

SAUDI-IRAN DEAL: PROSPECTS & IMPLICATIONS FOR THE REGIONAL STABILITY IN THE MIDDLE EAST

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ABSTRACT

The historic Saudi-Iran deal, reached in Beijing on March 10, 2023, signifies a significant turning point in the enduring Saudi-Iranian rivalry, which has had far-reaching effects on regional conflicts. This research paper critically examines the prospects and implications of the Saudi-Iran deal on regional stability in the Middle East, providing insights into potential transformative shifts and the challenges ahead. This study comprehensively analyses the evolving Saudi-Iran relationship by analyzing the underlying motivations propelling Saudi Arabia and Iran towards rapprochement, including shared economic interests and regional influence aspirations, and acknowledging the detrimental effects of prolonged hostility. Furthermore, this research also underscores the waning influence of the United States in Middle Eastern affairs, coinciding with the rise of China's diplomatic presence in the region. China's role as a reliable mediator in facilitating the Saudi-Iran deal highlights its expanding role and introduces new implications for regional stability and global power dynamics. Finally, this paper inspects the geopolitical consequences of the Saudi-Iran deal, delving into its potential impact on other regional conflicts, the intricate power dynamics, and the roles played by non-state actors.

Keywords: Saudi-Iran deal, Regional Stability, Middle East, negotiations, cooperation, challenges, implications, rapprochement, geopolitical landscape.

INTRODUCTION

On March 10, 2023 (Farouk, n.d.), diplomatic relations between Iran and Saudi Arabia were re-established through a negotiated agreement facilitated by the People's Republic of China. The Saudi-Iranian diplomatic ties were severed in 2016 due to the execution of the prominent Shiite cleric Nimr al-Nimr by the Saudi government. This event was followed by protests by Iranian demonstrators who stormed the Saudi Embassy in Tehran when Ayatollah Ali Khamenei, the Iranian Supreme Leader, declared divine retribution. Despite previous

animosity, espionage, and suspicions between the two opposing nations, they have announced re-establishing diplomatic ties and opening up their embassies and consulates. This achievement by China is noteworthy, as China has surpassed the previous efforts of the United States and Russia to bring reconciliation.

The restoration of diplomatic relations is favorable for the Iranian government, which faced mounting isolation due to its human rights record, a controversial nuclear program, and support for

Russia's involvement in Ukraine. Tehran has claimed the Saudi-Iran détente as a diplomatic triumph. The agreement indicated Iran's aim to reduce tensions with Saudi Arabia throughout the Middle Eastern region. The two entities have been engaged in opposing factions during various conflicts, notably in Yemen and Syria. The Houthis in Yemen have received military support from Iran, whereas the Saudi military initiated an aerial campaign in 2015 to thwart a full-fledged seizure by the Houthi insurgents. Subsequently, the Houthis initiated assaults (*Yemen Houthis Attack Saudi Energy Facilities, Refinery Output Hit | Reuters*, n.d.) on Saudi airports and oil installations. The ongoing conflict has resulted in a death toll exceeding 150,000 individuals (*U.S. Fails to Assess Civilian Deaths in Yemen War, Internal Report Says - The New York Times*, n.d.), with approximately 15,000 fatalities being non-combatants. The six months (*Yemen Truce Expires as U.N. Keeps Pushing for Broader Deal | Reuters*, n.d.) of cessation of hostilities, which lapsed in October 2022, has predominantly been upheld.

On the other hand, Riyadh required a novel strategy to address the seemingly inexorable and burgeoning Iranian regional program, broadening and intensifying Iran's direct and indirect sway in Iraq (*Iran Looks to Shore up Its Influence in Iraq*, n.d.), Lebanon, Syria, Yemen, and other areas. (*Beneath the Saudi-Iran Proxy War in Yemen, Part I*, n.d.) The perception among Saudi Arabia and other nations in the Middle East is that the security assurances provided by the United States have been inadequate. This sentiment was fueled by attacks on vital infrastructure in Saudi Arabia and the United Arab Emirates when the United States was perceived as reevaluating its regional involvement. (*Five Takeaways from Biden's Visit to the Middle East*, n.d.) The Saudi government believes that enhancing their security can be achieved through the influence of China and Russia over Iran, as opposed to the acquisition of costly U.S. defensive weaponry.

Moreover, China's participation in this endeavor indicates that Saudi Arabia is committed to pursuing diversification and risk management while simultaneously upholding its strategic partnership with the United States. China's provision of leverage with Iran to Saudi Arabia as an alternative to the United States has deepened ties between the two

nations. Additionally, Beijing has provided Riyadh with access to technology and other resources that are deemed necessary. (*What You Need to Know About China's Saudi-Iran Deal*, n.d.)

BACKGROUND OF DESTABILIZING MIDDLE EAST OUTLOOK

The security dilemma is the primary factor contributing to the tensions between Saudi Arabia and Iran. The concept of the security dilemma holds significant relevance in the context of state sovereignty, as it can lead to a shift from a security dilemma to an insecurity dilemma. When external threats are encountered, the security measures within the internal governance systems are utilized.

The antagonism and mistrust between two key players, Iran and Saudi Arabia, is one of the leading causes of the security dilemma in the Middle East region. The balance of power between Iran and Saudi Arabia has shifted since President Saddam Hussain of Iraq was toppled in 2003, and a Shi'ite administration was installed there. Furthermore, Saudi Arabia's worries about its regional dominance have grown due to the Yemen conflict, which boosted the Iranian-backed Houthis' influence. Iran improved relations with Kuwait and Qatar and widened the gap between Qatar and Saudi Arabia. Due to their proxies and affiliations, the conflict between Iran and Saudi Arabia over the Middle East seriously affected regional security.

Since the Arab Spring erupted in 2010, the Middle Eastern area has dealt with various issues. The intricate security concerns and strategic landscape surrounding the relationship between Saudi Arabia and Iran primarily served to maintain a balance of power within these respective regions' realms of politics, religion, and economics. Both actors competed to gain influence and assert their power within each other's respective domains. The individual's deep-seated animosity has developed towards prominent establishments within the regional power struggle in which they have been embroiled for an extended period. Indirect proxies and ideological diffusion were indicated by the struggle for power, which was of utmost significance. The precise escalation of power struggles cannot be determined, as the dimensions of the conflict were spread across various inter-regional, non-state, and intra-regional parties with

both resolute and irresolute stances, as well as direct and indirect forms of hostility (Ersoy, 2013).

The Saudi Arabian population attempted to engage with the Shi'ite minority group while analyzing strategic competition within the context of an investigation. In January 2016, the Saudi government deemed the conduct of Shi'ite clerics, specifically Nimr-al-Nimr, inflexible and potentially unauthorized. As a result, the dissolution of bilateral diplomatic relations incited a state of frenzy and agitation in Iran. The intervention in the civil war in Yemen can be attributed to the proactive strategy of the Saudi Arabian leadership towards the Shia clergy throughout the state (Mamadkul, 2014).

Religious traits limited conceptual disparities and self-identification of groups involved in religious identities to specific regional doctrines or beliefs. From a rational perspective, Iran is a non-Arab Shi'ite country with historical connections to Persian civilizations. (Daryae, 2012) on the contrary, the ideologies recognized by Saudi Arabia are Salafism, which is commonly associated with the Sunni denomination. The presence of two opposing ideological factions created a dichotomy within the states. The illogical nature of the resentment and ideological differences between Iran and Saudi Arabia involved a consideration of the legitimacy of their policies in the region, which were pursued through the capitalization of both material and immaterial resources, as well as the cultivation of alliances and support from other countries. Iran's strategic alliance with Lebanon (Shaery-Eisenlohr, 2008) and Iraq was expected to enhance the region's effectiveness through three authorized developments. The establishment of a Shi'ite central government in Iraq is being facilitated through the assistance of Iran. (Barzegar, 2010) Furthermore, the increasing demonstrations in Saudi Arabia directed towards the government have been perceived as a significant challenge by the Kingdom of Saudi Arabia. Finally, the abrupt Syrian crisis and the support of Assad's regime by Iran significantly destabilized the region.

Furthermore, Iran's purported peaceful acquisition of nuclear weapons as part of its nuclear program was also viewed by Saudi Arabia as a destabilizing concern. Saudi Arabia's primary security concern in the region (Pasha, 2016) was upgrading its nuclear capabilities to safeguard itself from strategic rivalry.

The synchronization of military up-gradation (Bruno, 2010) in Iran could be seen as a means of validation, given the pressures exerted by the regional level and internal factors such as the United States. A strategic competition occurred between the two parties regarding crucial limitations in the Middle Eastern region's social, economic, political, and military spheres. The adversaries aimed to achieve international influence, enhance their capacity for conflict, and address issues related to security. The emergence of democratic values in the Arab Spring and the consequent changes in the Middle Eastern region have significantly altered the nature of potential threats. Non-state actors have gained prominence within the state system, and the occurrence of international terrorism has become a novel and concerning phenomenon.

UNDERSTANDING CHINA'S ROLE IN BROKERING THE DEAL AND PROMOTING STABILITY IN THE MIDDLE EAST REGION

Facilitating reconciliation between these enduring Middle Eastern adversaries, the Kingdom of Saudi Arabia and the Islamic Republic of Iran, holds significant strategic and symbolic implications for China. Following the announcement of the Global Security Initiative (G.S.I.) (*Xi Kicks Off Campaign for a Chinese Vision of Global Security*, n.d.) by Chinese leader Xi Jinping at the Boao Forum in April 2023, and particularly in light of Xi's reappointment for a third term of office in 2023, China has embarked on a diplomatic campaign to establish an alternative to the United States' hegemony in international affairs.

Due to the disruptions in the global supply chains and energy markets following Russia's incursion into Ukraine, China must ensure stability in the Gulf region, from which it sources more than 40 percent of its crude oil imports. Iran and Saudi Arabia are two dominant powers in the region and have provided backing to conflicting factions in Yemen, Lebanon, Iraq, and Syria. Mitigating their mutual hostility may contribute to the reduction of tensions across the area.

China's strategic objectives encompass securing uninterrupted access to Saudi and Iranian oil, which is crucial for its sustained economic development and safeguarding its geo-economic interests. This is particularly relevant as China expands its

investments in Saudi ports along the Red Sea, particularly in Jeddah, to support its Belt and Road Initiative. The announcement of a joint venture between Saudi Arabia and China, worth \$12.2 billion, to establish an integrated refinery and petrochemical complex underscores (Agency, 2023) the shared interest in investment and trade between the two nations. China has an additional strategic objective of questioning the dependability and trustworthiness of the United States' involvement in the region, which is a goal that Iran also shares. Riyadh, akin to Abu Dhabi, has expressed dissatisfaction with the perceived insufficiency of security assurances from the United States about drone strikes carried out by Iranian proxies within the Kingdom. This sentiment has been particularly pronounced in the aftermath of the Abqaiq and Khurais attacks in September 2019.

During his high-level visit to Saudi Arabia in December 2022, Xi committed (*China's Xi Vows to Buy More Mideast Oil as US Focus Wanes*, 2022) to increasing the procurement of oil and gas from the Gulf. Additionally, he urged the regional states to engage in energy transactions utilizing the Chinese yuan. There has been conjecture among analysts regarding the potential implications of the Saudi-Iran agreement on adopting the petroyuan on a broader scale. This would involve using the yuan for settling oil transactions instead of the U.S. dollar, the traditional currency for energy transactions since World War II.

Furthermore, China's potential to enhance its diplomatic influence in Yemen is bolstered by several factors, including its significant leverage over Iran, its strategic efforts to expand ties with Saudi Arabia after President Xi Jinping visited Riyadh in December 2022 (*President Xi Jinping Arrives in Riyadh to Attend the First China-Arab States Summit and the China-GCC Summit and Pay a State Visit to Saudi Arabia*, n.d.), and its advocacy of the Saudi-Iran deal. Furthermore, Beijing's strategic interests in the region allow it to pursue greater diplomatic standing in Yemen, should it choose to do so. Like Moscow, Beijing may mediate or facilitate discussions, including those conducted through unofficial channels, among the Houthis, the ROYG, Saudi Arabia, Iran, and Oman. This could occur mainly if Beijing's interests are impacted. Over the past few months, Chu Ch'ing, the acting

ambassador of China to Yemen, has increased his visits to Yemen and engaged in discussions centered on investment. (*Chinese Diplomats Visit Aden to Support Yemeni Government*, 2022) This aligns with China's prior commitment to investing in the growth of Aden Port, as per the agreement established between the Gulf of Aden Ports Corporation and China Harbor Engineering Company in 2013. China's strategic interests may be compromised if the Houthis threaten its existing or prospective investments in Saudi Arabia, particularly in the Red Sea region, or Yemen over an extended period.

Given the increased global instability, concerns over the perceived lack of dependability of the United States, and a range of security challenges, alongside ambitious economic growth objectives, the efforts of Saudi Arabia and the United Arab Emirates to strengthen their ties with China and Russia can be viewed as a strategy to mitigate risks associated with a vulnerable unipolar global power structure dominated by the United States, and to promote a gradual shift towards a multipolar world order.

The factors above provide ample justification for Beijing to commemorate this agreement. However, its implications regarding the United States' position in the Middle East and China's endeavor to replace U.S. hegemony in worldwide governance could be of greater significance for China. The underlying motivation behind these principles is to establish a substitute for the global order led by the United States, which China perceives as a more inclusive strategy for ensuring global security. The BRICS, consisting of Brazil, Russia, India, China, and South Africa, has received expressions of interest (*BRICS Discussing Decision on Saudi Arabia, Iran Memberships This Year – Middle East Monitor*, n.d.) from Saudi Arabia and Iran regarding their potential membership. According to reports, China has been supportive of this development. These nations, including Saudi Arabia and Iran, collectively possess the potential to form a formidable economic alliance and wield significant political influence. Iran is poised to join the Shanghai Cooperation Organization, an alliance focused on political, economic, and security matters in Eurasia, headquartered in Beijing. On the other hand, Saudi Arabia has already joined the Shanghai Cooperation Organization as a full member. The Chinese government aspires for the global community to

perceive its involvement in the Iranian-Saudi agreement as a demonstration of China's increasing influence and capacity for leadership.

PROSPECTS OF SAUDI-IRAN DETENTE FOR REGIONAL STABILITY

Hopes for long-lasting peace in the Middle East have increased in light of restored diplomatic ties between Saudi Arabia and Iran. Both sides are ready to negotiate (Wintour & editor, 2023) and find common ground despite their long-standing hostility. The major prospects of the Saudi-Iran deal for regional stability are discussed below:

Peaceful Resolution of Yemen War:

China-brokered Saudi-Iranian détente carries multifaceted ramifications for Yemen. In Saudi Arabia, the role and influence of Iran in Yemen, a neighboring country that shares a border of 1,458 kilometers and a coastline on the Red Sea, was previously considered non-negotiable. However, it is now possible to manage tensions within a structured framework. Iran's extensive provision of security, military, intelligence, and economic aid to the Houthis has resulted in significant strategic advantages. Therefore, it is improbable that Iran will relinquish these gains solely due to the agreement of a preliminary roadmap for normalization between the two nations. The threat perceptions and regional hegemonic ambitions of Riyadh and Tehran persist despite Iran's unchecked role and influence in Yemen, even after eight years since the Arab coalition's military intervention in March 2015.

The focus of Riyadh's discussions with Tehran has been on Yemen, owing to the efforts made by the Islamic Revolutionary Guard Corps (IRGC) and Hezbollah to furnish the Houthis with arms, equipment, and ammunition, as well as military advisors, missiles, and drone specialists, and complimentary oil, among other provisions. The Houthis have employed their strategic capabilities as instruments of compellence, blackmail, and deterrence against Saudi Arabia, the U.A.E., and the ROYG due to the support of the IRGC and Iran's network of paramilitaries in the region.

The Saudi-Iran agreement presents several immediate benefits for Saudi Arabia, Iran, and the Houthis but comparatively fewer if any, advantages for the Republic of Yemen Government. Reportedly, in consideration of Saudi Arabia's national security

objectives, which include safeguarding itself against the utilization of Iranian-supplied drones and missiles by the Houthis, Iran has purportedly agreed, at least in principle, to dissuade the Houthis and other pro-Iranian paramilitary groups in Iraq and Syria from engaging in cross-border attacks into the Kingdom. From 2015 to April 2022, Saudi Arabia experienced over 1,000 (Nevola, 2023) rocket and missile attacks and 350 drone attacks, primarily attributed to the Houthis and pro-Iranian militias operating in Iraq. The American defense capabilities in Riyadh were insufficient in effectively mitigating the risks presented by drones supplied by Iran. Riyadh anticipates (Nissenbaum et al., 2023) that Tehran will cease the provision of weaponry and narcotics to the Houthis, thereby facilitating their remote warfare and financing endeavors.

Regarding Iran, the agreement provides a crucial strategic opportunity for the nation to improve its domestic and global reputation, secure economic assistance, and endeavor to alleviate sanctions. Notwithstanding Tehran's history of compliance with agreements, such as its engagement with the International Atomic Energy Agency, Saudi-Iranian memoranda of understanding during the 1990s and 2000s, and the U.N. Security Council's arms embargo against the Houthis, among others, there are numerous uncertainties regarding Iran's ability to adhere to the rapprochement roadmap. In the short term, Tehran may engage in strategic maneuvering by decreasing its backing for the Houthis while simultaneously intensifying pressure on them to foster trust.

Addressing the regional dimension of the Yemen conflict through Saudi-Iranian reconciliation, which encompasses both direct and indirect negotiations between Saudi Arabia and the Houthi rebels, may offer some benefits. However, this approach alone is inadequate for achieving enduring peacebuilding outcomes, given the conflict's internal character of the conflict and its underlying causes and the complex array of factors involved. At the tactical level, a potential breakthrough may arise by implementing an extended truce, which could subsequently lead to the resumption of intra-Yemeni negotiations. In order to achieve significant progress in peacebuilding efforts in Yemen, it is imperative to address the conflict's internal origins, reflect the

Yemeni populace's future-oriented aspirations, and secure support from regional and global actors.

Deal's Significance for Saudi Arabia:

The Saudi-Iranian agreement can be interpreted as employing a high degree of hedging and strategic ambiguity as the Kingdom cautiously navigates a geopolitical terrain that pits China against the U.S., Russia against Europe (and the U.S.), and Israel against Iran. Saudi Arabia's commercial ties with China have been expanding rapidly in recent years, with China emerging as the largest trading partner and a significant investment partner. This trend is anticipated to continue in the foreseeable future. This phenomenon transpires during strained Saudi-American relations, which can be attributed to discord between the two nations regarding their contrasting positions on Russia's incursion into Ukraine, worldwide sanctions imposed on Russia, and modifications to worldwide oil provisions.

The diplomatic agreement between Saudi Arabia and Iran confers a significant triumph in diplomacy to China within the Middle Eastern context, augmenting its expanding sway in the area. This development is expected to benefit Saudi Arabia's commercial associations with China. Furthermore, the Saudi Arabian government may strategically shift its focus towards China and enhance diplomatic ties with Iran to extract concessions from the United States. These concessions may include increased provision of weaponry, security assurances, and civil nuclear technology, particularly as the U.S.S. seeks to facilitate the normalization of relations between Saudi Arabia and Israel.

In addition, the agreement between Saudi Arabia and Iran and strengthening their relationship with China may safeguard against any future hostile actions by Iran towards Saudi Arabia, whether carried out directly or through its regional proxies. It seems that Saudi Arabia has arrived at the determination that it must not excessively depend on the United States for safeguarding its security, in light of the incursions on the Kingdom's energy infrastructure across its borders in 2019 and the U.S.'s disinclination to respond to Iran or its surrogates. Furthermore, China wields significant sway over Iran and has the potential to enhance its position as an intermediary and facilitator in the ongoing conflict between these two neighboring nations. Iran is willing to retaliate against Gulf states in response to potential Israeli or

U.S. attacks on its nuclear facilities. The significance of this risk has recently escalated, specifically in the latter half of 2022, due to the challenges encountered in the attempts to revive the Joint Comprehensive Plan of Action (JCPOA), commonly referred to as the Iran nuclear deal. The Saudi-Iranian agreement serves as a form of risk mitigation against this possibility.

Significance of Deal for Iran:

The agreement to establish normalized relations with Saudi Arabia holds appeal for Iran on several fronts. The agreement can potentially mitigate Iran's global seclusion resulting from the imposition of Western sanctions, primarily those enforced by the United States and the European Union. Normalizing relations with Saudi Arabia is perceived as a diplomatic success for China, Iran's primary international ally. This development can potentially give China a diplomatic triumph in the Middle East and promise more secure supply chains. Iran's economic and strategic dependence on China, and to a lesser extent on Russia, is expected to persist. The agreement is likely to bolster China's sway in the Middle East while diminishing the influence of Western powers, particularly the United States, which has been a long-standing adversary of the Tehran regime.

The Saudi agreement offers validation to the Iranian government, which has been contending with significant civil unrest since September 2022 and may potentially alleviate the pressure exerted by Iran's exiled opposition. The agreement includes a provision prohibiting both nations from interfering in each other's domestic affairs. This may decrease the purported Saudi backing of Iranian dissident factions and nonconformist television networks with a broad viewership in Iran. Furthermore, the agreement has the potential to serve as a means of reducing the likelihood of Israel launching direct military assaults, with the tacit endorsement of allied Arab nations. Israeli Prime Minister Benjamin Netanyahu's government has warned of potential strikes on Iran's nuclear facilities. This move could impede discussions regarding the reinstatement of a nuclear agreement and heighten the likelihood of counterattacks on Israeli infrastructure and the Gulf Arab nations of Bahrain and the United Arab Emirates.

Potential for Enhanced Regional Security

For several decades, the Middle East has experienced destabilizing effects from the rivalry between Saudi Arabia and Iran. This rivalry has manifested in conflict hotspots such as Yemen and Syria and contributed to instability in Iraq and Lebanon. Furthermore, the antagonism between the two nations has resulted in instability within the worldwide energy markets and has caused interference with significant international seafaring pathways. This was exemplified by the assaults on oil tankers and energy facilities during 2019 and 2020, purportedly executed with support from Iran. The normalization agreement has garnered positive responses from various states, including Bahrain, Egypt, Iraq, Oman, Qatar, Turkey, and the U.A.E. Additionally, the organizations of Hezbollah in Lebanon, the Houthis in Yemen, and the Palestinian Authority have conveyed a sense of positivity regarding the potential results stemming from this agreement. The involved states and other relevant actors express optimism that the agreement will reduce conflict and increase stability in the Middle Eastern region. Enhanced communication and collaboration between Saudi Arabia and Iran, as opposed to hostility and endorsement of opposing factions, could eliminate a significant destabilizing factor in the region's conflict zones. However, additional measures will be necessary to terminate the violence.

IMPLICATIONS OF THE SAUDI-IRAN DEAL

Over the past ten years, the relationship between Riyadh and Tehran has transcended traditional political and religious animosities. The prevailing trend in this era is the prioritization of securitization and militarization in relationships. Although the agreement offers potential solutions to regional issues between the two nations, its susceptibility to the security policies of both countries will persist.

Security Tensions

Riyadh is set to enhance its missile defense and anti-drone capabilities through collaborations with various partners, including China and the United States, on the Saudi front. The country in question aims to obtain expertise in nuclear technology, primarily for peaceful purposes, while also taking measures to enhance its domestic military industry. This could potentially be viewed as a security

concern by Iran. Furthermore, Saudi Arabia intends to expand its political and economic relations with nations including Syria, Yemen, Lebanon, and Iraq, as it posits that economic growth can contribute to regional stability and security. Iran could perceive the potential emergence of such an opportunity as a potential challenge to its regional sway. Significantly, Saudi Arabia is likely to prioritize the preservation of robust relations with the United States due to historical and security considerations, given that the U.S. continues to serve as the primary military provider for the Kingdom. However, Iran may harbor reservations regarding the implications of such ties as it endeavors to remove the United States from the region. Given that Iran is a nuclear threshold state and is near developing nuclear weapons, Saudi Arabia has a vested interest in exerting pressure on Iran to comply with the terms of the nuclear deal. Iran could potentially interpret the action in question as a counterproductive act that contradicts the principles of the agreement.

The Iranian government perceives the military components of these advancements as a potential hazard to the equilibrium of regional offensive and defensive capabilities. Consequently, the entity will probably persist in implementing effective countermeasures. Tehran may consent to restrict the provision of cutting-edge, aggressive weaponry to the Houthis. However, the strategy of maintaining an Iran-supported coalition of resistance as a fundamental component of the nation's deterrence (Divsallar & Azizi, 2023) in the area is improbable to shift, given the limited conventional options available to its military and the unaltered threat posed by the United States and Israel. Consequently, it can be inferred that Tehran will persist in pursuing the strategy of enhancing the operational capacity of the axis of resistance, primarily by establishing horizontal operational connections between Shiite factions and augmenting their ability to work together effectively.

Likewise, the Iranian government's endorsement of the Saudi peace negotiations in Yemen, through exerting pressure on the Houthis to reduce their provocative actions, should not be construed as relinquishing its strategic influence in the region. This implies that the intricacies in Yemen may endure. The city of Tehran perceives Yemen as a crucial passageway that ensures practical entry to the

interior of Saudi Arabia in the event of a hypothetical conflict. The strategic value of Iranian influence in Yemen is widely recognized as it imposes a significant logistical challenge on Saudi Arabia while also acting as a deterrent against the Kingdom. Moreover, how Saudi Arabia is perceived as a military threat has impacted Iran's selection of weapons and basing programs. Iran has recently strengthened its military bases near the Gulf coasts to enhance its ability to engage in stand-off operations against the neighboring Arab states. The prospect of altering extensive military strategies appears daunting without comprehensive reconciliation efforts that extend beyond mere diplomatic rapprochement. As a result, Saudi Arabia will probably persist in procuring arms to counter the perceived threat posed by Iran.

The determining factor in the outcome of the nuclear dossier lies in the dynamics between Iran, the United States, and Israel. Consequently, the resolution of this matter will not be significantly influenced by the Saudi-Iranian reconciliation. This implies that the apprehension of the Kingdom regarding Iran's acquisition of nuclear weapons will endure in the event of unsuccessful U.S.-Iran negotiations, which could potentially compel Saudi Arabia to develop its nuclear capacity in due course. Any alteration in Riyadh's nuclear policy would impact Iran's nuclear strategy and necessitate an appropriate reaction. Therefore, the intricate enigma surrounding the nuclear predicament involving the United States, Iran, Saudi Arabia, and Israel will persist.

In other words, both sides will continue to focus heavily on deterrence and containment. Normalization on the diplomatic level will undoubtedly reduce hostilities, but it will not be enough to stop these tendencies. One could learn how a deterrence and containment strategy can continue to exist and cause difficulties when diplomatic relationships are still present by studying U.S.-Russian relations.

Domestic and External Challenges

Beyond the difficulties between the Saudi and Iranian regimes, several local and international spoilers present challenges to reconciliation between the two nations. On the domestic front, demonizing the other has helped hardline voices in both countries to some extent. While voices critical of Iran can still influence decisions and raise doubts about the deal's

value on the Saudi side, the difficulty is even higher on the Iranian side. The most important initiatives of the Islamic Republic's foreign policy have shown to be susceptible to factional conflicts. The conservative forces currently in control in Tehran unanimously favor the accord. However, it is not improbable that competition in the upcoming presidential election would again make tensions with Saudi Arabia advantageous to some sections.

The potential external factors that may impact the deal are significant. The recent agreement has caused apprehension (Corey-Boulet, n.d.) in Israel and has elicited severe censure from the prime minister's office and opposition leader Yair Lapid, who has characterized it as a "complete and perilous foreign policy debacle of the Israeli government." Israel, the primary regional power affected by the agreement, suffered a setback in its strategic objective of aligning with Arab nations against the shared challenge posed by Iran. Israel's perspective on the "Iranian threat" may no longer align with that of Arab states. However, Israel may still endeavor to impede the process of Arab-Iranian reconciliation in order to mitigate additional regional pressures. The ongoing Israeli airstrikes in Syria, resulting in casualties among the Islamic Revolutionary Guard Corps after the agreement's implementation, can intensify hostilities and compromise the agreement's viability in the event of retaliatory measures by Iran. Although the agreement did not effectively address the security concerns of Iran and Saudi Arabia, it has presented a significant opportunity to restructure the security framework of the Gulf region in a manner that benefits the broader Middle Eastern region, albeit in the short term.

In order to achieve this outcome, it is imperative that the two nations engage in diplomatic negotiations and successfully address their respective points of contention about Yemen, Iraq, Lebanon, and Syria. In order to ensure the longevity of the agreement, policymakers on both ends must recognize the potential obstacles and detractors that may jeopardize the advantageous outcomes of the deal. Overcoming these challenges could be facilitated by broadening the scope of communication across various levels, such as ministerial, parliamentary, think tank, N.G.O., and people-to-people levels. Furthermore, since military security issues are likely to remain the primary concerns for both parties, more

rigorous security discussions must be sustained and given precedence. Both parties must engage in ongoing discourse regarding their fundamental perceptions of threats and facilitate mutual comprehension of each other's security concerns, even though U.S. sanctions against Iran, Tehran, and Riyadh can cooperate economically in less susceptible areas. These areas may include maritime security, climate change, and renewable energy. Additionally, the two states could enhance their coordination on energy policy.

CONCLUSION

Conclusively, the Saudi-Iran deal carries implications that extend beyond bilateral relations, reshaping the dynamics of power in the Middle East and offering opportunities for regional and global players to redefine their roles in pursuit of stability and cooperation. The thaw between Saudi Arabia and Iran signifies the ongoing decline of American power in the Middle East and the growing influence of Chinese diplomacy in unexpected arenas. China's role as a mediator in brokering the deal reflects a shifting landscape of great power competition in the Middle East, necessitating a re-emphasis of U.S. regional policy. Saudi Arabia and Iran perceive China as a neutral mediator, while China positions itself as a "reliable friend" to both nations. As the largest trading partner for both countries and a strategic ally to Riyadh and Tehran, China's mediation of the Saudi-Iranian rapprochement enhances its soft power, prestige, and reputation as a stabilizing force in the region. However, it should be noted that China's sponsorship does not guarantee intervention in the event of a breach by Iran. Chinese diplomacy faces a significant test in its newfound role as a "mediator" within the regional security architecture. Nevertheless, if successful, Beijing's engagement stands to bolster its influence and pave the way for potential expansion into other regions, including Africa.

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