949.2021.1928413>) in less than half a century. Saudi-Israeli links have made significant qualitative and quantitative leaps forward in the past several years, especially during the administration of then-President Donald Trump. Riyadh and Tel Aviv are both looking apprehensively at the decreasing U.S. political will to uphold the current regional status quo and at the mounting threats from Iran. This dissonance dovetails with the increasing convergence of interests among these two actors who see Tehran as a dangerous destabilizing force in the region.

Beyond the shared threat of Iran, the **generational shift** (<https://www.tandfonline.com/doi/abs/10.1080/03932729.2021.1987033?journalCode=rspe20>) in the country's leadership has also played a paramount role in reshaping Saudi Arabia's security compass, as members of a younger generation take over many top institutional offices. With a growing focus on developing new opportunities for economic growth and a post-oil economy, the Saudi leadership looks at Israel as a promising **business partner** (<https://www.bloomberg.com/news/articles/2022-09-04/israel-and-saudi-arabia-no-longer-enemies-but-not-quite-friends>) in strategic sectors such as digital and tech. These potential opportunities extend to a vast array of

fields, including renewable energy, water management, and agriculture in extreme-weather environments.

Although major breakthroughs have not yet materialized, President Biden's recent trip to the Middle East highlighted some new developments. Saudi Arabia [opened \(https://www.cnbc.com/2022/07/15/saudi-arabia-to-open-airspace-to-all-airlines-including-from-israel.html\)](https://www.cnbc.com/2022/07/15/saudi-arabia-to-open-airspace-to-all-airlines-including-from-israel.html) its national air space to all air carriers, including Israeli carriers, while Israel [gave \(https://www.axios.com/2022/07/14/saudi-israel-normalization-red-sea-deal\)](https://www.axios.com/2022/07/14/saudi-israel-normalization-red-sea-deal) its green light approval to a potential Egyptian-Saudi swap of the strategic Tiran and Sanafir islands. [Israelis \(https://www.whitehouse.gov/briefing-room/statements-releases/2022/07/14/the-jerusalem-u-s-israel-strategic-partnership-joint-declaration/\)](https://www.whitehouse.gov/briefing-room/statements-releases/2022/07/14/the-jerusalem-u-s-israel-strategic-partnership-joint-declaration/) and [Saudis \(https://www.reuters.com/world/middle-east/us-saudi-arabia-agree-stopping-iran-getting-nuclear-weapons-joint-statement-2022-07-15/\)](https://www.reuters.com/world/middle-east/us-saudi-arabia-agree-stopping-iran-getting-nuclear-weapons-joint-statement-2022-07-15/) both signaled a solid commitment during bilateral meetings with Biden to preventing Tehran from developing nuclear weapon capability. Nevertheless, full diplomatic normalization between Saudi Arabia and Israel still faces significant obstacles. Though the Palestinian dossier and the debate about the status of Jerusalem have lost part of their transnational resonance, they remain important points in a potential Saudi-Israeli peace deal. Saudi public opinion continues to hold Palestinian self-determination in high regard, with July/August 2022 polling from the Washington Institute [reporting \(https://www.washingtoninstitute.org/policy-analysis/arab-public-opinion-arab-israeli-normalization-and-abraham-accords\)](https://www.washingtoninstitute.org/policy-analysis/arab-public-opinion-arab-israeli-normalization-and-abraham-accords) that 76 percent of Saudi Arabian respondents see the Abraham Accords in a negative light. As chief architects of the 2002 Arab Peace Initiative, it may prove difficult for Riyadh to normalize diplomatic ties with Israel if the peace deal does not bring to the table tangible changes for the Palestinians.

From Burning Bridges to Building Connections: the Rollercoaster of the Saudi-Iranian Rivalry

The deterioration of relations between Saudi Arabia and Iran—already driven by ideological and sectarian layers of friction—has accelerated during the past twenty years. Key points of tension include the growing Iranian influence in Iraq after the 2003 U.S.-led invasion, the regional sense of instability after the Arab Spring, and again a sense of instability in 2016 after a mob [stormed \(https://www.nytimes.com/2016/01/03/world/middleeast/saudi-arabia-executes-47-sheikh-nimr-shiite-cleric.html\)](https://www.nytimes.com/2016/01/03/world/middleeast/saudi-arabia-executes-47-sheikh-nimr-shiite-cleric.html) the Saudi embassy in Tehran following the execution of the Saudi Shia cleric Nimr al-Nimr. After this last event, the two countries curtailed diplomatic relations, engaged in incendiary rhetoric battles, and inaugurated a tense phase of cold confrontation that peaked with the drone and missile attacks [targeting \(https://www.nytimes.com/2019/09/14/world/middleeast/saudi-arabia-refineries-drone-attack.html\)](https://www.nytimes.com/2019/09/14/world/middleeast/saudi-arabia-refineries-drone-attack.html) the Saudi oil facilities at Abqaiq and Khurais in mid-September 2019. The bombings—claimed by the Houthis but more plausibly originating from launch sites in Iraq or Iran—temporarily knocked out half of the Saudi oil output.

This attack marked a turning point. The massive damage inflicted on the core of the Saudi oil industry and the lack of a U.S. military response on Iranian soil have pushed the leadership in Riyadh to adopt a fence-mending approach to Iran. The Crown Prince has [maintained \(https://english.alarabiya.net/News/gulf/2022/03/03/Mohammed-bin-Salman-on-Iran-Israel-US-and-future-of-Saudi-Arabia-Full-transcript\)](https://english.alarabiya.net/News/gulf/2022/03/03/Mohammed-bin-Salman-on-Iran-Israel-US-and-future-of-Saudi-Arabia-Full-transcript) that Saudi Arabia and Iran are “neighbors forever. We cannot get rid of them, and they can't get rid of us. So it's better for both of us to work it out and to look for ways in which we can coexist.”

Successive tacit dialogues held in Baghdad have provided an outlet for these attempts at reconciliation. Through the mediation of Iraqi Prime Minister Mustafa Kadhimi, Saudi Arabia and Iran have successfully [held \(https://www.reuters.com/world/middle-east/iran-confirms-fifth-round-talks-held-with-saudi-arabia-2022-04-25/\)](https://www.reuters.com/world/middle-east/iran-confirms-fifth-round-talks-held-with-saudi-arabia-2022-04-25/) five rounds of talks between April 2021 and April 2022. These meetings have touched on a host of issues, including possible pathways to the end of the Yemeni war, gradual steps for the resumption of full diplomatic relations, and options to reduce maritime insecurity in the waters off the Arabian Peninsula.

Although major breakthroughs are unlikely in the short term, they signal a mutual intention to overcome immediate faultlines and focus on easing tensions while expanding the areas of cooperative engagement. However, Saudi Arabia's deepest security concerns about Iran's ambitions remain largely unaddressed. Such unsolved security concerns—from Iran's support for its proxies across the Middle East to its missile and nuclear programs—might derail the Saudi-Iranian rapprochement. Similarly, while Saudi outreach to the Iranians has specifically sought to reduce Houthi asymmetric warfare targeting Saudi soil with drone and missile attacks, it is debated how much leverage Tehran effectively holds on the Yemeni insurgent group. Tehran may prove of limited help in the Saudi effort to reduce the hybrid threats from the Yemeni quagmire.

For Saudi Arabia, keeping its options open means engaging in a dual foreign policy strategy that aims to keep the momentum of the Baghdad talks while forging a diverse set of relationships with partners who have the means and the political will to engage in a power balance move against the Iranian threat.

Future Outlooks

The trajectory that Saudi foreign policy will take partially hinges on the future of some critical regional dossiers on which Riyadh has only limited agency. In mid-July 2022, Saudi Arabia and Iran **signaled** (<https://www.reuters.com/world/middle-east/iran-says-tehran-riyadh-are-interested-holding-further-meetings-2022-07-13/>) the intention to keep up with Baghdad-based talks. However, the recent clashes wreaking havoc in the Iraqi capital's Green Zone casts a long shadow over a swift resumption of PM Kadhimi-mediated talks. Whether Baghdad will resume its role as a diplomatic bridge rests on the capacity of the Iraqi domestic actors to prevent the political standoff from turning into an armed confrontation that risks collapsing the entire country into a free-for-all civil war. Saudi Arabia and Iran should refrain from supporting the dangerous political jostling between the different rivaling factions and instead leverage their influence to nudge their local interlocutors toward inclusive solutions.

And when it comes to Israel, though Tel Aviv appears to be the ideal candidate to jointly contain Iran's malign activities due to its qualitative-military hedge and proven warfare skills, Riyadh and Tel Aviv confront Tehran for different reasons. Saudi Arabia seeks leverage against a rival in the quest for regional leadership, while Israel sees an existential threat to its national security. Saudis and Israelis might successfully shelve most of their differences, but the bandwidth for cooperation in the security domain remains limited.

In both of these cases, Saudi Arabia is walking a fine line. For the moment, it has successfully managed to keep together these conflicting postures and achieved important goals: namely, an increasingly open thaw with Israel and a timid de-escalation with Iran. However, should the underlying contradictions of the Saudi foreign policy become more accentuated under the pressure of domestic and external factors, Riyadh might have a hard time keeping up with its balancing act.

Nevertheless, Saudi Arabia has historically achieved the most when it has acted as a stabilizing force in the region rather than a challenger. Therefore, Riyadh is more likely to garner political clout in regional dynamics by developing cordial working ties with both Tel Aviv and Tehran rather than pursuing its former hawkish and interventionist policy line. Even so, a successful pursuit of this approach may ultimately lead to a situation where Saudi Arabia must pick sides. Whether Saudi Arabia will prioritize its ties with Israel over Iran, or vice versa, depends on how the Saudi leadership will perceive the threats in its surrounding environment and which tools—confrontation or appeasement—it will use to balance against them. ❖

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Sep 20, 2022

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David Makovsky,
David Schenker,
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(/policy-analysis/israels-karish-gas-field-diplomatic-opportunity-or-casus-belli)



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|----------------------|--------|--------|--------|
| UNITED STATES DOLLAR | USD | 99.00 | 99.00 |
| UNITED STATES DOLLAR | USD\$1 | 99.50 | 99.50 |
| USD TRAVEL CHECK | USDTC | | |
| EURO | EUR | 132.20 | 132.70 |
| AUSTRALIAN DOLLAR | AUD | 94.00 | 94.50 |
| SINGAPORE DOLLAR | SGD | 79.05 | 79.30 |
| JAPANESE YEN | JPY | 10.1 | 10.2 |
| HONGKONG DOLLAR | HKD | 128.1 | 129.1 |
| BRUNEI DOLLAR | BND | 78.70 | 79.05 |
| SAUDI ARABIAN RIYAL | SAR | 26.20 | 26.95 |
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