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# Unpacking the Drivers of Saudi Arabia's Foreign Policy

Layla Ali February 2025





#### Unpacking the Drivers of Saudi Arabia's Foreign Policy

Saudi Arabia is currently pursuing a dynamic foreign policy driven by economic diversification, regional stability, and global multi-alignment. As global power dynamics shift, Riyadh is attempting to leverage its economic strength, diplomatic influence, and geopolitical positioning to secure its interests while navigating complex international relations. In this context, the five key drivers shaping the Kingdom's foreign policy can be defined as: strategic multi-alignment, economic diversification and energy diplomacy, diplomatic mediation, regional stability, and sovereign autonomy. This paper examines how the Kingdom's foreign policy is shaped by the connection between its domestic priorities and foreign policy, by the element of strategic multi-alignment, and by safeguarding Riyadh's autonomy in conducting its international relations.

#### The Interconnection Between Domestic and Foreign Policy

At its core, Saudi Arabia's foreign policy orientation is grounded in the Kingdom's economic program Vision 2030. For Vision 2030 to succeed, there is a clear awareness by the Saudi government that international partnerships and a stable geopolitical environment are essential. As the country works to reduce its dependence on oil and diversify its economy, foreign relations are not merely supplementary but a prerequisite for securing the investments, trade agreements, and stability needed for sustained economic growth. As Saudi Arabia seeks to establish itself as an attractive investment destination, diplomatic efforts help maintain an investment-friendly environment, assuring foreign investors of the country's security and stability.

With economic diversification at the heart of Vision 2030, Saudi Arabia has forged numerous strategic partnerships, positioning the Kingdom as a key link within the international economy. Its involvement in major infrastructure and technological initiatives, such as China's Belt and Road Initiative (BRI) and the India-Middle East-Europe Economic Corridor (IMEC), aligns with its development goals. These initiatives enhance connectivity, facilitate trade, and open up investment opportunities, reinforcing Saudi Arabia's role as a global economic hub. IMEC, in particular, aims to establish a strategic transport and energy corridor linking Asia, the Arabian Gulf, and Europe, further strengthening the Kingdom's economic integration with key global markets. In September 2023, during the G20 Summit, Saudi Arabia, along with India, the United States, the European Union, the United Arab Emirates, Italy, France, and Germany, signed an MoU to establish the IMEC.

Given that oil remains a fundamental element of Saudi Arabia's economic stability, energy diplomacy is an equally vital element of the Kingdom's foreign policy approach. Ensuring stability in global energy markets is crucial not only for economic growth but also for financing the transition away from oil dependence. Saudi Arabia's leadership within OPEC+ and its collaboration with Russia are key here, ensuring the resources needed to fund both immediate and long-term development initiatives.

The success of Vision 2030 is also inextricably linked to regional stability. Instability in neighboring countries could erode investor confidence, disrupt trade, and strain resources needed for domestic projects. As such, Saudi Arabia's foreign policy has been putting an emphasis on conflict prevention, crisis management, and regional cooperation. Partnerships enable the

Kingdom to mitigate external threats, protect its development initiatives, and ensure the political stability necessary to achieve its vision. The alignment of foreign and domestic policy is therefore not just advantageous—it is essential to realizing Saudi Arabia's long-term goals.

#### Strategic Multi-Alignment

Saudi Arabia is embracing what can be considered a pragmatic multi-alignment strategy by engaging with multiple global powers to safeguard its national interests and enhance its geopolitical flexibility. While its longstanding alliance with the United States remains a cornerstone of its foreign policy, Riyadh is actively also expanding its other global partnerships such as strengthening ties with China, Russia, and the European Union. The idea here is not necessarily to lessen specific dependencies but mostly to ensure the presence of a variety of options that can be developed further if needed.

For example, its deepening relationship with China has been noteworthy, especially in the realms of economic collaboration and energy security. But the China-brokered Saudi-Iran reconciliation in March 2023 also underscored Beijing's potential political and diplomatic utility in Middle Eastern issues while at the same time signaled Riyadh's willingness to embrace a broader geopolitical strategy that leverages multiple global actors. Similarly, Saudi Arabia's continued ties to Russia, in particular through the OPEC+ framework, highlight the acute awareness of managing energy markets and advancing economic diplomacy.

Beyond major powers, Riyadh is actively fostering relationships with emerging markets and the Global South, strengthening ties with India, Brazil, and African nations through concrete initiatives. With India, Saudi Arabia has invested over \$9 billion in the metals and mining sectors, including a partnership with Vedanta to establish copper facilities at Ras Al-Khair, advancing the Kingdom's goal of domestic copper self-sufficiency. In Brazil, Saudi Arabia signed a memorandum of understanding in November 2024 to establish a Saudi-Brazilian Coordination Council, enhancing bilateral cooperation across various sectors. Additionally, in February 2025, Saudi EXIM and the Brazilian Development Bank signed an agreement to explore joint financing opportunities, facilitating Saudi non-oil exports to the South American market.

In Africa, Saudi Arabia is strengthening its presence through development funding and energy partnerships. In November 2023, the Saudi Fund for Development announced agreements worth \$533 million to support infrastructure projects such as hospitals and dams. The Kingdom has also signed preliminary energy cooperation agreements with Nigeria, Senegal, Chad, and Ethiopia, aiming to bolster energy infrastructure. Additionally, in January 2025, Saudi Arabia's Manara Minerals expressed interest in investing in Zambia's critical minerals sector following a memorandum of understanding on mineral exploration. These initiatives underscore Riyadh's strategic commitment to diversifying its economy and deepening engagement with emerging markets, aligning with Vision 2030's goals of global economic integration and investment expansion.

The case of Saudi Arabia's potential BRICS memberships makes for an interesting case study. While being invited to join the BRICS, Saudi Arabia has not yet made a formal decision of accession to membership. Saudi Foreign Minister Prince Faisal bin Farhan led the Kingdom's

delegation at the 16th edition of the BRICS summit in Kazan, Russia, and participated in its activities as an invited nation. Such presence is meant to emphasize the collaboration with emerging economies without committing, at least for the moment, to any exclusive bloc. Saudi Arabia can thus advance shared economic and development goals that reflect its own interests as well as those of the wider Global South while maintaining flexibility in its international alignments.

Taken together, Riyadh is trying to manage and combine an adaptable and strategic foreign policy with the goal to maximize influence by engaging in balanced, interest-driven partnerships. If successful, this will position the Kingdom as a key player in shaping the evolving international order while maintaining its economic and security priorities.

#### **Sovereign Autonomy in Foreign Policy**

Saudi Arabia's foreign policy has also evolved in response to both regional volatility and the broader shifts occurring on the global stage. At the core of the Kingdom's diplomatic strategy is its commitment to peace and stability within the context of state sovereignty. It has become increasingly clear to the Kingdom's policy officials that continuing on the conflict cycle that has characterized the Middle East in recent memory is not sustainable. What is therefore required is proactive engagement to move from conflict management to conflict resolution and, ultimately, conflict prevention. As initial steps, a focus on establishing dialogue channels in order to increase mutual understanding and respect for sovereignty is viewed as being needed. Once functioning, these engagements can then form the basis of inclusive security frameworks that offer the potential for regional peace and prosperity.

In recent years, Saudi Arabia has actively worked to support the security and stability of neighboring countries through political, economic, and diplomatic initiatives. In Egypt, the Kingdom has reinforced its economic partnership by committing \$5 billion in investments through the Public Investment Fund (PIF) in September 2024, alongside \$35 billion in private sector investments across various projects. In Syria, Saudi Arabia resumed its diplomatic mission in May 2023 after more than a decade, signaling a renewed commitment to stability and reconstruction efforts. This was further emphasized by Foreign Minister Prince Faisal bin Farhan's visit to Damascus in January 2025, where he engaged with Syrian officials to strengthen bilateral ties. Meanwhile, in Iraq, Saudi Arabia has focused on restoring Arab national identity, countering sectarian divisions, and reinforcing state sovereignty. A key step in this direction was the Saudi Fund for Development's agreement in March 2023 to provide a \$1 billion loan for infrastructure projects, aimed at enhancing Iraq's economic stability and reducing external influence. These initiatives reflect Saudi Arabia's strategic commitment to fostering regional stability and strengthening its relationships with key neighbors. In Lebanon, the Kingdom has actively worked to reinstate legitimacy and state authority, by strengthening national armed forces, and supporting the election of Joseph Aoun as President of the country after a vacuum at the top of Lebanon's leadership for over two years.

The Palestinian issue, meanwhile, remains the Kingdom's top priority, with Saudi Arabia viewing the implementation of the International Court of Justice's (ICJ) rulings in the Gaza crisis as essential to upholding international law and the rules-based order. The Kingdom has been adamant

in stating that ending the occupation and advancing the two-state solution is the only viable option for securing peace in the region. Without a permanent resolution, Saudi Arabia believes the Palestinian issue will continue to threaten regional stability and hinder the establishment of a sustainable order, necessitating a proactive, multilateral, diplomatic approach. Saudi Arabia, in its role as Chair of the Arab-Islamic Ministerial Committee on Gaza - which includes Bahrain, Egypt, Jordan, Indonesia, Nigeria, Palestine, Qatar, Turkiye, the League of Arab States, the Organization of Islamic Cooperation, and with the support of the European Union and Norway - spearheaded the launch of the Global Alliance for the Implementation of the Two State Solution on the sidelines of the 79th session of the United Nations General Assembly in September 2024. The alliance, comprising key regional and international actors, represents a renewed commitment to resolving the Palestinian issue.

In terms of the Arabian Peninsula, Saudi Arabia has played a role in maintaining Gulf unity, ensuring GCC cohesion including mediated internal disputes within the bloc, for example assisting to mend ties between Qatar and other GCC states which culminated in the Al-Ula Declaration that restored full diplomatic and economic relations with Qatar. Saudi Arabia also actively shaped the discussion around the GCC's first vision for regional security released in 2024. Beyond intra-GCC diplomacy, Saudi Arabia has engaged in direct talks with the Houthis in Yemen and facilitated back-channel negotiations through Oman to secure long-term stability. In Sudan, the Kingdom, alongside the United States, has led mediation efforts, hosting ceasefire negotiations and providing humanitarian assistance, further solidifying its role as a key stabilizing force in the region.

Beyond the Middle East, Saudi Arabia is now regularly hosting peace talks and providing a platform for dialogue between opposing parties. This includes its involvement in high-stakes negotiations, such as facilitating U.S.-Russia talks on the Ukraine conflict in 2025 - just one example of the growing trust being seen in the Kingdom's positioning.



One of the defining features of Saudi Arabia's foreign policy is its policy of balanced neutrality. This principle has enabled the Kingdom to engage with both Russia and Ukraine during the ongoing conflict while maintaining strong ties with Western allies. The Kingdom's commitment to energy cooperation through OPEC+ with Russia and its support for Ukraine's sovereignty at the United Nations highlight Saudi Arabia's ability to balance competing interests and maintain stability in a polarized world. This strategic neutrality not only enhances its diplomatic influence but also strengthens its ability to navigate the complexities of modern geopolitics.

With the Middle East experiencing a widespread transformation process at different levels, there is a need for regional foreign policy to display agility and flexibility. Saudi Arabia is attempting to implement a more forward-thinking and dynamic approach to both the regional and global order by expanding its international partnerships and leading various diplomatic and mediation efforts. A key focus is on addressing long-standing conflicts both within and beyond the Middle East, driven by the recognition that new solutions are urgently required. Riyadh is also deeply involved in global diplomacy, forging broad strategic alliances that go beyond conventional oil cooperation to include sectors such as energy, infrastructure, finance, and technology. This shift reflects a departure from previous alignments, highlighting a more pragmatic and flexible direction in Saudi foreign policy.

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