



Gulf Research Center
Knowledge for All

The Future of Saudi Arabia's Relations with Europe

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Gulf Research Center Foundation

Avenue de France 23
1202 Geneva
Switzerland
Tel: +41227162730
Fax: +41227162739
Email: Info@grc.net

**Gulf Research Centre
Cambridge**

University of Cambridge
Sidgwick Avenue,
Cambridge CB3 9DA, UK
Tel: +44-1223-760758
Fax: +44-1223-335110
Email: Info@grc.net

**Gulf Research Center
Jeddah**

19 Rayat Al-Itihad St.
P.O. Box 2134 Jeddah 21451
Kingdom of Saudi Arabia
Phone: +966-12-6511999
Fax: +966-2-653-0953
Email: Info@grc.net





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Europe and the Ukraine Crisis

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Several dimensions play a role when it comes to the current status and future outlook for relations between the Kingdom of Saudi Arabia and Europe (Europe identified here as both the European Union and its member states). One is the current shift in Saudi dynamics in terms of both its domestic and foreign policy outlook and the impact this has on the thinking in Riyadh when looking outward to the rest of the Middle East region and beyond. The second is how that shift is being interpreted in Europe and what implications this has for how Europe will interact with the kingdom. One aspect to always keep in mind is the fact that both sides are committed to securing a more stable Middle East region with neither side being in favoring of continued turmoil and volatility. The third consideration therefore is how the persistent differences between the two sides can be overcome and how equal interests can be brought together despite divergent policy approaches of how to achieve those similar goals. Finally, given the current crisis in Ukraine, the question on the table is whether this will be an opportunity to launch a new chapter in relations given the broad consequences this war has for regional as well as global order.

Relations between the Saudi Arabia and Europe continue to be marked by degrees of dichotomy between ambition and reality. While the EU has become conscious of the rising strategic importance of the Gulf region, and while the GCC states are eager to strengthen their ties with Europe on political and economic grounds, both sides have remained hesitant and unsure of how to structure their relations in a mutually beneficial way.

A key missing element is the level of prioritization accorded to each other. While Saudi Arabia and the rest of the GCC is on the EU's map, it is not seen as Europe's immediate neighborhood where developments in Syria or Libya, for example, are viewed as greater pressing concerns. One direct result is that no European member country has in the past taken the lead within the EU to push the Gulf further up the common agenda. Similarly, the Saudi Arabia see Europe as only playing a secondary role when it comes to ensuring their security. As a result, there is no clear agreement within Saudi Arabia about what role to assign to multilateral EU-GCC or the more bi-lateral Saudi ties with individual European countries.

The time may now, however, be riper than ever to change this equation. With the crisis within the GCC over Qatar being put on the road to a resolution, chances to strengthen EU-GCC and Europe-Saudi Arabia relations have improved markedly. A direct result has been the holding of the 26th GCC-EU ministerial meeting in Brussels on February 21, 2022, the first ministerial meeting in almost six years. As stated by the EU's High Representative, Josep Borrell, ahead of the meeting, the EU is committed to see the GCC as a functioning organization that can contribute to better regional integration and conflict resolution as well as more effective multilateralism. He particularly mentioned increased political engagement and the announcement of the appointment of an EU Special Envoy for the Gulf region can be seen as a step in the right direction.

The second development that could also impact Saudi-Europe ties is the war in Ukraine which has sent shockwaves throughout Europe and has caused a fundamental re-evaluation over the nature of the current political system and the



future of the European order. Europe suddenly found itself confronted with new realities despite the fact that the warning signs from Russia has been there for more than a decade prior. The Russian-Georgian war of 2008 and Moscow's annexation of Crimea in 2014 were clear warning signals that Russia would not silently accept a creeping expansion of NATO and the European Union directly to its border. But unlike in the past when Russian actions were more or less taken in without widespread resistance, the attack on Ukraine has awoken Europe out its complacency. Whether this seismic event will ultimately lead to greater European strategic autonomy, as has been demanded by numerous European policy officials over recent years, will need to still be seen of course. One direct consequence, however, is the determination by Europe to lessen dependence alongside an increased divergence in their foreign relations. In that context, European and Saudi policy goals are similar and as such the basis for a degree on convergence exists.

Obstacles impacting Saudi-Europe Relations

Before beginning to outline areas around which future Saudi-European relations can be structured, it is necessary to first identify the key obstacles that have prevented a closer relationship in the past. One obstacle to the relations with Saudi Arabia is the fact that Europe as a whole continues to grapple with the turmoil of the Middle East, and in this context, it finds it difficult to deal with the Kingdom. In the past, Saudi Arabia was seen as a status quo power that acted largely reactively and behind-the-scenes. In recent years, however the kingdom has shed its cautious mantle for a more activist and what is however seen in Europe as an interventionist regional policy. Saudi Arabia has thus been viewed by European policy officials and pundits as contributing to the current upheaval in the Middle East and as such acting against some key European interests and principles. A main impediment in this regard then is the fact that Saudi thinking when it comes to the developments of recent years is rarely understood in Europe. Little effort in fact goes into trying to see the threats and challenges the kingdom faces from Riyadh's perspectives.

For Europe to begin to bridge its gap in comprehending the kingdom, six specific factors can be better understood when it comes to current Saudi calculations. The first one is leadership. Saudi Arabia is a kingdom in transition with a new generation of princes currently in the process of replacing the generation that has ruled since the modern kingdom's establishment. King Salman Bin Abdulaziz Al-Saud is the last of his generation to hold the throne. Power is therefore shifting from a leadership in their seventies and eighties to generation that is mostly in its thirties. This unprecedented transition is bringing to power a more ambitious and less risk-averse groups of leaders that no longer feels bound to the consensual politics that have traditionally defined Gulf interactions.

Second, the political transition is coupled to a widespread reform process of the Saudi economy that is necessary to lessen the kingdom's reliance on oil and remain viable in the twenty-first century. If implemented as laid out, Saudi Vision 2030 will radically transform the economic foundations on which the kingdom has operated on for the past seventy years. As a result, economic calculations and prerogatives will have to be taken into account when dealing with the kingdom in the near future.



Third, the move against Islamic extremism within the country is a key element in Saudi security considerations. Ever since extremist movements, including organizations such as al-Qaeda and the Islamic State turned their attention to the kingdom in attempt to topple the ruling family, the Saudi state has revamped many of its religious policies and practices in an effort to eliminate this threat. While for Europe, Saudi Arabia's stance on extremism remains subject to debate, the effort to combat religious extremism both domestically and internationally is a priority for the kingdom. This in turn allows for some degree of convergence with Western, and also European thinking.

Shifting to the external environment, a fourth factor has been the failure of US policy in the region which has increased rather than decreased the fragility of the security environment and has forced the hand of the Saudi Kingdom to act. Just as the US was re-evaluating its partnership with Saudi Arabia following the events of September 11, 2001, the Saudis have been re-assessing their traditional alliance with the United States ever since what they consider to be the disastrous US-led invasion of Iraq in 2003. While for the moment, Saudi Arabia continues to see the US protective umbrella as essential, given Iran's regional policies, the kingdom is equally determined to diversify its options instead of placing its eggs solely into the American basket. This includes moves by the kingdom towards China and Russia but equally to Europe. Europe thus also has an opportunity to grasp new opportunities.

Fifth, and related to the above, is the conviction inside Saudi Arabia that Iran continues to be determined to spread its influence regionally to the direct detriment of the kingdom. From a Saudi perspective, Iranian ambitions in the region are largely unchecked which in turn has directly led to much of the domestic turmoil seen in the wider Middle East, such as in Syria, Iraq and Lebanon, as well as the outbreak of widespread sectarian tensions throughout the region. At the same time, the turmoil in the region is not simply the result of any historical enmity with Iran. Iran instead is seen as principally acting against the US-led regional order of which Saudi Arabia is one component. This, in turn, has opened the door to some form of dialogue between the kingdom and the Islamic Republic as has recently been witnessed by the round of talks conducted in Iraq in 2021. Prince Faisal bin Farhan, the Saudi foreign minister, has further indicated that the kingdom will continue these talks. In order to effectively contribute to the de-escalation efforts currently underway within the wider Middle East, Europe needs to understand the broader shifts underway impacting the region's order without trying to understand developments solely from a European point of view.

Finally, a sixth factor is the weakness of the other Arab regimes that have typically represented the leadership of the Arab world. Egypt is a shadow of itself and increasingly dysfunctional, Syria is destroyed and will unlikely recover for decades to come, and the fragile transition in Iraq towards greater stability has so far taken almost 20 years since the US-led invasion. Saudi Arabia has moved into parts of the power vacuum because there was a need to protect its interests and counter growing Iranian influence. With the traditional Arab powerhouses either unwilling or unable to assume their leadership functions, it was left to Saudi Arabia to step up to the plate to defend not only Saudi but also Arab interests. At the same time, Saudi Arabia is determined



to hold together the Arab states as an important bulwark against both Iranian expansionism and against the spread of Islamic extremism.

When one takes all the factors listed above together, the ultimate objective of Saudi policy is to establish some form of normalcy in regional relations and return to aspects of the status quo ante. This objective is in fact a constant in Saudi politics. What has changed is the setting in which the policy is applied and practiced. The Saudi leadership is fully aware of the volatility of the current strategic environment in the region and is equally convinced that a more direct involvement by Saudi Arabia in regional affairs is essential in order to secure the kingdom's interests.

All of the above need to be taken in consideration as Europe decides on its approach to the kingdom. Up this point, many of the social and economic reforms being announced by the kingdom in recent years, especially those related to the combatting of extremism and those in terms of the empowerment of women, are seen as cancelled out by concerns over renewed authoritarianism and what is seen as foreign policy adventurism and unpredictability. This however is not a healthy approach to maintain and will ultimately prevent Europe to gain the benefits from closer and more strategic ties to Saudi Arabia and the other GCC states.

What needs to be equally understood is that Saudi Arabia views Europe with a similar skepticism. There exists a sense in the kingdom that European policies overall are not promoting Saudi interests and that Europe as a whole has not shown where it can add value. European policy initiatives are further perceived as being separate from the reality on the ground, in particular when it comes to dealing with the issue of Iran. In terms of the nuclear deal with Iran (known as the JCPOA), Saudi Arabia feels the agreement did little to reduce the Iranian threat and that Europe continues to be naïve in thinking that Iran would moderate its regional course as a result of the accord. And while there is some degree of consensus on the nature of the Iranian threat, there continues to be no agreement with Europe at the present on the policy tools required to combat the Iranian challenge. Saudi Arabia also views Europe as failing to act as a coherent actor. The kingdom's policies are therefore based on relations with individual EU member states rather than on the European Union. Riyadh places far less value on what happens in Brussels rather than the direct ties it maintains to primarily Paris and London.

Unless Europe, therefore, begins to have a more comprehensive dialogue with Saudi Arabia on the challenges being faced in the wider Middle East, there is a tendency that relations between the two sides will become more strained in the near future. To avoid such a scenario, Europe must expand its dialogue network with the new generation of Saudi rulers in order to get a better sense of their thinking and to ensure that an overlap with European interests remains. In essence, Saudi Arabia and Europe continue to share many common objectives and policy goals when it comes to the Middle East. These must be discussed and elaborated on in discussions at the political, economic and social level. Europe needs to also develop this dialogue with Saudi Arabia in order to inject more long-term thinking into the current short-term focus of Saudi policy making. Being aware of wider consequences is essential to enter into substantive discussions on a comprehensive set of policy issues.



Moving Forward

On a positive note, Europe has recently understood that a broader and more strategic relationship with Saudi Arabia and with the rest of the GCC states is in its own interest. This was underlined by the EU's High Representative Josep Borrell prior to the holding of the annual GCC-EU ministerial meeting when he acknowledged that "on a permanent basis the European Union has to engage more" with the GCC states, in particular, in enhancing the bi-lateral dialogue. This includes opening a wider channel of discussion with Saudi Arabia and the rest of the GCC states when it comes to the future of the Iran nuclear agreement (JCPOA) and the establishment of a broader process of regional security. Europe has understood that having Saudi Arabia and the other Arab Gulf states feel excluded is no longer a viable policy option. Both the External Action Service of the EU and individual European foreign ministries have begun to pay greater attention to the region and the role a country like Saudi Arabia can play when it comes to wider European interests. The nomination of an EU Special Envoy for the Gulf region as such underscores the European acknowledgement that security issues have to be dealt with.

It is now important to pick up on the current momentum and lay the proper basis for future- Saudi-Europe relations. This includes first and foremost the need for Europe to take on a greater role in relation to regional security matters. Europe has a wide toolbox in terms of conflict management and resolution mechanisms that can help maintain the current de-escalatory environment in the Gulf region. What is needed from Europe is both a joint effort under the EU umbrella as well as targeted initiatives by individual European member states. European engagement in regional security issues within the E3 or the E4 format, for example, could be a better framework under which discussions and exchanges can take place. In coordination with Saudi Arabia, it will be essential to lead on discussions over a wider security mechanism beyond the current JCPOA discussion occurring in Vienna.

Three concrete areas can be mentioned here. First, the EU should be encouraged to deepen and enhance its maritime security role, specifically EMASoH (The European Maritime Awareness in the Strait of Hormuz) and have more European countries join the mission. Assuring the free movement on Gulf waters is a critical mission. Second, the EU should support initiatives such as the establishment of a Gulf Weapons of Mass Destruction Free Zone (GWMDFFZ) as a precursor to a wider Middle East WMD Free Zone. These ideas already have the support of the GCC countries and it is time that the concept of a Gulf WMD Free Zone receives European backing. Third, the EU and Saudi Arabia should engage on a broad-based dialogue needed for stabilization strategies for existing conflict situations in the Middle East including Iraq, Lebanon, Libya, Syria and Sudan. Given that Iraq's stability is essential for the entire Middle East, the EU and Saudi Arabia should possibly first set up a coordinating working group on Iraq also in light of the fact that the U.S. is lessening its role in the country. In addition, and in light of the Ukraine crisis, Europe and Saudi Arabia within the framework of the GCC, should consider creating a joint fund that supports countries in the wider Middle East given that countries such as Tunisia, Morocco, Egypt, Jordan and Palestine will be under tremendous pressure to pay for food imports due to restriction of Russian and Ukrainian wheat and grain exports.



In a second tier, discussions can be initiated on re-considering structured cooperation on specific issues as outlined in the new EU-GCC Joint Action Program from 2022 to 2027 that was agreed upon at the last ministerial meeting. The energy transition, climate change, sustainable development, health resilience and humanitarian assistance are five core areas in which the Europe and Saudi Arabia can set up working groups or task forces to examine the current set of relations, identify future challenges and propose concrete policy recommendations. Each of the working groups should develop precise actions plans that lead to greater and deeper cooperation in these fields. Specific emphasis has to be given to enhancing technical cooperation in the field of climate change, for example, in the areas of water management, desertification, dust storms, green mobility and the preservation of bio-diversity.

A particular focus must be given to the energy dimension also given the determination of Europe to divest itself of Russian energy dependence. Here, the European Green Deal can inject new stimulus in Saudi-EU relations especially in the fields of green hydrogen. Overall, the EU needs around 4,000GW of solar and 1,300GW of wind annually in terms of power requirements and the safest option would be to rely on imports from near-by countries. The EU and Saudi Arabia should further partner to reach investment goals through the EU-GCC Dialogue on Trade and Investment to develop a common environmental, social, and governance framework. Dialogues between the Islamic Development Bank, the European Investment Bank, and the European Bank for Reconstruction and Development will be instrumental to accelerate the implementation of proposals.

Finally, there is a need to close the continuing knowledge gap between the GCC and Saudi Arabia to foster greater people-to-people interaction. A particular emphasis has to be given to the youth sector by, for example, expanding education and training opportunities. This includes widening the Erasmus+ program for greater access to Saudi and GCC students, intensifying university cooperation and initiating a variety of exchange programs, for example, by linking start-up companies and improving capacity development programs. Overall, the relationship must include both the high and low politics and stretch across all sectors of the society.

Given the vast shifts underway in both the regional and global environment, Europe and Saudi Arabia have an opportunity to lay the basis for a mutually beneficial long-term relationship. To take advantage of this situation, current momentum must be used wisely and intelligently. The above suggestions are initial ideas that if pursued and implemented ensure the beginning of a qualitative improvement in the relationship.