

**IBN HALDUN UNIVERSITY
SCHOOL OF GRADUATE STUDIES
DEPARTMENT OF POLITICAL SCIENCE AND
INTERNATIONAL RELATIONS**

MASTER'S THESIS

**THE NEW FACE OF THE OLD KINGDOM:
SAUDI ARABIA'S FOREIGN POLICY CHANGE**

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**THESIS ADVISOR
ASSIST. PROF. ÖMER BEHRAM ÖZDEMİR**

ISTANBUL, 2025

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by
SHAYMAA FAOUR

**A thesis submitted to the School of Graduate Studies in partial
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ISTANBUL, 2025

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ÖZ

ESKİ KRALLIĞIN YENİ YÜZÜ: SUUDİ ARABİSTAN'IN
DIŞ POLİTİKA DEĞİŞİMİ

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Bu tez, Suudi Arabistan'ın dış politikasındaki değişimi stratejik dengeleme teorisi çerçevesinde incelemekte ve Riyad'ın ABD'nin kısmi terk edişine nasıl uyum sağladığını ele almaktadır. Neo realizm temelinde şekillenen çalışma, Suudi Arabistan'ın stratejik değişiminin uluslararası düzende meydana gelen daha geniş yapısal değişimlerin bir yansıması olduğunu savunmaktadır. Suudi Arabistan'ın ABD ile Çin gibi yükselen güçler arasında denge kurmaya çalıştığı ve herhangi bir tarafa tam olarak bağlanmadan stratejik manevra yaptığı ileri sürülmektedir. 2016'da duyurulan Vizyon 2030, bu yeniden yapılanmanın temelini oluşturmakta; ekonomik çeşitliliği teşvik etmekte, petrole bağımlılığı azaltmakta ve jeopolitik bağımsızlığı güçlendirmektedir. Tez, resmi belgeler, politika analizleri ve akademik kaynakların metin analizine dayalı nitel bir metodoloji kullanarak, Suudi Arabistan'ın 2030 Vizyonu kapsamındaki iç reformların dış politika stratejisiyle nasıl örtüştüğünü incelemektedir. Önemli bir odak noktası, Suudi Arabistan'ın Kuşak ve Yol Girişimi kapsamındaki Dijital İpek Yolu aracılığıyla Çin ile artan ortaklığıdır. Bu ortaklık, teknoloji, altyapı ve yenilenebilir enerji gibi alanlarda 2030 Vizyonu'nun hedefleriyle uyum sağlamaktadır. Tez, Suudi Arabistan'ın Çin yatırımlarını ve teknolojik uzmanlığını kullanarak ekonomik ve politik konumunu nasıl güçlendirdiğini, ABD'ye bağımlılığı nasıl azalttığını ve çok kutuplu bir dünyada kendini nasıl konumlandığını ortaya koymaktadır. Ayrıca, Suudi Arabistan'ın İran ile normalleşmesi, BRICS'e katılımı ve Rusya ile derinleşen ilişkileri, küresel düzende

meydana gelen karmaşık deęişimlere uyum sağlamak için izlenen hesaplı dengeleme stratejileri olarak ele alınmaktadır. Bulgular, Suudi Arabistan'ın dengeleme stratejisinin sadece tepkisel deęil, aynı zamanda jeopolitik etki ve uzun vadeli ekonomik ve politik istikrar sağlama çabası olduğunu göstermektedir. Bu çalışma, hegemonik gücün azalmasına ikincil devletlerin nasıl uyum sağladığını ve ortaya çıkan çok kutuplulukla nasıl başa çıktığını ortaya koyarak stratejik dengeleme literatürüne katkıda bulunmaktadır.

Anahtar Kelimeler: Çin, Dijital İpek Yolu, Dış Politika, Suudi Arabistan, Stratejik Dengeleme, 2030 Vizyon.



ABSTRACT

THE NEW FACE OF THE OLD KINGDOM: SAUDI ARABIA'S FOREIGN POLICY CHANGE

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This thesis examines Saudi Arabia's foreign policy transformation through the lens of strategic hedging, focusing on the Kingdom's response to the United States' partial withdrawal. Anchored in neorealism, the analysis contends that Saudi Arabia's foreign policy shift reflects broader structural changes in the international system, as the Kingdom seeks to balance its longstanding ties with the U.S. while engaging rising powers such as China. Though not a global power, Saudi Arabia is conceptualized as a secondary state—regionally influential yet systemically constrained—making it a typical case for hedging behavior in times of global uncertainty. Vision 2030, introduced in 2016, plays a central role in this shift by promoting economic diversification, reducing oil dependency, and enhancing geopolitical autonomy. Using a qualitative methodology, the thesis employs textual analysis of official statements, policy documents, and scholarly sources to explore the intersection between internal reform and external realignment. A key focus is Saudi Arabia's growing partnership with China, especially through the Belt and Road Initiative (BRI) and the Digital Silk Road (DSR), which align with Vision 2030's objectives in infrastructure, technology, and renewable energy. These initiatives illustrate how Chinese cooperation enhances Saudi Arabia's economic capacity while reducing reliance on U.S. support. The thesis also investigates Saudi Arabia's rapprochement with Iran, closer ties with Russia, and increased involvement in BRICS as calculated hedging strategies. These developments

are interpreted not as ad hoc reactions, but as part of a coherent effort to reposition the Kingdom within an emerging multipolar world order. The findings demonstrate that Saudi Arabia's hedging behavior is both adaptive and strategic, aimed at consolidating regional influence and ensuring long-term resilience. This research contributes to the literature on strategic hedging and secondary state behavior by analyzing how states navigate hegemonic decline and multipolarity.

Keywords: China, Digital Silk Road, Foreign Policy, Saudi Arabia, Strategic Hedging, Vision 2030.



DEDICATION

I dedicate this thesis to my father Nizar, to my mother Rabiaa and siblings Jaafar, Tasneem and Omar whose unwavering support and sacrifices paved the way for my academic journey. Your love and encouragement have been my anchor.

To my brother, Jaafar, a special moment we celebrate indeed, your steadfast presence and guidance were my source of strength, especially during the challenges of being abroad. We embarked on this academic journey together, sharing the highs and lows, and graduating side by side in the same master's department is a testament to our shared determination.

To my incredible friends, thank you for being by my side through it all. You saw me at my lowest, when I was exhausted, overwhelmed, and ready to give up, and you still believed in me. You comforted me when I cried, encouraged me when I doubted myself, and celebrated my moments of happiness as if they were your own. Your presence, love, and support made this journey bearable, even beautiful at times. I truly couldn't have done this without you, and this thesis carries a piece of each of you within it.

And finally, to my home, my land, Lebanon.

This thesis is a testament to the idea that persistence, even through moments of self-doubt, can lead to growth and transformation.

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LIST OF SYMBOLS AND ABBREVIATIONS

ARAMCO	Arabian American Oil Company
BRI	China's Belt and Road Initiative
CEDA	Council for Economic and Development Affairs
FDI	Foreign Direct Investment
GCC	Gulf Cooperation Council
GDP	Gross Domestic Product
G7	The Group of Seven
IMF	International Monetary Fund
KSA	Kingdom of Saudi Arabia
MBS	Mohammad Bin Salman
NDB	The New Development Bank
NTP	National Transformation Program
OPEC	Organization of the Petroleum Exporting Countries
SANG	Saudi Arabian National Guard
UAE	The United Arab Emirates
U.S.	The United States of America

CHAPTER I

BACKGROUND

1.1. Introduction

Saudi Arabia is undergoing a deep transition, propelled by a bold ambition to reshape its economic, political, and social environment in the twenty-first century. Crown Prince Mohammed bin Salman (MBS) sees a modernized and internationally prominent Middle East, with Saudi Arabia serving as a key focus for innovation and strategic development. This transition, however, is not wholly new; rather, it builds on a gradual shift that began under King Abdullah's reign, notably with the restoration of the Saudi group to power, which affected governance and economic policies (Ataman 2015). Vision 2030 is the foundation of this undertaking, driving Saudi Arabia's economic diversification, technological progress, and geopolitical recalibration.

The U.S.-Saudi partnership has been fundamental to American Middle Eastern policy for decades. Since the discovery of oil in the 1930s, both nations have depended on one another for their shared economic and security interests (Bronson, 2006; Riedel 2018). As oil increased in strategic significance globally, security collaboration between the two nations escalated. The guarantee of consistent oil supplies from the largest global exporter facilitated an accord wherein the U.S. would offer security to Saudi Arabia, so allowing the monarchy to sustain regional stability and influence (Blanchard, 2023; Gause 2016). U.S. could depend on Saudi monarchs to uphold American geopolitical objectives, even when these interests conflicted with the desires of their populace (Bronson, 2006). In response to global oil supply constraints, Saudi Arabia, utilizing its influential position within Organization of the Petroleum Exporting Countries (OPEC), would modify output quotas as necessary to maintain prices in accordance with shared objectives (Yergin, 1991).

The demise of King Abdullah in early 2015 was a pivotal moment, enabling the new leadership of King Salman and his ambitious son, Prince Mohammed bin Salman, to guide the nation towards new trajectories (Kéchichian, 2019). Simultaneously, the United States became a newly self-sufficient energy superpower as a result of the shale revolution, reducing its dependence on Middle Eastern oil (Khatib, 2021). As these tendencies began to influence U.S.-Saudi relations, the monarchy under King Abdullah sustained strong connections with the United States. The current Saudi leadership under King Salman and Prince Mohammed seems determined to transform the relationship with the United States and shift away from an oil-dependent economy (Gause, 2016).

Saudi Arabia's aspirations are increasingly influenced by regional rivalry with adjacent Gulf nations, notably Qatar and the United Arab Emirates. Qatar's National Vision 2030 and the UAE's We the UAE 2031 Vision reflect broader regional efforts toward economic diversification and global positioning have positioned both nations as centers for global finance, technology, and tourism, contesting Saudi Arabia's historical supremacy in the region (Partrick, 2016). Saudi Arabia aims to restore its leadership status through Vision 2030 by utilizing its geographic and economic advantages to attract foreign investment and promote innovation. The kingdom's directive requiring international corporations to transfer their regional offices to Riyadh illustrates its objective to consolidate economic operations and position itself as the principal access point to the Middle East. Vision 2030 fundamentally embodies Saudi Arabia's pursuit of economic resiliency and geopolitical independence. Crown Prince Mohammed bin Salman's generational change has initiated a new leadership era focused on modernizing the kingdom and redefining its character. This thesis examines how Vision 2030 represents a pivotal transformation in Saudi Arabia's foreign policy, assessing its ramifications for the U.S.-Saudi alliance and its effects on the kingdom's relations with growing countries such as China. This study provides an in-depth analysis of Saudi Arabia's evolving position in the international system, examining how economic diversification, geopolitical repositioning, and regional strategic competition are shaping the Kingdom's foreign policy trajectory.

Through this novel strategy, Saudi Arabia is adopting through an autonomous policy that diverges from conventional U.S. allegiance, seeking to prioritize its own economic and security objectives without perpetually considering the priorities of other countries. This transition indicates the possible forfeiture of a compliant security ally for the United States in the Middle East and contests the presumption that Saudi Arabia will persist as the conventional swing producer stabilizing oil prices to uphold American strategic interests (Issawi, 1978; Blanchard, 2023). This action could allow the U.S. to redirect its focus to emerging strategic interests in East Asia, but it would also indicate a reduction in American influence over Middle Eastern matters as a multipolar world order increasingly supplants the hegemony previously held by the U.S. (Riedel, 2018; Gause, 2016).

The generational transition represented by King Salman's son, Prince Mohammed bin Salman, has ushered in "a new generation" determined to reform conventional Saudi policies (Kéchichian, 2019). Vision 2030, Prince Mohammed's ambitious initiative to diversify the Saudi economy and diminish its reliance on oil while tackling substantial demographic challenges, serves as the cornerstone for Saudi Arabia's pursuit of economic and security autonomy from the United States (Bahout, 2017; Khatib, 2021).

This thesis examines Saudi Arabia's foreign policy shift through the lens of strategic hedging, driven by the partial withdrawal of the United States and broader structural changes in the international system. In chapter one, the introduction outlines the historical foundation of U.S.-Saudi relations, emphasizing how shared interests in oil and security shaped their partnership for decades and how Vision 2030, launched in 2016 by Crown Prince Mohammed bin Salman (MBS), serves as the framework for Saudi Arabia's shift toward economic diversification and strategic autonomy. In chapter two, the literature reviews the geopolitical and strategic factors influencing this shift, analyzing Saudi Arabia's growing ties with China and its participation in initiatives like the Belt and Road Initiative (BRI) and the Digital Silk Road (DSR) as tools for achieving greater independence from U.S. influence. It also addresses Saudi Arabia's engagement with BRICS and normalization of ties with Iran as deliberate hedging strategies. Using a qualitative research approach, chapter three explains the textual analysis of official

documents, policy papers, and academic sources to uncover the motivations behind Saudi Arabia's strategic shift. Chapter four discusses how Vision 2030's economic goals intersect with Saudi Arabia's changing diplomatic and security alignments, focusing on key developments like the growing economic partnership with China, Saudi Aramco's investments in Chinese refineries, and the strategic importance of Oxagon in trade with Iran. Finally, chapter five concludes and reflects on how Saudi Arabia's strategic hedging strategy allows it to maintain flexibility, expand economic partnerships, and secure political influence in a multipolar world while adapting to the shifting balance of global power and how Saudi's foreign policy has changed due to the partial abandonment of the united states.

1.2. Context and Problem Definition

Saudi Arabia's foreign policy is undergoing a significant transformation, reflecting a broader shift in the kingdom's strategic positioning within a rapidly changing global order. For decades, the U.S.-Saudi alliance was built on a foundation of shared security and economic interests, primarily anchored in oil. Since the discovery of oil in the 1930s, Saudi Arabia and the United States have maintained a strategic relationship where Saudi Arabia supplied the world's largest oil reserves, and the U.S. provided security guarantees, ensuring the monarchy's political stability and regional influence (Bronson, 2006; Riedel, 2018). This arrangement allowed Saudi Arabia to maintain dominance within the Gulf Cooperation Council (GCC) and wield influence over global oil markets through the Organization of the Petroleum Exporting Countries (OPEC), reinforcing American strategic interests in the Middle East (Blanchard, 2023; Gause, 2016). However, this long-standing dynamic is under pressure as the global balance of power evolves toward a more multipolar order and the United States diminishes its strategic presence in the Middle East following the shale revolution, which considerably increased the country's energy independence (Khatib, 2021). The shale revolution converted the United States become the world's largest producer of oil and gas, decreasing its dependency on Middle Eastern petroleum and changing its foreign policy goals (International Energy Agency, 2019). As a result, Washington has increasingly reduced its direct engagement in regional wars, prioritizing domestic energy security and strategic competitiveness with China and Russia

(Harvard International Review, 2020). This transition has caused Gulf governments, notably Saudi Arabia, to reconsider their foreign policy orientations, resulting in increasing involvement with growing powers like China and Russia via programs such as the Belt and Road Initiative (Partrick, 2016). The changing energy environment reflects a larger geopolitical transition in which conventional alliances are being rebalanced in response to shifting global power dynamics.

In a recent and momentous step, Saudi Arabia announced huge oil price cuts aimed just at Asian markets, omitting the United States entirely. This was the first price cut in three months, highlighting a deepening gap between Saudi Arabia's geopolitical and economic interests. By focusing on Asia, particularly China and India, Saudi Arabia is indicating a strategic shift toward establishing long-term trading connections in fast rising economies. The decision indicates a planned attempt to strengthen Riyadh's position in the Asian energy market, where competition from Russia and other suppliers is increasing. For decades, the US-Saudi relationship has been characterized by a mutually advantageous agreement: secure oil supplies in exchange for American military protection. However, the landscape has changed. The United States has greatly boosted its domestic oil output in recent years, reducing its reliance on Middle Eastern imports. In contrast, China and India continue to rely substantially on Saudi oil, making them more important long-term trading partners. Saudi Arabia is strengthening its position in these crucial markets by giving discounts to Asian consumers, ensuring that demand for its oil remains consistent even as global consumption patterns shift.

For decades, the United States-Saudi cooperation has served as a cornerstone of American Middle Eastern strategy. Since the discovery of oil in the 1930s, the two countries have been inextricably linked by common economic and security concerns (Bronson, 2006; Riedel, 2018). The partnership was founded largely on the promise of stable oil supplies in exchange for US military support, allowing Saudi Arabia to preserve regional stability and influence (Blanchard, 2023; Gause, 2016). The Kingdom's prominent position within the Organization of Petroleum Exporting Countries (OPEC) enabled it to alter output quotas to line with shared strategic goals, sustaining this symbiotic relationship (Yergin,

1991). However, this dynamic shifted with the 2019 assaults on Saudi oil installations in Abqaiq and Khurais, which were largely blamed on Iran. The lack of a firm US reaction to these strikes increased concerns among Saudi authorities about the credibility of American security commitments. This tragedy highlighted the Kingdom's vulnerability and prompted a review of its geopolitical policy. While Saudi Arabia continues to engage with the US on issues of mutual interest, such as military cooperation and regional security, it has increasingly sought to reduce its strategic reliance on Washington by strengthening diplomatic and economic ties with other global powers, particularly China and Russia (Borck, 2023). Normalization of ties with Iran, which China arranged in March 2023, is a key illustration of this geopolitical realignment. This accord marks a substantial turnaround from decades of antagonism between Riyadh and Tehran, demonstrating Saudi Arabia's pragmatic approach to balancing regional rivals in order to safeguard its economic and security interests. Similarly, the Kingdom's growing economic and strategic ties with China, such as Saudi Aramco's multibillion-dollar investment in Chinese refineries and the use of the yuan in oil transactions, indicate a shift toward diversifying economic partnerships and reducing reliance on Western financial systems (Gnana, 2019; Aizhu, 2022).

This foreign policy realignment is inextricably linked to Saudi Arabia's wider economic and political transformation under Vision 2030. While Vision 2030 continues to promote internal reform and economic diversification, it has also had an impact on the Kingdom's foreign policy by pushing more integration with the global economy and lessening reliance on oil income. The creation of large projects like Oxagon, a futuristic industrial city within NEOM, demonstrates Saudi Arabia's strategic desire to establish itself as a logistical and technical hub in the Red Sea area. Oxagon's location at the confluence of vital maritime trade routes strengthens Saudi Arabia's ability to connect with developing economic powers such as China and India while also boosting its geopolitical influence in the area.

Saudi Arabia's rehabilitation of relations with Iran, as well as increasing diplomatic engagement with China and Russia, represent a purposeful hedging strategy designed to

mitigate the risks associated with an unstable global order. Rather than forsaking its long-standing relationship with the United States, Riyadh is expanding its strategic alternatives in order to increase geopolitical power and gain more autonomy in foreign policy decision-making. This approach reflects the Kingdom's acknowledgment of the altering global power balance, as well as the rising role of regional and non-Western players in influencing Middle Eastern geopolitics.

This thesis contends that Saudi Arabia's changing foreign policy represents a deliberate turn toward strategic hedging, motivated by the partial withdrawal of US security assurances and the Kingdom's aim to establish itself as a key player in a multipolar international order. The research will look at how Saudi Arabia's hedging approach has affected its diplomatic alignments with China and Iran, as well as the larger ramifications for US-Saudi ties and regional stability. It aims to give a detailed examination of how strategic hedging enables Saudi Arabia to preserve flexibility and strategic autonomy while dealing with a wide range of geopolitical partners.

Saudi Arabia is responding to shifting geopolitical circumstances by adopting a more balanced and diverse foreign policy approach, as well as establishing itself as a crucial actor in the emerging global order. This thesis seeks to contribute to the larger literature on strategic hedging and Middle Eastern geopolitics by investigating how Saudi Arabia's foreign policy change reflects both the Kingdom's domestic economic imperatives and the changing dynamics of the international system.

CHAPTER II

LITERATURE REVIEW

2.1. Introduction

The literature examined in this study provides a solid basis for comprehending the intricate development of Saudi Arabia's foreign policy, especially via the perspective of strategic hedging. The chosen sources offer an in-depth analysis of Saudi Arabia's historical foreign policy underpinnings, its strategic reorientation under Crown Prince Mohammed bin Salman, and the growing significance of Vision 2030 as a hedging instrument. Al-Rasheed (2018), Bronson (2006), and Gause (2016) examine the historical development of the U.S.-Saudi alliance, highlighting the pivotal role of oil and security collaboration in establishing bilateral relations. Khatib (2021) and Gause (2016) elucidate how the emergence of U.S. shale oil production and the worldwide shift towards renewable energy have transformed the strategic underpinnings of this relationship, prompting Saudi Arabia to diversify its economic and geopolitical alliances. The scholarship on Saudi-China relations, notably the works of Al-Tamimi (2018) and Chen & Han (2019), underscores that Saudi Arabia's involvement in China's Belt and Road Initiative (BRI) signifies a calculated endeavor to diversify its economic and geopolitical alliances. The 2022 Comprehensive Strategic Partnership Agreement between Riyadh and Beijing highlights the strengthening relationship between the two countries, especially in energy, infrastructure, and technology. This increasing alignment with China is a quintessential instance of hedging—sustaining strong relations with the United States while augmenting cooperation with emerging nations. Historical sources like Issawi (1978) and Yergin (1991) provide a basis for comprehending Saudi Arabia's global influence via oil, but contemporary research highlights the shift from oil reliance to economic diversification under Vision 2030.

The literature identifies four principal themes: the strategic significance of oil, the shift from a rentier state to a diversified economy, Saudi Arabia's increasing alignment with developing powers, and hedging as a calculated foreign policy approach. The current literature offers significant insights, however notable gaps persist. Initially, a limited number of experts expressly characterize Saudi Arabia's actions as a hedging tactic, and the relationship between Vision 2030 and hedging is still inadequately examined. The ramifications of a multipolar world order on Saudi Arabia's foreign policy decisions necessitate thorough examination.

The literature regarding Saudi Arabia's regional policy, especially its rapprochement with Iran and involvement with BRICS, is notably sparse. This thesis posits that Vision 2030 serves as both an economic reform program and a geopolitical hedging tactic, expanding upon the current research. This research examines Saudi Arabia's interactions with China, Russia, and regional countries, enhancing the comprehension of how middle powers employ hedging techniques to manage geopolitical uncertainty. It illustrates the delicate connection between Vision 2030's economic goals and Saudi Arabia's geopolitical ambitions, establishing the Kingdom as a key actor in a multipolar global framework. This research addresses significant gaps in the literature by providing a thorough grasp of Saudi Arabia's changing global stance through historical analysis and modern foreign policy evaluation.

2.2. Strategic Hedging's Core Question: Saudi Arabia's Changing Foreign Policy Approach

To understand the change in foreign policy of Saudi Arabia calls for a thorough investigation including the geopolitical surroundings, strategic reasons, and changing global system balance of power. Examining Saudi Arabia's foreign policy recalibration in the framework of changing alliances, economic diversification, and strategic realignment is crucial as a major participant in the Middle East and the larger global order. This calls for a careful examination of Saudi Arabia's historical roots of its relationship with the United States, the effects of Vision 2030 on the Kingdom's geopolitical posture, and the growing influence of rising nations such China. This paper aims to demonstrate how Saudi

Arabia's hedging policy reflects a deliberate effort to negotiate the uncertainties of a changing global order and secure long-term strategic autonomy by means of an analysis of the junction of internal economic change and foreign strategic adjustments.

Under the guidance of Crown Prince Mohammed bin Salman (MBS), Saudi Arabia has initiated an extensive reform initiative termed Vision 2030. Initiated in 2016, Vision 2030 is a strategic endeavor aimed at diversifying the Saudi economy beyond oil reliance and establishing the kingdom as a global frontrunner in innovation, investment, and sustainability. The leadership of MBS signifies a generational transition in Saudi government, distinguished by audacious measures intended to transform internal policy and foreign relations. At the core of Vision 2030 is Saudi Arabia's endeavor to forge new partnerships with growing countries such as China, indicating a transition towards a multipolar global framework and a reassessment of the kingdom's traditional cooperation with the United States. This thesis emphasizes Saudi Arabia's goals for economic resilience and its strategic aim to enhance its autonomy on the global stage.

Scholars like Rachel Bronson (2006), Gregory Gause (1994; 2014), and F. Gregory Gause III have examined the U.S.-Saudi relationship from various angles, emphasizing the critical importance of oil, the development of security cooperation, and the wider geopolitical consequences of their alliance. A significant portion of academic discussion focuses on the fundamental importance of oil as a strategic resource, examining how Saudi Arabia's extensive reserves have altered its influence in global energy markets and its capacity to utilize oil as an instrument of political power. Events like the initial decade of the Cold War witnessed considerable global transformations in energy use, as oil eclipsed coal to become the foremost strategic energy resource worldwide. During this period, the Gulf area witnessed a swift escalation in oil production, establishing itself as a fundamental component of the U.S.-led global economic framework. Al-Rasheed (2018) observes that American oil corporations, especially via the consortium that controlled the Arabian American Oil Company (ARAMCO), significantly influenced U.S.-Saudi ties. Aramco emerged as the largest American foreign asset, highlighting the crucial significance of oil in solidifying the bilateral partnership.

1973 Oil Crisis highlight this dynamic, illustrating Saudi Arabia's ability to utilize petroleum as a tool for influencing global affairs. Researchers like Issawi (1978) and Yergin (1991) have emphasized that the oil crisis transformed the U.S.-Saudi alliance from mere economic interdependence to a more profound security partnership. Al-Rasheed (2018) elucidates the origins of this security dynamic during the early Cold War, where U.S.-Saudi relations were influenced by the geopolitical tensions between the United States and the Soviet Union. She observes that, during this period, control over Saudi oil emerged as a vital element of U.S. strategy, serving both to guarantee energy security and to build a military and diplomatic foothold in the Gulf. The historical basis of strategic collaboration developed into the codified security collaborations observed during the Gulf War, thereby reinforcing the U.S.-Saudi alliance amid regional turmoil.

In addition to oil, researchers like Thomas Lippman (2004), and Chas W. Freeman (2010) have analyzed the security aspect of the U.S.-Saudi alliance, especially in reaction to regional instability. The Gulf War in 1990-1991 is a pivotal moment in this relationship, illustrating Saudi Arabia's reliance on U.S. military assistance to address external challenges, while reinforcing America's strategic foothold in the area. This period signified the evolution of the alliance into a more comprehensive security framework that transcended mere economic objectives. Researchers like Bronson (2006) and Riedel (2018) have examined how these advancements bolstered the alliance, despite the persistent ideological and cultural differences between the two states serving as notable sources of conflict.

Recently, Vision 2030 and the leadership of MBS have emerged as crucial subjects in the scholarly discussion over Saudi Arabia's foreign policy. The monarchy aims to diminish its dependence on oil, with Vision 2030 catalyzing substantial economic and geopolitical transformations, including strengthened collaboration with China in technology, infrastructure, and renewable energy sectors. Researchers like Al-Rasheed (2018), Kéchichian (2019) and Khatib (2021) have emphasized that these ties illustrate Saudi Arabia's endeavors to diversify its alliances and diminish its reliance on conventional Western powers, particularly the United States. These developments have prompted

inquiries on the future of the U.S.-Saudi alliance, especially in light of the evolving global energy landscape and the rise of multipolarity in international relations.

This literature review is organized to deliver an extensive examination of the historical and modern aspects of U.S.-Saudi relations and Saudi Arabia's developing foreign policy change. The overview commences with an examination of the historical framework of U.S.-Saudi relations, emphasizing the pivotal role of oil and significant events like the 1973 Oil Crisis. It subsequently analyzes the Gulf War and the intensification of security collaboration between the two nations in reaction to regional instability. The subsequent sections examine Saudi Arabia's recent geopolitical changes under Vision 2030, highlighting its initiatives to establish new alliances with China and other rising nations. This research seeks to clarify the possible reconfiguration of Saudi Arabia's alliance with the United States by contrasting academic viewpoints on these subjects, considering its changing economic and geopolitical policy.

2.3. History and Political Development of Saudi Arabia

In 1932, the Kingdom of Saudi Arabia was established in its contemporary form under the governance of King Abdulaziz Al Saud. Subsequent rulers, namely King Saud, Faisal, Khalid, Fahd, Abdullah, and Salman, persisted in their reigns. These leaders effectively established vast networks of conventional relationships based on kinship, religion, and lineage, in conjunction with governmental institutions reliant on the allocation of bureaucratic jobs and the utilization of oil profits. Since its founding, the state's approach has sought to confront external problems while preserving the legitimacy and stability of its government (Yamani, 2001). Since the 1970s, Saudi Arabia has experienced economic and social transformations associated with oil income, with oil exports constituting over 90% of government revenue. Despite numerous endeavors to diversify the economy through the promotion of sectors such as steel, cement, petrochemicals, and tourism, these initiatives have been constrained in their impact and have not significantly transformed the economic structure or diversified its resources (Ayubi, 2011).

From 1902 until 1932, during its formation period, the Kingdom concentrated on state-building and the unification of many political units. The region was partitioned into six autonomous emirates, each asserting independence and consisting of numerous tribes with decentralized authority. The unification process spanned thirty years, concluding in 1932 with the accession of the final emirate, leading to the official establishment of the Kingdom of Saudi Arabia under King Abdulaziz Al Saud (Al-Rasheed, 2010).

Following unification, the Kingdom began to consolidate its political authority, bringing government under the control of the Al Saud family. The 1938 discovery of oil at Dammam was a watershed moment, bringing enormous riches and transforming Saudi Arabia's economic and geopolitical importance (Bronson, 2006; Al-Rasheed, 2010). During the 1940s and 1950s, the kingdom expanded administrative structures, established ministries, and formalized its diplomatic connections, most notably with the United States, which was achieved during a 1945 meeting between King Abdulaziz and President Roosevelt (Gause, 2014).

Saudi Arabia underwent significant modernization throughout the 1960s and 1970s, fueled by oil income, which included the growth of infrastructure, education, and governmental bureaucracy. However, authority remained consolidated within the royal family, with the monarch at the helm (Lippman, 2004). During the reigns of King Faisal and King Khalid, institutional development expanded although authoritarian rule remained constant.

In 1992, a significant event in the political history of the Kingdom occurred when King Fahd bin Abdulaziz consolidated the Kingdom's laws and regulations into a singular text referred to as the Basic Law of Governance. This document comprises three primary sections: a constitutional charter formulated post-unification of the Kingdom, the creation of the Shura Council, and a framework for regional governance (The Basic Law of Governance, 1992). Despite Saudi Arabia functioning as an absolute monarchy, where the king is the pivotal figure in governance, the royal family dominates essential governmental institutions, decision-making processes, and state resources. Members of

the royal family receive significant financial allocations and possess considerable landholdings and projects, complicating the assessment of their portion of the state budget.

The king in the Saudi political system possesses supreme authority and exercises executive, legislative, and judicial authorities. The king consolidates all significant powers in his role as head of state, prime minister, commander-in-chief, and chief diplomat (The Basic Law of Governance, 1992). Saudi authorities have progressively augmented their authority and influence over time. Upon a king's ascension to the throne, his successor, the crown prince, is sworn fealty, however the crown prince need not be one of the king's progeny. The crown prince is the second-most influential individual in the state and frequently occupies important governmental roles. Traditionally, the king has exclusive authority to designate the crown prince until the establishment of the Allegiance Council in 2006 by King Abdullah, which institutionalized the heir selection process (Succession Commission Law, 2006).

The crown prince's power fluctuates based on his closeness to the king and the roles he occupies. The crown prince's authority generally derives from the administrative duties he undertakes and the relationships he establishes within the royal family (Meissoum, 2018). The Council of Ministers functions as the executive and regulatory body of the Kingdom, as stipulated by the Basic Law of Governance (1992, Article 67). The royal family retains authority over essential ministries, including defense, interior, and the National Guard, which are frequently inherited through familial succession. The royal family additionally governs the appointment of other council members, constraining the council's ability to function as an autonomous political entity (Ibn Sunitan, 2005).

The Shura Council, created by royal decree in 1992, operates as a consultative entity devoid of legislative or supervisory power, in contrast to parliaments in other countries. The king appoints the council, maintaining sole responsibility over its composition and directives (The Shura Council Law, 1992). Notwithstanding numerous reforms intended to enhance the council's autonomy, including an expanded membership and the authority to interrogate ministers, these modifications are merely superficial and inadequate when

juxtaposed with authentic parliamentary practices, even relative to other Gulf nations (Ibn Sunitan, 2005).

The judiciary, although ostensibly independent and regulated by Islamic law, operates under the influence of royal authority. A royal proclamation in 1927 consolidated the legal system and conferred to the king absolute power to ratify court decisions (Meissoum, 2018).

2.4. Early Development of USA – KSA Relations

The U.S.-Saudi alliance originated during the Cold War, which established Saudi Arabia's strategic significance in the geopolitical landscape of the mid-20th century. Madawi Al-Rasheed (2018) locates the origins of this partnership in the aftermath of the seminal meeting between U.S. President Franklin D. Roosevelt and King Abdulaziz in 1945. Shortly after their encounter, escalating tensions between the United States and the Soviet Union in areas such as Europe and Azerbaijan signified the onset of the Cold War. These events underscored the pivotal significance of oil-rich nations in the Middle East, including Saudi Arabia, Iran, and Iraq, to the growing Cold War strategy (Al-Rasheed, 2018).

This viewpoint contextualizes the alliance within the "Global Cold War," redirecting attention from conventional Western-centric narratives to encompass the Third World. The kingdom's alliance with the United States during this period was not exclusively focused on ensuring oil resources for Western friends. Control over Gulf oil served a strategic objective: to obstruct access for opponents such as the Soviet Union and sustain geopolitical influence. In this context, Saudi Arabia has become a significant actor, utilizing its oil wealth and religious authority to further overarching U.S. goals in the Middle East and beyond (Vitalis, 2007; Gause, 2010; Khalidi, 2005).

This reexamination offers a new perspective on domestic changes in Saudi Arabia during the Cold War. The kingdom's involvement in the worldwide ideological war significantly

shaped its internal political reactions to leftist and Arab nationalist movements. The perceived threat from these movements influenced the decision-making processes of Saudi authorities, solidifying their alignment with U.S. objectives. This comprehensive historical perspective underscores the interconnectedness of internal and foreign policy during a pivotal era in the kingdom's contemporary history (Al-Rasheed, 2018). Al-Rasheed asserts that U.S. interests in Gulf oil during the Cold War encompassed more than only securing energy supplies for its European and Asian allies. Rather, it was fundamentally anchored in the geopolitical significance of regulating oil distribution to obstruct access by rivals, especially the Soviet Union. This aim propelled America's enduring diplomatic and military engagement in the Gulf. Through the regulation of oil production and distribution, the U.S. and its allies might obstruct their Cold War adversaries, including the Soviet Union, from obtaining this vital resource during a fight. Saudi Arabia, an oil-rich nation, emerged as a crucial element of this strategy, enhancing its significance as a geopolitical partner of the United States (Al-Rasheed, 2018).

The beginnings of the U.S.-Saudi alliance are contextualized within the Cold War, during which Saudi Arabia served as both a participant and a geopolitical theater in the overarching ideological conflict between the United States and the Soviet Union. The alliance between the two states has conventionally been characterized as a cooperation motivated by America's reliance on Saudi oil (Al-Rasheed, 2018).

This historical backdrop offers an essential perspective for examining the enduring U.S.-Saudi partnership and its influence on global energy politics. Al-Rasheed's thesis corresponds with other scholarly contributions, including those by Yergin (1991) and Issawi (1978), who similarly emphasize the strategic significance of Gulf oil during the Cold War. Yergin and Issawi emphasize the transformation of oil into a crucial geopolitical instrument, serving not only to secure energy but also to establish superiority over rivals during times of intensified global conflict. Al-Rasheed elaborates on how Saudi Arabia's alignment with the United States during the Cold War established a basis for its subsequent economic and diplomatic strategies.

Within the framework of Vision 2030, this historical relationship provides insight into the evolution of Saudi Arabia's reliance on oil production as a geopolitical instrument into a more comprehensive strategy of economic diversification and global alliances. Although oil was essential to U.S.-Saudi ties during the Cold War, Saudi Arabia's contemporary initiatives under Vision 2030 seek to diminish its dependence on oil earnings and explore alternate means of exerting geopolitical influence. This transition indicates a reconfiguration of the enduring alliance, as Saudi Arabia aims to maneuver within a progressively multipolar global order.

Bronson commences by examining the foundational origins of the U.S.-Saudi partnership, which trace back to the discovery of oil in Saudi Arabia during the 1930s. She contends that oil was not only a commerce commodity but a strategic asset that elevated Saudi Arabia to a vital ally for the United States, especially regarding global energy security. The formation of ARAMCO epitomized the economic interdependence between the two countries, granting the U.S. access to extensive oil reserves while offering Saudi Arabia financial and technological assistance (Bronson, 2006).

Bronson emphasizes the pivotal significance of the U.S.-Saudi partnership during World War II and the Cold War, illustrating the interconnection between the strategic value of Saudi oil and American geopolitical objectives. Saudi Arabia enhanced the U.S. economy and military prowess through oil provision, while the U.S. offered security assurances to the Saudi monarchy. This interdependence formed a distinctive alliance that transcended economic factors, encompassing military collaboration and strategic alignment against common foes, notably the Soviet Union during the Cold War.

Bronson asserts that oil functioned not only as an economic asset but also as a diplomatic instrument employed by Saudi Arabia to further its global goals. She analyzes how Saudi Arabia leveraged its status as a prominent oil supplier to manipulate global oil prices and exert political influence, especially inside the Organization of Petroleum Exporting Countries (OPEC). Bronson's examination of the 1973 oil embargo demonstrates Saudi Arabia's capacity to utilize oil as a tool for political leverage, influencing both U.S.-Saudi

ties and worldwide geopolitics. Saudi Arabia exhibited its readiness to wield oil as a diplomatic weapon by spearheading OPEC's embargo in reaction to Western backing of Israel during the Yom Kippur War (Bronson, 2006).

Bronson's analysis of the oil embargo corresponds with wider academic discourse, including that of Issawi (1978), who similarly emphasizes the geopolitical consequences of the 1973 oil crisis. Issawi examines the immediate economic repercussions of the embargo, whereas Bronson extends the analysis to its enduring implications for U.S.-Saudi relations, emphasizing how the crisis reinforced Saudi Arabia's significance in global oil politics. Her viewpoint underscores that Saudi Arabia's dominance in oil production and pricing has been a fundamental aspect of its foreign policy, enabling it to wield considerable influence over the United States and other Western countries.

Bronson addresses the strategic military collaboration that developed between the U.S. and Saudi Arabia, alongside oil. She contends that the United States extended security guarantees to Saudi Arabia in return for consistent oil supplies, establishing a mutually advantageous arrangement that supported the alliance. Bronson emphasizes pivotal events, notably the Gulf War of 1990-1991, during which Saudi Arabia depended on American military assistance to safeguard its sovereignty and regional security. This military collaboration transcended oil objectives, signifying the U.S. commitment to safeguarding its Middle Eastern ally's security.

Bronson's examination of U.S.-Saudi military collaboration enhances Gause's (1994) observations regarding the Gulf War's influence on U.S.-Saudi ties. Gause underscores the security aspects of the partnership, especially with regional threats from Iraq and Iran. Bronson situates this collaboration within a wider historical context, demonstrating that Saudi Arabia's dependence on American military protection is an extension of a longtime alliance founded on economic and geopolitical goals.

2.4.1. Transitioning U.S.-Saudi Relations in the Post-Oil Era

Building on Gause's insights regarding the transactional essence of U.S.-Saudi relations, especially in relation to Vision 2030 and Saudi Arabia's economic diversification initiatives, Dania Koleilat Khatib (2021) elaborates on how the changing dynamics of the global oil market have diminished oil's status as a strategic asset in this bilateral relationship. Gause emphasizes that Saudi Arabia's Vision 2030 is a component of a larger initiative to diminish the kingdom's economic reliance on oil, while Khatib's research offers a pertinent continuation by exploring how the declining significance of oil in global geopolitics is altering Saudi Arabia's foreign policy objectives. Recent transformations in global energy dynamics, such as the U.S. shale revolution and increasing interest in renewable energy, have reduced the strategic significance of Saudi oil in U.S. foreign policy (Kosárová, 2020).

Khatib contends that the United States' decreasing reliance on Middle Eastern oil, especially attributed to the surge in domestic shale oil production, has considerably lowered the strategic importance of Saudi oil. This transformation in the oil sector has influenced the fundamental basis of U.S.-Saudi ties. Gause (2016) characterizes Vision 2030 as a proactive Saudi initiative in reaction to these shifts, while Khatib explores the ramifications of this energy transition, positing that Saudi Arabia is actively redefining its role in a "post-oil" global context (Khatib, 2021).

Khatib's analysis clearly supports Gause's theory by investigating the ramifications of a diminishing oil-dependent relationship and the increasing significance of alternate energy sources in U.S. strategic considerations. She observes that the global transition to renewable energy, along with the rise in domestic energy production in the U.S., has eroded Saudi Arabia's previously preeminent status as the principal oil provider worldwide. Khatib contends that this alteration has compelled Saudi Arabia to reevaluate its geopolitical ties and pursue diversification beyond oil, aligning this transition with the objectives of Vision 2030 (Khatib, 2021).

Khatib builds upon Gause's focus on diversification and recalibration, asserting that although oil is no longer the foundation of U.S.-Saudi relations, factors such as security cooperation, trade partnerships, and technological investments are increasingly significant in shaping the future of this relationship. Saudi Arabia's foreign policy, in alignment with Vision 2030, has a comprehensive regional strategy that encompasses the formation of partnerships with global powers like China. The kingdom's developing alliance with China is predicated on the congruence of Vision 2030 and China's Belt and Road Initiative (BRI), illustrating Saudi Arabia's objective to diversify its international partnerships while diminishing its dependence on the U.S. for economic and security requirements (Khatib, 2021).

By synthesizing Gause's and Khatib's viewpoints, a more coherent understanding of Saudi Arabia's evolving foreign policy is attained. Gause (2016) emphasizes the strategic transactionalism between the U.S. and Saudi Arabia, but Khatib (2021) contends that the declining significance of oil has expedited this transition, driving Saudi Arabia towards Vision 2030 as a viable avenue for global influence. Both experts concur that the alterations initiated by Vision 2030 signify a broader geopolitical realignment that will shape Saudi Arabia's worldwide position in the forthcoming decades.

The 1973 oil crisis is a pivotal event in the evolution of U.S.-Saudi ties and international energy policy. Charles (Issawi, 1978) examination in *The 1973 Oil Crisis and After* offers a crucial historical framework that enhances our comprehension of the development of Saudi Arabia's foreign policy and its enduring impact on global oil markets. His research examines the origins and ramifications of the oil embargo orchestrated by the OPEC, elucidating the strategic influence that oil-rich nations, especially Saudi Arabia, acquired in influencing global relations. This approach is essential for understanding the transformations in Saudi foreign policy that Vision 2030 seeks to implement, as it underscores Saudi Arabia's historical dependence on oil as a significant diplomatic instrument (Issawi, 1978).

Issawi's research thus acts as a significant adjunct to Gause (2016) and Khatib (2021), who concentrate on contemporary advancements, particularly Saudi Arabia's Vision 2030 and its ramifications for the U.S.-Saudi partnership. Gause and Khatib emphasize the strategic shift from an oil-dependent relationship with the United States to a diversified economic and geopolitical strategy, while Issawi's historical analysis elucidates the necessity and challenges of this transition for Saudi Arabia. Issawi precisely elucidates the emergence of the 1973 oil crisis as a reaction to U.S. backing of Israel during the Yom Kippur War, prompting Saudi Arabia and other OPEC nations to utilize oil as a political instrument. Through the imposition of an oil embargo, OPEC significantly elevated oil prices and induced extensive economic turmoil in Western nations, especially in the United States. This action highlighted Saudi Arabia's influence over industrialized countries that depend significantly on imported oil, signifying a substantial alteration in the power dynamics between oil producers and consumers.

Issawi's tale illustrates the collective negotiating strength of OPEC and the crucial role Saudi Arabia assumed in spearheading the initiative. His research underscores the consolidation of OPEC's power and the newly acquired autonomy of Middle Eastern oil-producing countries resulting from this occurrence. He emphasizes that this influence enabled Saudi Arabia to establish its foreign relations on a more equitable basis with superpowers such as the United States, radically altering its geopolitical stance (Issawi, 1978). The capacity to utilize oil as a diplomatic instrument became fundamental to Saudi foreign policy, facilitating the enduring yet intricate connection between Saudi Arabia and the United States. Issawi's analysis offers a historical perspective that allows us to see Vision 2030 as an endeavor to expand upon this legacy. Saudi Arabia seeks to diversify its economy and diminish its dependence on oil earnings to broaden its geopolitical power beyond the exclusive aspect of oil. Vision 2030, in this context, is not just an economic reform agenda but a strategic shift aimed at maintaining Saudi Arabia's worldwide dominance in a post-oil era (Issawi, 1978). Issawi's approach highlights oil as a fundamental component of Saudi dominance. Through the 1973 oil embargo, Saudi Arabia exhibited its capacity to confront Western economies and affirm its geopolitical significance. This historical analysis elucidates why oil emerged as both a source of

affluence and a diplomatic instrument, and how Saudi Arabia's dominance over oil exports has consistently influenced its foreign policy (Issawi, 1978).

Conversely, Gause (2016) recognizes oil's historical significance but perceives Vision 2030 as a shift away from this dependence, propelled by the United States' diminished reliance on Middle Eastern oil resulting from the shale revolution. Gause contends that Saudi Arabia's prospective prominence will depend on its ability to diversify its economy and forge new foreign ties. In contrast to Issawi, who perceived oil as the sole foundation of power, Gause posits that Saudi Arabia's influence now hinges on its capacity to shift from an oil-dependent model to a diversified economy with extensive international interactions (Gause, 2016).

Khatib (2021) elaborates on Gause's assertions by concentrating on the ramifications of the U.S. shale oil boom and the worldwide transition to renewable energy. She asserts that Saudi Arabia's oil-dependent influence over the U.S. has substantially waned, prompting the monarchy to seek alternate avenues of power, as illustrated by Vision 2030. Khatib's perspective coincides with Issawi's assessment of oil as a pivotal instrument for geopolitical leverage, although posits that Saudi Arabia can no longer depend solely on oil to maintain the same degree of global authority. Khatib contends that Vision 2030 seeks to maintain Saudi hegemony via economic reform and alliances with non-Western states (Khatib, 2021). Issawi's historical perspective elucidates the foundations of Saudi Arabia's power via oil, complementing Khatib's present understanding of its downfall. Collectively, these initiatives emphasize the imperative of Vision 2030, as Saudi Arabia endeavors to reaffirm its status as a regional leader independent of oil dependence.

In Chapter 30, entitled "The Oil Weapon," Yergin delivers a thorough analysis of the 1973 Oil Crisis and the geopolitical strategy underlying the Arab oil embargo. Yergin contends that this incident constituted a pivotal milestone in global energy politics, as it represented the inaugural instance of oil-producing nations, spearheaded by Saudi Arabia, utilizing oil as a political instrument. The embargo was implemented in reaction to U.S. backing of Israel during the Yom Kippur War, resulting in significant economic consequences,

including a quadrupling of oil prices and economic instability throughout Western nations (Yergin, 1991).

Yergin's examination of the oil embargo illustrates how Saudi Arabia and other Arab oil-producing countries leveraged their dominance over oil resources to exert political influence on Western actions in the Middle East. By significantly curtailing oil exports to the United States and other allies of Israel, Saudi Arabia effectively demonstrated the fragility of oil-dependent economies and highlighted the essential importance of Middle Eastern oil in global stability. This action indicated a transformation in power dynamics, with oil-exporting nations such as Saudi Arabia acquiring unparalleled influence over global superpowers (Yergin, 1991).

Yergin's account corresponds with Issawi's (1978) viewpoint, which also highlighted the political objectives underlying the oil embargo and its impact on transforming Western energy policies. Yergin offers a comprehensive historical backdrop, emphasizing that Saudi Arabia's choice to spearhead the embargo was integral to a larger strategy aimed at positioning OPEC as a cohesive entity against Western hegemony in the oil sector. Yergin's analysis of the oil embargo provides a crucial basis for comprehending how oil evolved into a diplomatic instrument, enabling Saudi Arabia to advocate for its interests globally.

In Chapter 31, entitled "OPEC and the New Age of Oil Power," Yergin elaborates on the ramifications of the 1973 Oil Crisis by analyzing the ascendance of OPEC as a formidable entity in international oil markets. This chapter examines Saudi Arabia's pivotal role as a prominent member of OPEC in positioning oil-exporting nations as significant geopolitical players. Yergin contends that the 1973 Oil Crisis and the subsequent establishment of a unified OPEC cartel signified the onset of a new epoch wherein oil-exporting states could impose conditions on oil-consuming countries, so altering the prior power dynamics in global energy politics (Yergin, 1991). Yergin's analysis indicates that OPEC's consolidation of power enabled Saudi Arabia and other oil-exporting nations to regulate oil production levels and prices, significantly impacting global economic stability and security. This move necessitated the United States to modify its foreign policy to

secure a consistent oil supply, resulting in an increased emphasis on sustaining diplomatic relations with Saudi Arabia. Yergin observes that the U.S.-Saudi partnership was increasingly characterized by energy security issues, as the United States aimed to stabilize oil prices and ensure Saudi collaboration in regulating global oil supplies (Yergin, 1991).

2.5. Saudi Arabia's Vision 2030

The Vision 2030 initiative, personally supervised by Crown Prince Mohammed bin Salman and launched in 2016, aims to diversify Saudi Arabia's economy, which presently depends on oil for almost 70% of its earnings. The strategy seeks to promote economic efforts and attain advancements throughout multiple areas, including education, healthcare, infrastructure, and tourism. Vision 2030 is founded on three principal pillars: converting the nation into a worldwide nexus linking Asia, Europe, and Africa; positioning Saudi Arabia as the epicenter of the Islamic and Arab world; and emerging as a global investment powerhouse. Rundell emphasizes that oil allowed a militarily weak Saudi Arabia to create a global network of dependent clients and friends, while promoting collaboration with influential states such as the United States. The dependence on oil earnings, however, presented a challenge to long-term stability, as oil prices were erratic and unpredictable, hindering fiscal planning and development strategies (Rundell, 2021).

Under Vision 2030, Saudi Arabia intends to generate fifty percent of its military requirements locally, therefore enhancing its internal industrial capabilities and diminishing dependence on foreign armaments. This ambitious objective is anticipated to transform the Kingdom's relationship with the United States, transitioning from a predominant emphasis on military investment to a more equitable cooperation focused on economic engagement. At present, arms sales constitute the predominant aspect of commercial relations between Saudi Arabia and the United States; nevertheless, this reliance is facing growing examination. The increasing dissatisfaction in the U.S. Senate, exemplified by 27 bipartisan senators opposing the latest arms agreement, emphasizes the vulnerability of this facet of bilateral relations. By prioritizing domestic manufacture, Saudi Arabia might enhance its security in procuring military equipment while

concurrently developing its defense sector. This transition corresponds with the overarching goals of Vision 2030 to diversify the Saudi economy and diminish reliance on singular sectors or external sources.

The economic challenges faced by Saudi Arabia, particularly the significant budget deficits during the oil price declines in the mid-2010s, have highlighted the necessity for economic diversification. Oil has expedited the kingdom's modernization but has concurrently constrained the advancement of other sectors, resulting in weaknesses within a volatile global market (Potter, 2017).

Vision 2030 was introduced by the Saudi government as a remedy for this systemic difficulty. Rundell states that the effort seeks to equilibrate the government's budget, enhance the non-oil sector's contribution to GDP, and diversify the economy away from petroleum. Mohammed bin Salman's ascension to power coincided with the reorganization of essential governmental organizations, including the formation of the Council for Economic and Development Affairs (CEDA). These changes centralized economic planning, optimized decision-making, and implemented a technocratic government model. Government contracts and subsidies were diminished, new levies were implemented, and private sector involvement was vigorously promoted, indicating a substantial policy shift (Rundell, 2021).

2.5.1. Objectives of Vision 2030 and Signification for Saudi Arabia's Economic

Future

It is my pleasure to present Saudi Arabia's vision for the future. It is an ambitious yet achievable blueprint, which expresses our long-term goals and expectations and reflects our country's strengths and capabilities. All success stories start with a vision, and successful visions are based on strong pillars. (Saudi Vision 2030).

This is the vision statement by His Royal Highness Prince Mohammed bin Salman, putting forward an ambitious but achievable in-depth blueprint laid before Saudi Arabia for the future under Vision 2030. As Evans, the Crown Prince, enunciates, Vision 2030 is a multi-dimensional plan aimed at transforming Saudi Arabia into a global powerhouse that moves

beyond oil dependency. This message is to inspire both national pride and global recognition of Saudi Arabia's strategic shift.

The vision of Prince Mohammed bin Salman goes beyond the ambition of an economic vision toward human capital and the transformation of society. He has said, fully realizing the potential of the younger generation in the kingdom, that Saudi Arabia's real wealth is in its people's ambition. Thus, Vision 2030 is not only a bold program for economic reform but rather a revolutionary social movement, encouraging young people to take part, seeking gender inclusivity in the workforce, and seeking societal openness. It follows that in Saudi Arabia's vision statement, the goal is to dissect bureaucratic inefficiency, raise transparency, and further/Open government accountability. The Crown Prince outlined the goal of a tolerant, moderate Saudi Arabia opening its doors to qualified talented minds from every corner of the world, looked forward to a welcoming, inclusive nation. Thus, the Crown Prince formulated the Vision 2030 because he is determined enough to free Saudi Arabia from the volatility of commodity prices and dependence upon the external market. His statement reflects an assurance to erect a "strong, thriving, and stable" nation that shall be able to resist the hiccups that come with economic fluctuations and diversify its sources of income with a view toward securing the future prosperity of the kingdom.

This is anchored on three cardinal anchors, involving Saudi Arabia's unique position as the spiritual heart of the Arab and Islamic worlds; determination to become a global investment powerhouse; and strategic location as a hub that connects Asia, Europe, and Africa. These pillars encapsulate not only Saudi Arabia's strengths but also the guiding principles for its transformation. As seen in other Vision strategies of the GCC region countries, the primary objective of the Saudi Vision 2030 is to achieve economic diversification. Diversification is considered as it will help the Kingdom achieve sustainable economic growth, enough creation of jobs and the alternative sources of fiscal revenues rather than oil revenues. Mainly, one of the main pillars of the vision has been the transformation of the Kingdom into a global investment powerhouse with a focus on the attraction of foreign investment into the Kingdom (Cooper, Summer 2018). This transition is integral to Saudi Arabia's comprehensive plan to maneuver within a

multipolar world and mitigate its susceptibility to variations in U.S. foreign policy. Saudi Arabia seeks to bolster its strategic autonomy and fortify its standing in the Middle East by cultivating deeper relationships with other global powers. Grand and Wolff's research emphasizes that Vision 2030 is not merely an economic framework but a geopolitical realignment of Saudi Arabia's global stance, demonstrating a more equitable and autonomous approach to foreign relations.

Another main pillar of the Vision is to strengthen the public sector governance with an objective of shifting the role of the state from providing services to regulating and monitoring those services. Concomitant with this shift of the public sector and the role of the state in the economic activity, one of the most important main themes of Saudi Vision 2030 is to increase the contribution of the private sector in GDP towards a regional benchmark of 69 percent by 2020 via a comprehensive privatization programme. The Long-Term Strategy (2004–2024) indicated, among its many aims, that the Kingdom increases the role of non-oil production in the economy and reduces the share of oil and gas in total exports from 72 per cent to 37 per cent by 2024.

The authors outline the fundamental tenets of Vision 2030, encompassing economic diversification, the enhancement of Saudi Arabia's human resources, and the modernization of the nation's infrastructure. Economic diversification is central to Vision 2030, aiming to enhance non-oil earnings and advance industries including mining, logistics, healthcare, and finance. Grand and Wolff assert that Vision 2030 aims to cultivate a dynamic private sector to provide employment for Saudi locals and diminish the kingdom's reliance on foreign labor (Grand & Wolff, 2020).

Vision 2030 prioritizes educational reform and workforce growth regarding human capital. MBS seeks to empower Saudi citizens with the competencies necessary for a diverse economy, reducing reliance on government and fostering a generation capable of succeeding in the private sector. The authors emphasize programs designed to enhance female workforce participation—a notable social development within the typically conservative Saudi framework. Vision 2030 embodies a dual emphasis on economic

development and social transformation, envisioning Saudi Arabia as a more open and progressive country. Infrastructure development is a vital component, with Saudi Arabia making substantial investments in large-scale initiatives like the Red Sea Project and entertainment enterprises designed to enhance domestic tourism. Grand and Wolff assert that these programs are integral to a comprehensive strategy aimed at transforming Saudi Arabia's international reputation and cultivating national identity and pride among its populace. Vision 2030 aims to position Saudi Arabia as a center for tourism and investment to create a diversified and resilient economy.

2.5.2. Vision 2030 Major Projects

On November 12, 2024, the NEOM Board of Directors declared the nomination of Eng. Aiman Al-Mudaifer as the Acting CEO of the organization. This leadership change occurs after the exit of Eng. Nadhmi Al-Nasr, as NEOM advances into a new stage of project execution.

The appointment of Eng. Al-Mudaifer is anticipated to provide operational continuity, efficiency, and compatibility with the overarching vision and objectives of NEOM as a fundamental component of Saudi Vision 2030. Eng. Al-Mudaifer possesses significant expertise, having held the position of Head of the Public Investment Fund's (PIF) Local Real Estate Division since 2018. In that capacity, he supervised many infrastructure initiatives and regional real estate developments. His strategic engagement with NEOM, together with his board affiliations in several significant enterprises inside the Kingdom, distinctly qualifies him to spearhead this transformative endeavor.

NEOM is important to the objectives of Saudi Vision 2030, with all intended operations advancing as anticipated. The subsequent phase of NEOM's extensive portfolio will concentrate on executing crucial projects including THE LINE, Oxagon, Trojena, Magna, and The Islands of NEOM. These projects seek to achieve equilibrium among livability, commerce, and environmental sustainability, with the objective of fostering an improved future for both current and forthcoming generations. This leadership transition signifies a

crucial advancement in NEOM's pursuit of establishing itself as a paragon of innovation, sustainability, and economic diversification both within Saudi Arabia and internationally.

In this section we will talk about some of the projects of Vision 2030 and the reason why these projects has been chosen and not others:

A) Project NEOM: NEOM represents an ambitious vision for the future, converting the Red Sea coastline of northwest Saudi Arabia into a global hub for innovation, sustainability, and progress. Founded in 2017 under the guidance of His Royal Highness Prince Mohammed bin Salman bin Abdulaziz, Crown Prince and Prime Minister, this innovative program aims to transform urban living and establish new benchmarks for sustainable development and ecological balance (NEOM, 2024).

The initiative serves as a nexus for innovative concepts, enabling global talent to transcend limits and cultivate creativity in an imagination-driven world. Completely fueled by renewable energy and supported by the Public Investment Fund, it emphasizes the synthesis of humans and nature, establishing a distinctive paradigm for living, working, and flourishing. Essential elements comprise THE LINE, an avant-garde urban project emphasizing connection and sustainability; Oxagon, a state-of-the-art industrial center; Trojena, a perennial mountain resort; and Sindalah, an opulent island retreat. This program seeks to promote innovation across several industries and utilize its strategic position, serving as a fundamental component of Saudi Arabia's Vision 2030 and a global model of sustainable advancement (NEOM, 2024).

The term "NEOM" amalgamates two fundamental components, embodying its visionary nature. Initiated by His Royal Highness Mohammed bin Salman, Crown Prince and Chairman of the NEOM Company Board of Directors, the initial three letters, "NEO," originate from the Ancient Greek prefix signifying "new." The concluding letter, "M," derives from the Arabic term *Mustaqbal*, meaning "future." Furthermore, the "M" symbolizes Crown Prince Mohammed bin Salman,

highlighting his pivotal contribution to establishing NEOM's character as a revolutionary entity for the future (NEOM, 2024).



Figure 2.1. Neom's Logo

Reference: www.neom.com

B) Project OXAGON: Oxagon is an important industrial hub within NEOM, situated on the Red Sea in Saudi Arabia's northwestern area. It is home to sophisticated and clean industries, bringing together manufacturing, research, and innovation with a cutting-edge port and integrated supply chain network. The Port of NEOM, located in the center of Oxagon, has been renamed and rebuilt to become the principal seaport for Saudi Arabia's northwest. Its superior container and general freight handling capabilities enable it to handle rising cargo loads. The port's initial terminal will open in 2025 and be powered exclusively by renewable energy, resulting in net-zero carbon emissions. Oxagon's growth is aided by significant international relationships. The BESIX-MBL joint venture, in conjunction with Boskalis, is in charge of dredging and quay wall building utilizing sustainable materials. Saudi Liebherr and Shanghai Zhenhua Heavy Industries Company

Limited (ZPMC) have been given contracts for crane and freight handling equipment, while Siemens Europe will provide automation technologies. The port has previously established direct shipping linkages with CMA CGM's JEDDEX service, which improves connectivity to worldwide markets. Oxagon proposes a new industrial center paradigm, combining sustainability and cutting-edge technology to establish a worldwide commerce and manufacturing hub.



Figure 2.2. Oxagon

Reference: www.Neom.com

C) Project MAGNA: Magna is the most recent initiative within the extensive NEOM tourism development in northwestern Saudi Arabia. The press announcement from NEOM's board of directors on June 5, 2024, describes Magna as a model of innovation and sustainability. Developed as a component of Saudi Arabia's ambitious Vision 2030, which aims to diversify the economy away from oil by significantly investing in tourism, Magna aspires to transform luxury tourism via innovative design. This design incorporates cutting-edge technology, exemplary architecture, and ecological consciousness. Magna is a project inside the

overarching framework of NEOM. It includes 12 distinct tourist spots (Leyja, Epicon, Siranna, Utamo, Norlana, Aquellum, Zardun, Xaynor, Elananan, Gidori, Treyam, and Jaumur) across 120 km of the Gulf of Aqaba shoreline (Neom Reveals Magna, 2024).

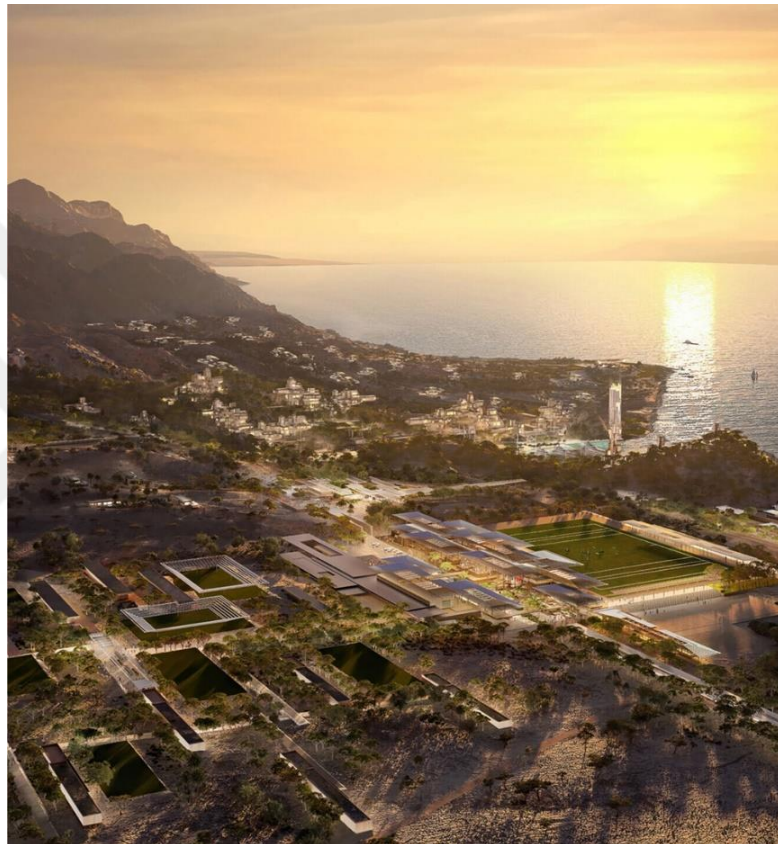


Figure 2.3. Magna Project

Reference: <https://www.neom.com>

D) Project KING SALMAN ENERGY PARK: A Center for Energy Innovation
Situating in Eastern Saudi Arabia, King Salman Energy Park (SPARK) is a cutting-edge industrial initiative designed to link global prospects with the Saudi energy sector. Inaugurated in 2018 by His Royal Highness Prince Mohammed bin Salman bin Abdulaziz, Crown Prince and Prime Minister, SPARK functions as a leading hub for the region's energy sector, providing extensive solutions to assist enterprises around the Kingdom. Upon completion, SPARK is anticipated to

diversify Saudi Arabia's revenue sources while promoting the adoption of sustainable energy technologies. The park will have a designated logistics zone and dry port to facilitate the efficient transportation of commodities, so reinforcing its position as a strategic center for trade and industry. SPARK is the first and only industrial city globally to attain a silver Leadership in Energy and Environmental Design (LEED) accreditation, highlighting its dedication to sustainability and environmentally conscious energy methods. This effort corresponds with Vision 2030's objective of diversifying the Kingdom's energy sources and promoting its economic transformation.



Figure 2.4. SPARK

Reference: <https://saudipedia.com>

The selection of four key projects—NEOM, Oxagon, Magna, and the King Salman Energy Park (SPARK)—reflects Saudi Arabia's strategic ambitions to diversify its economy, lessen its reliance on oil income, and establish more geopolitical influence in a changing global order. These initiatives are key components of Vision 2030, which aims

to alter Saudi Arabia's economic and industrial environment while strengthening its diplomatic and geopolitical posture. NEOM, a futuristic smart metropolis, exemplifies Saudi Arabia's goal to lead in technological innovation, renewable energy, and sustainable urban development. Oxagon, located along the Red Sea, demonstrates the Kingdom's desire to become a worldwide hub for sophisticated manufacturing and marine trade, hence improving connection to global markets. Magna, as part of Saudi Arabia's expanding tourist sector, emphasizes the efforts to attract international investment and increase non-oil earnings through luxury and eco-tourism. Finally, SPARK shows Saudi Arabia's desire to preserve its leadership in the energy industry while shifting toward sustainable energy production and industrial innovation. Together, these initiatives represent Saudi Arabia's strategic hedging strategy, which balances economic development, regional influence, and increased global connections, notably with important powers such as China and the United States.

2.5.3. U.S.-Saudi Relations within the Framework of Vision 2030

The historical relationship between Saudi Arabia and the United States has been defined by shared economic and security objectives, principally focused on oil and regional stability. Gause states that this alliance, initiated in the mid-20th century, was reinforced during the Cold War, with both nations gaining from aligned interests: the U.S. obtaining access to the kingdom's extensive oil reserves, while Saudi Arabia received security assurances and military assistance in exchange. Recently, many causes have prompted a reassessment of this relationship, especially after the ambitious reforms implemented by Crown Prince Mohammed bin Salman under Vision 2030 (Gause, 2016).

Vision 2030 signifies a pivotal moment for Saudi Arabia, as it seeks to diminish the kingdom's economic reliance on oil, diversify its economy, and modernize its social framework. Gause observes that these efforts may have significant ramifications for the U.S.-Saudi alliance, as the economic basis of the relationship—anchored in oil dependence—is evolving. The United States has traditionally seen Saudi Arabia as a crucial regional ally for stability and energy security; but, the emergence of domestic

energy production in the U.S., mostly attributed to the shale revolution, has transformed this relationship (Gause, 2016). Consequently, Saudi Arabia's economic changes under Vision 2030 indicate a possible transition from oil-dependent diplomacy, prompting inquiries on the enduring viability of the U.S.-Saudi strategic alliance.

Al-Rasheed's analysis also underscores how Vision 2030 is not only an economic reform agenda but a means to secure Saudi Arabia's long-term global relevance. The plan's focus on economic diversification and modernization aims to address domestic vulnerabilities while signaling to the international community that Saudi Arabia is a forward-looking, resilient power. By reducing its dependence on oil, the kingdom seeks to redefine its foreign policy priorities, transitioning from a rentier state to a strategic partner capable of engaging with global powers like China on equal footing. Vision 2030 thus serves as both a domestic survival strategy and a tool for enhancing Saudi Arabia's geopolitical influence (Al-Rasheed, 2018).

Putri (2024) asserts that Saudi Arabia's diversification initiatives may enhance regional stability by diminishing oil-centric geopolitical conflicts and encouraging interdependence among Gulf Cooperation Council (GCC) nations. Enhanced Saudi-Iranian relations, characterized by trade engagements and diplomatic discussions, demonstrate how Vision 2030 could facilitate regional détente. The reestablishment of relations with Qatar and cooperative efforts among GCC nations highlight the capacity for economic integration to alleviate conflict (Kéchichian, *The Emergence of a New Leadership: Succession and Rule*, 2019). The reduction of U.S. military support under the Biden administration has created uncertainties. Researchers Borger and Wintour (2021) warn that Saudi Arabia's diminished dependence on the U.S. for security may necessitate the pursuit of other regional strategies, including the enhancement of relations with China and Russia. Kéchichian (2019) emphasizes the intricate equilibrium between internal changes and global partnerships, observing that Crown Prince Mohammed bin Salman's leadership approach—while transformative—has attracted both domestic and international criticism.

Furthermore, Gause underscores that the diversification approach outlined in Vision 2030 is both an economic need and a geopolitical imperative. Saudi Arabia has progressively endeavored to forge deeper relationships with other global powers, notably China, as part of a comprehensive strategy to equilibrate its foreign policy and mitigate risks associated with prospective alterations in U.S. strategic commitments to the region. Saudi Arabia's involvement in China's Belt and Road Initiative (BRI) and its expanding military collaboration exemplify the kingdom's intent to diversify its international alliances, a strategy that may further complicate its relationship with the United States (Gause, 2016).

Gause recognizes that the U.S.-Saudi partnership is fundamentally based on shared interests, especially in counterterrorism and regional security, however he also highlights growing discrepancies in the strategic priorities of both states. Saudi Arabia's military involvement in Yemen and its overarching regional objectives, including the containment of Iranian influence, have occasionally collided with U.S. inclinations for diplomatic engagement and caution. Gause contends that while the U.S.-Saudi cooperation is improbable to disintegrate imminently, it is increasingly becoming transactional, with diminished implicit assurances of concord on critical regional matters.

Gause offers a significant paradigm for comprehending the prospective recalibration of U.S.-Saudi ties following Vision 2030. His research underscores the persistent contradiction between the kingdom's initiatives to modernize and diversify its economy and the changing dynamics of its enduring partnership with the U.S. As Saudi Arabia advances its Vision 2030 goals, its foreign policy is expected to exhibit increased flexibility, actively interacting with new global powers and diminishing its dependence on conventional alliances, particularly with the United States. The 2014 oil price fall revealed Saudi Arabia's economic weaknesses and illustrated the untenable dependence on oil earnings. This occurrence, alongside Saudi Arabia's youthful and swiftly expanding populace, compelled the government to reevaluate the kingdom's enduring economic framework. The authors emphasize that Vision 2030 was conceived not merely as an economic reform but as a “holistic re-envisioning of Saudi society and its position in the

global context.” The program aims to ensure Saudi Arabia's future economic stability while also revising its geopolitical role (Grand & Wolff, 2020).

Grand and Wolff assert that Vision 2030 embodies Crown Prince Mohammed bin Salman’s (MBS) aspiration for a modernized and diversified Saudi economy. This economic reform seeks to cultivate emerging sectors, like tourism, entertainment, and technology, thereby diminishing the kingdom's reliance on oil. The authors assert that MBS's strategic vision entails establishing a market-driven economy that diminishes government dependence and enhances openness to foreign investors and private sector participation. This transition signifies a profound deviation from Saudi Arabia's conventional state-driven economic framework, rendering Vision 2030 a seminal initiative in the annals of Saudi history. In 2016, Saudi Arabia launched its national Vision 2030. The need for the launch of Saudi Vision 2030 was announced as to stimulate economic growth and create jobs. It seeks to diversify the economy of the Kingdom beyond being dependent on oil revenues by setting out an ambitious economic development roadmap. Saudi Arabia’s Vision 2030 program is being led by Mohammad Bin Salman Bin Abdulaziz Al-Saud, Crown Prince and Chairman of the newly founded (CEDA) Council of Economic and Development Affairs. Later in 2016, the National Transformation Program (NTP) detailed the ambitious economic roadmap of the Kingdom laid by Vision 2030.

2.6. China-Saudi Relations

The relationship between Saudi Arabia and China exemplifies a strategic element of Saudi Arabia's hedging approach, consistent with the economic and geopolitical goals articulated in Vision 2030 (Ulrichsen, 2020; Sun, 2022). Although Saudi Arabia's engagement with the United States has traditionally been based on oil-for-security agreements (Gause, 2010), the strategic pivot towards China signifies the kingdom's aim to diversify its economic and security alliances. The choice to enhance relations with China is not only an opportunistic economic tactic; it embodies a deliberate geopolitical

policy aimed at mitigating dependence on U.S. withdrawal and aligning with a rising global power (Calabrese, 2021).

King Salman's 2017 visit to China and Crown Prince Mohammed bin Salman's 2019 visit highlighted the strategic importance of their relationship, culminating in a Comprehensive Strategic Partnership Agreement in 2022. This convergence with China's Belt and Road Initiative enhances Saudi Arabia's Vision 2030 objectives by promoting infrastructure development, technology transfer, and financial cooperation (Blanchard, 2023; Sun & Zoubir, 2020). Saudi Aramco's significant investments in Chinese refineries and the utilization of the yuan in some oil transactions signify a burgeoning financial interdependence that undermines the conventional supremacy of the petrodollar system (Wuthnow, 2022).

This policy highlights Saudi Arabia's overarching aim of maintaining equilibrium among global powers instead of becoming excessively reliant on any one partner. This transition entails inherent risks. The increasing influence of China in the Gulf may engender strategic vulnerabilities for Saudi Arabia, especially if Beijing's regional aspirations clash with Riyadh's enduring security objectives (Alterman, 2020). Moreover, Saudi Arabia's strengthening economic relations with China may incite friction with the United States, potentially endangering Riyadh's longstanding security assurances. The Sino-Saudi cooperation is a double-edged sword; it bolsters Saudi Arabia's economic and strategic autonomy while also introducing new geopolitical challenges that may limit Riyadh's diplomatic flexibility in the future (Fulton, 2021).

Saudi Arabia's increasing collaboration with China signifies a strategic adjustment to a multipolar global order. The kingdom's hedging approach allows it to preserve strategic flexibility, navigate competing global powers, and utilize its economic might to attain enduring geopolitical benefits. This strategy embodies the overarching principle of hedging—sustaining varied alliances to protect against systemic instability in the international arena—while bolstering the economic modernization goals of Vision 2030 (Ulrichsen, 2020; Sun & Zoubir, 2020).

The relationship between Saudi Arabia and China extends for over 77 years, beginning with basic exchanges and the welcoming of Chinese Pilgrims. Saudi Arabia elevated its relations with China to a Comprehensive Strategic Partnership and established a high-level joint committee in several sectors (Fulton, 2019). The initiation occurred after signing the Friendship Treaty back in 1946 in Jeddah, then formalized in 1990 with agreement between Riyadh and Beijing to enhance the stability between two nations. Both parties agreed to promote peace and stability in the Middle East and that they are prepared to cooperate and communicate about regional issues (Zhao, 2023). King Salman's trip to China in March 2017 and Crown Prince Mohammed bin Salman's visit in February 2019 resulted in numerous investments and business records (Sun, 2022).

On December 7, 2022, Chinese President Xi Jinping undertook a significant visit to Riyadh to participate in the inaugural China-Arab States Summit and the China-Gulf Cooperation Council (GCC) Summit. This visit represented a pivotal moment in Sino-Saudi relations, culminating in the establishment of a landmark agreement for a Comprehensive Strategic Partnership. In conjunction with this crucial agreement, several bilateral trade and investment accords were finalized, reinforcing the expanding economic and political relations between the two countries. This cooperation arises amid the United States' ongoing strategic retreat from the region and indicates a notable transformation in Saudi Arabia's foreign policy priorities (Alterman, 2020; Calabrese, 2021). The enhancement of Sino-Saudi relations appears to be a logical development due to their increasing economic reliance; yet, the wider ramifications of this partnership transcend regional matters, indicating a reconfiguration of the global geopolitical landscape.

This collaboration was established in 2016 when China and Saudi Arabia elevated their bilateral relations to a Comprehensive Strategic collaboration, the second-highest tier of diplomatic relations in Beijing's foreign policy structure. This designation emphasized Saudi Arabia's significance in China's Belt and Road Initiative (BRI) and its long-term strategy for engagement in the Middle East (Fulton, 2021). This cooperation coincides perfectly with Riyadh's Vision 2030 aims, which aim to diversify the economy, diminish dependence on oil revenues, and encourage international investment. China's dedication

to infrastructure, energy, and technology sectors offers a compelling potential for the Kingdom to achieve its development objectives (Blanchard, 2023).

The Riyadh summits in December 2022 reinforced this developing cooperation. The two nations, via a series of accords, not only strengthened their economic cooperation but also investigated deeper collaboration in political and security areas. These agreements underscore Saudi Arabia's effort to diversify its worldwide ties and diminish reliance on any singular geopolitical power, particularly in response to the United States' gradual withdrawal from the Middle East (Naser, 2022). For China, enhancing its relationship with Riyadh is essential for furthering its geopolitical and economic objectives in the Gulf region and beyond.

The relationship between Saudi Arabia and China has considerably deepened since the formal establishing of diplomatic relations in 1990. Their first exchanges, confined to oil trading, have evolved to include technology, infrastructure development, renewable energy, and strategic economic collaborations (Al-Tamimi, 2018). This developing cooperation is founded on China's rise as a global economic superpower and Saudi Arabia's acknowledgment of the necessity to unite with ascending countries to ensure its future (Al-Rasheed, 2018). The transition from a singular oil-exporting relationship to a multifaceted strategic cooperation illustrates Saudi Arabia's Vision 2030 objectives of economic diversification and enhanced geopolitical influence (Khatib, 2021).

The ascendance of China as the foremost importer of Middle Eastern oil, along with Saudi Arabia's position as its principal supplier, exemplifies the interdependence inherent in their alliance (Al-Tamimi, 2018). This interdependence signifies a wider shift in global energy and economic frameworks, as Middle Eastern countries such as Saudi Arabia adjust their foreign policy to align with the evolving power dynamics of the 21st century (Al-Rasheed, 2018).

The energy trade is fundamental to Saudi-China relations, highlighted by China's need on Saudi oil to sustain its swiftly expanding economy. According to Al-Tamimi (2018), Saudi

Arabia emerged as China's primary oil supplier in 2002 and has sustained this position continuously. As of 2016, around fifty percent of China's oil imports were sourced from the Middle East, predominantly from Saudi Arabia (Al-Tamimi, 2018). The interdependence is expected to intensify as China's energy demand escalates, propelled by its booming industrial sector and increasing population (Al-Rasheed, 2018).

The historical importance of oil in influencing Saudi Arabia's foreign policy has been thoroughly examined by scholars such as Yergin (1991) and Issawi (1978). These studies highlight the dual role of oil as a source of money and a diplomatic tool for Saudi Arabia, allowing it to wield significant influence over global energy markets and international affairs (Issawi, 1978; Yergin, 1991). This dynamic is intensified in China due to Beijing's increasing energy requirements and its strategic objective of obtaining stable energy supplies from dependable partners such as Saudi Arabia (Khatib, 2021). Nevertheless, the literature also identifies possible challenges within this energy collaboration. Al-Tamimi (2018) notes that Saudi Arabia encounters rivalry from other oil exporters, including Russia and Iran, in the Chinese market. Moreover, variations in global oil prices and the growing focus on renewable energy sources present enduring challenges to the stability of this relationship (Al-Tamimi, 2018). Numerous high-level visits and cooperation agreements in various fields have marked Saudi Arabia-China diplomatic ties' growth. The 1998 visit of King Abdullah bin Abdulaziz (then Crown Prince), the highest-ranking Saudi official to China, strengthened these connections. On this visit, King Abdullah called China Saudi Arabia's "best friend." Also, former Chinese President Jiang Zemin's 1999 visit to Saudi Arabia was significant. China was a major visit on King Abdullah's 2006 East Asia tour, strengthening relations (Al-Hamra, 2016). King Salman and Saudi Crown Princes visited China in June 2008, and Chinese prime ministers visited Saudi Arabia in return. Beijing-Riyadh cooperation increased to energy, trade, investment, industrial capacity, and infrastructure.

An important step in Saudi-Chinese ties was the 2016 formation of the High-Level Joint Committee. This council coordinates policies between the two countries and supports Saudi Arabia's Vision 2030, which seeks to use its strategic location to promote China's

Belt and Road Initiative. In August 2016, Chinese Vice Premier Zhang Gaoli and Saudi Crown Prince Mohammed bin Salman chaired the joint committee's first meeting in Beijing (Chen & Han, 2019). A memorandum of understanding to create a \$20 billion joint investment fund improved Saudi Arabia-China relations in 2017. This program supported Saudi Arabian infrastructure, energy, and natural resource development projects financially (Saudi Arabia and China sign MOUs, 2017). The two nations also discussed strengthening their bilateral engagement in commerce, investment, energy, culture, and technology within Vision 2030 and the Belt and Road Initiative.

After 2017, the Saudi-Chinese collaboration reached new heights. Saudi Crown Prince Mohammed bin Salman visited China in February 2019 on an Asia tour and negotiated major oil, petrochemical, renewable energy, and culture agreements. A agreement of understanding was also inked to improve Belt and Road and Vision 2030 collaboration. Saudi Arabia's strategic objective in diversifying its economic partnerships and developing its connections with China was highlighted by the visit. In December 2022, Chinese President Xi Jinping attended the first China-Arab States and China-GCC Summits in Saudi Arabia. The Comprehensive Strategic Partnership Agreement and bilateral trade and investment arrangements signed during this visit represented a turning point in Saudi-Chinese relations. The agreements focused on connecting Saudi Arabia's Vision 2030 with China's Belt and Road Initiative and technology, energy, and infrastructure cooperation. President Xi's visit showed China's growing position as Saudi Arabia's strategic ally amid global shifts and the U.S.'s withdrawal from the Middle East. In early 2023, Saudi Arabia and China announced new renewable energy and electric car cooperation efforts, coinciding with Saudi Vision 2030's focus on sustainability and innovation. These collaborations demonstrate Saudi Arabia's expanding role in global energy and economic diversification and their growing reliance.

2.7. China's Belt Road Initiative

The Silk Road is acknowledged as the most ancient commercial route globally. In addition to the conveyance of silk and spices, the route enabled the exchange of ideas, cultures, religions, and philosophies, serving as a conduit for intellectual and cultural enrichment.

The phrase "Silk Road" denotes a network of interconnecting routes utilized by caravans and ships between China and Europe, extending an impressive 12,000 kilometers. The beginnings can be dated to the Han Dynasty in China, around 200 BCE. The name was coined in 1877 by German geologist Baron Ferdinand von Richthofen. The Silk Road was crucial in the prosperity of various ancient civilizations, such as the Egyptian, Chinese, Roman, and Indian empires. It was crucial in promoting cultural exchange, intellectual development, linguistic exchanges, and the transmission of traditions across the regions it included. Moreover, it substantially facilitated the expansion and affluence of coastal cities that emerged around ports situated along its route.

The historical importance of the Silk Road is reflected today in China's Belt and Road Initiative (BRI), which aims to rejuvenate the old trade network. The BRI exemplifies China's aspiration to enhance its global influence through infrastructural development, promoting economic interdependence, and reinforcing international connections. This ambitious approach resonates with the historical significance of the Silk Road, highlighting connectivity and collaboration among nations while fostering cultural exchange and economic growth (Al-Najjar, 2018).

Initiatives to create a new Silk Road commenced in the early 1990s, exemplified by the European-Asian Land Bridge, which links China, Kazakhstan, Mongolia, and Russia to Germany through railway systems. In September 2013, Chinese President Xi Jinping unveiled a strategy to establish a new Silk Road connecting China to Europe, termed the "One Belt, One Road" initiative. The projected investments for this project are between \$4 trillion and \$8 trillion.

In 2014, at the sixth ministerial meeting of the China-Arab States Cooperation Forum in Beijing, President Xi urged both Chinese and Arab parties to cooperate in the development of the "Belt and Road." This idea garnered favorable responses from Arab nations, with numerous experts perceiving it as indicative of China's comprehension of global political, economic, security, and cultural forces. In that year, President Xi underscored his objective of augmenting Chinese-Arab trade volume to \$600 billion and elevating China's

non-financial investment in Arab nations to exceed \$60 billion during the forthcoming decade (Al-Najjar, 2018).

In 2016, at a speech at the Arab League headquarters, President Xi articulated China's dedication to advancing manufacturing in the Middle East. He declared China's partnership with Arab nations to designate \$15 billion in specialized loans for industrialization, \$10 billion in commercial loans for Middle Eastern countries, and the creation of two joint investment funds with the UAE and Qatar, totaling \$20 billion (Al-Najjar, 2018).



Figure 2.5. Belt and Road Initiative

Reference: www.insightturkey.com

A) Elements of the Belt and Road Initiative

The New Silk Road comprises two main elements: a terrestrial belt and a sea route.

- **The Terrestrial Silk Road**

The terrestrial route has three primary corridors:

- The First Corridor commences in eastern China, traverses Central Asia and the Russian Federation, and concludes in Europe.
- The Second Corridor commences in China, traverses Central and Western Asia and the Gulf region, and terminates at the Mediterranean Sea.
- Third Corridor: Begins in China, across Southeast Asia and South Asia, and concludes at the Indian Ocean.

- **The Maritime Silk Route**

The maritime aspect of the plan comprises two primary routes:

- First Route: A corridor linking Chinese ports to the Pacific Ocean through the South China Sea, commencing along China's coastline, traversing the Strait of Malacca, and culminating in India, the Middle East, East Africa, and ultimately Europe.
- The Second Route connects China's coastal ports to the southern Pacific Ocean (Abyat, 2017).

The economic transformation of Vision 2030 has significantly influenced Saudi Arabia's foreign policy. The kingdom's historical alliance with the United States, based on oil-for-security agreements, is seeing substantial transformation. Rundell emphasizes that the reduction in U.S. oil dependency, attributed to the shale revolution, has lessened Saudi Arabia's influence in bilateral ties. Mohammed bin Salman has endeavored to reestablish Saudi Arabia as a regional leader by cultivating tighter relations with emerging countries such as China, while adopting a more autonomous foreign policy.

The ascendance of China as a global economic and geopolitical power signifies a major aspect of Saudi Arabia's foreign policy realignment. Al-Tamimi, referenced in Al-Rasheed's *Salman's Legacy* (2018), emphasizes that China's escalating energy demands and its position as the foremost global oil importer render it an essential ally for Riyadh. The connection between Saudi Arabia and China is predominantly economic, with Saudi Arabia serving as China's major supplier of crude oil since 2002. Moreover, China's Belt and Road Initiative (BRI) strongly corresponds with the objectives of Vision 2030, presenting potential for infrastructure development, technological transfer, and financial engagement (Al-Rasheed, 2018). Vision 2030 has acted as a catalyst for enhancing economic cooperation between Saudi Arabia and China. Al-Tamimi (2018) emphasizes critical domains of collaboration, encompassing joint ventures in petrochemicals, renewable energy, and infrastructure development. Collaborations like the alliance between Saudi Aramco and Chinese state-owned firms exemplify the congruence of Vision 2030 with China's Belt and Road Initiative (BRI) (Al-Tamimi, 2018). These efforts aim to achieve economic diversification, promote technical innovation, and enhance Saudi Arabia's industrial base (Al-Rasheed, 2018). The increasing involvement of Chinese firms in Saudi Arabia's construction, telecommunications, and energy industries highlights the importance of this alliance (Khatib, 2021). Huawei's participation in Saudi Arabia's digital transformation underscores the strategic significance of technology in Saudi-China relations (Al-Tamimi, 2018). Researchers such as Gause (2016) and Khatib (2021) have observed that these relationships are crucial for realizing the lofty objectives of Vision 2030, which aims to diminish Saudi Arabia's reliance on oil and promote a knowledge-based economy.

Nevertheless, the literature clearly recognizes challenges in this domain. Language difficulties, legal discrepancies, and insufficient openness in investment initiatives are identified as impediments to enhanced economic collaboration (Al-Tamimi, 2018). Notwithstanding these limitations, the strategic congruence between Vision 2030 and China's economic goals establishes a robust basis for further collaboration (Khatib, 2021).

2.7.1. Saudi Arabia and the Digital Silk Road (DSR) as a Strategic Hedging Tool

The Digital Silk Road (DSR), launched by China in 2015 as an integral part of the Belt and Road Initiative (BRI), signifies Beijing's aspiration to attain a preeminent role in the global digital economy. The DSR aims to improve global digital infrastructure, encompassing 5G networks, fiber-optic cables, data centers, satellite communications, artificial intelligence (AI), and cloud computing (Al-Najjar, 2018). China's strategic initiative to merge digital connection with global trade highlights the growing significance of technology supremacy as a geopolitical instrument. For Saudi Arabia, adherence to the DSR offers a chance to diversify its economy in accordance with Vision 2030, while tactically navigating its relations with China and the United States amid a changing global landscape. The congruence between Vision 2030 and the BRI/DSR illustrates Saudi Arabia's strategic hedging methodology for navigating uncertainties in the global landscape. In response to the perceived partial desertion by the U.S.—notably after the 2019 Abqaiq and Khurais attacks—Saudi Arabia has endeavored to enhance its strategic position by broadening its partnerships (Alghannam, 2025). The normalization deal facilitated by China between Saudi Arabia and Iran in 2023 exemplifies this hedging technique. By using China as a mediator, Saudi Arabia is navigating its relationships with the U.S., China, and regional adversaries to enhance its strategic flexibility. Saudi Arabia's foreign policy transformation signifies a strategic endeavor to safeguard its geopolitical and economic prospects in a multipolar landscape. Its burgeoning connections with China under Vision 2030 are not designed to supplant its security alliance with the U.S., but rather to establish a more balanced and autonomous strategic stance. The Kingdom's strengthening commercial and technical connections with China signify a calculated strategy to maneuver through evolving global power dynamics, utilizing China's economic ascent to enhance political independence (Al-Tamimi, 2018; Khatib, 2021).

2.8. BRICS and Saudi Arabia

The potential inclusion of Saudi Arabia in BRICS signifies the Kingdom's increasing propensity for a multipolar world order, along with its extensive foreign policy evolution.

BRICS, a coalition of emerging economies including Brazil, Russia, India, China, and South Africa, along with new members such as Egypt, the UAE, and Iran, has emerged as a significant platform for contesting Western dominance and advocating alternative paradigms for global governance. This trend corresponds with Saudi Arabia's Vision 2030 objectives to diversify alliances, diminish reliance on traditional partners such as the United States, and augment its worldwide power.



Figure 2.6. Saudi Minister of Foreign Affairs Faisal bin Farhan Al Saud Attends the BRICS Summit in Johannesburg, South Africa on Aug. 24, 2023

Reference: KSAmofaEN/X

Established in 2009, BRICS was designed as a counterbalance to Western-dominated global institutions, including the World Bank, International Monetary Fund (IMF), and The Group of Seven (G7). The bloc aims to enhance the representation of developing economies in global decision-making while promoting economic collaboration and establishing alternative financial systems. In 2023, BRICS, with its enlarged membership, accounts for 35.6% of global GDP (based on purchasing power parity) and nearly half of the global population, highlighting its geopolitical importance.

The incorporation of nations such as Saudi Arabia into the BRICS framework has significant ramifications. The bloc's primary objectives encompass promoting economic cooperation, de-dollarization, and establishing alternative global institutions, while also providing member nations a platform to exert influence in a swiftly evolving international environment. Saudi Arabia's accession to BRICS presents opportunity to realign its foreign policy and economic strategy, especially concerning its Vision 2030 goals.

The analysis of Saudi Arabia's involvement in BRICS reveals its evolving foreign policy priorities and economic aspirations. The New Development Bank (NDB), created by BRICS, may offer Saudi Arabia an alternate funding source for its massive Vision 2030 projects. The Kingdom's accession to the bloc may enhance investments in critical sectors including as infrastructure, tourism, and renewable energy, while providing a platform for collaboration on common economic objectives with fellow member nations.

Saudi Arabia's prospective membership in BRICS corresponds with its position as a regional leader. Saudi Arabia may utilize BRICS to bolster its position as a stabilizing power in the Middle East, following its recent diplomatic achievements, including moderating discussions between Iran and other regional actors. The bloc offers Saudi Arabia an opportunity to augment its influence in regional and global politics while maintaining equilibrium in its relationships with both Western and non-Western states.

2.8.1. BRICS and the Multipolar Global Order

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2.8.2. Saudi Arabia's Strategic Objectives within BRICS

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Saudi Arabia's prospective membership in BRICS corresponds with its position as a regional leader. Saudi Arabia may utilize BRICS to bolster its position as a stabilizing power in the Middle East, following its recent diplomatic achievements, including moderating discussions between Iran and other regional actors. The bloc offers Saudi Arabia an opportunity to augment its influence in regional and global politics while maintaining equilibrium in its relationships with both Western and non-Western states.

2.9. Saudi Arabia's Reconnection with Iran

With US policy under successive administrations failing to prevent the spread of Iranian intervention in the Middle East, and Saudi Arabia requiring stability in its neighbourhood to pursue its ambitious Vision 2030 modernization strategy, Riyadh decided to pursue de-escalation with Tehran pragmatically. After years of diplomatic hostility between the two nations, Saudi Arabia spearheaded attempts to restore bilateral relations with Iran in 2023,

with China serving as the guarantor of a diplomatic agreement between Riyadh and Tehran. However, the decline in Iranian influence enables Saudi Arabia to move beyond de-escalation and restore its position as Arab global leader.

High-level delegations from Iran and Saudi Arabia met in Beijing from March 6 to March 10, 2023, in response to a plan offered by Chinese President Xi Jinping to enhance diplomatic ties between the two nations. These conversations built on the groundwork laid by Iraq and Oman in 2021 and 2022, when they mediated early diplomatic dialogues. The Iranian mission was led by Ali Shamkhani, Secretary of the Supreme National Security Council, and the Saudi delegation was led by Musaad bin Mohammed Al Aiban, Minister of State and member of the Saudi Council of Ministers. At the end of the discussions, both sides officially agreed to reestablish diplomatic relations and promised to reopening their respective embassies and diplomatic posts within two months. A meeting of the two nations' foreign ministers was arranged to promote the implementation of this agreement and complete arrangements for the exchange of ambassadors.

Furthermore, Iran and Saudi Arabia reaffirmed their mutual commitment to maintaining national sovereignty and refraining from interfering in one other's internal affairs. They reiterated previously signed accords, such as the security cooperation agreement of April 17, 2001, and the comprehensive agreement on economic, commercial, investment, technological, scientific, cultural, sports, and youth cooperation inked on May 27, 1998. Both countries, together with China, declared a strong commitment to actively contributing to regional stability and world peace (Islamic Republic of Iran, 2023).

CHAPTER III

METHODOLOGY

3.1. Introduction

The rise of Crown Prince Mohammed bin Salman (MBS) marks a pivotal generational shift in Saudi leadership, characterized by an effort to modernize the kingdom's domestic economy and redefine its geopolitical standing. MBS's ambitious Vision 2030 initiative reflects Saudi Arabia's internal drive to diversify its economy, attract foreign investment, and reduce oil dependency while increasing its influence on the global stage. However, while Vision 2030 represents a domestic economic transformation, the kingdom's foreign policy adjustments reflect a more profound strategic shift tied to the perceived partial abandonment by the U.S. The reduction of American military and political engagement in the Middle East has created uncertainty for Saudi Arabia, compelling the kingdom to pursue a strategy of strategic hedging—balancing between major powers like the U.S., China, and Russia to protect its national security and economic interests without fully aligning with any single power (Ciorciari & Haacke, 2019). This shift signifies Saudi Arabia's transition from a bandwagoning strategy, where it aligned closely with the U.S., to a more nuanced approach of hedging, aimed at maximizing diplomatic flexibility and strategic autonomy.

Saudi Arabia's hedging strategy reflects both internal and external pressures. Internally, the need to sustain political legitimacy and domestic stability has driven economic reforms and increased social liberalization under MBS's leadership. Economic partnerships with China, facilitated through projects under the Belt and Road Initiative (BRI), demonstrate Saudi Arabia's efforts to secure alternative economic and political support (Guzansky & Zalayat, 2024). Externally, the growing influence of China in the Middle East presents both opportunities and challenges for Saudi Arabia. Diplomatic outreach to Iran, brokered

by China, reflects a strategic maneuver to reduce regional tensions while preserving strategic autonomy from the U.S. Meanwhile, Saudi Arabia's involvement in BRICS highlights its attempt to diversify global partnerships and reduce overdependence on Western markets and security guarantees (Jacobs, 2023).

The strategic recalibration of Saudi foreign policy underscores the central question of this thesis: How has Saudi Arabia's foreign policy shifted in response to partial abandonment by the United States? The independent variable is defined as the partial abandonment by the U.S.—reflected in reduced political, military, and security engagement with Saudi Arabia—while the dependent variable is Saudi Arabia's shift toward strategic hedging. This shift is evident in the kingdom's growing diplomatic engagement with China, and its strategic participation in multilateral frameworks like BRICS and OPEC+. Unlike traditional balancing or bandwagoning strategies, hedging allows Saudi Arabia to secure political and economic advantages from multiple global powers without fully aligning with any single state (Ciorciari & Haacke, 2019).

By examining the structural factors influencing Saudi Arabia's strategic behavior, this thesis evaluates the broader geopolitical implications of the kingdom's evolving foreign policy. The research investigates how Saudi Arabia's shift toward strategic hedging impacts its historical security partnership with the U.S., its diplomatic positioning within the Middle East, and its growing economic and political ties with China and Russia. The study also considers the implications of this shift for regional stability and global energy markets, assessing how Saudi Arabia's hedging strategy positions the kingdom as a key player in an increasingly multipolar international order. This analysis aims to demonstrate that Saudi Arabia's foreign policy adjustment is not merely a response to economic pressures but a deliberate strategic maneuver to navigate the uncertainty of hegemonic decline and establish greater geopolitical autonomy.

3.2. Theoretical Framework

This study's theoretical approach provides a prism through which to examine the changing character of Saudi Arabia's foreign policy, with an emphasis on dynamic adjustments in alliances, security considerations, and economic diversification. Saudi Arabia's turn away from historic dependence on the United States and toward a more diverse foreign policy represents a fundamental shift in global power relations. This shift, fueled by causes like as diminished US influence in the area and developing connections with other countries such as China and Russia, needs an analytical approach that reflects the Kingdom's intricacies and strategic decision-making processes (Ciorciari and Haacke, 2019).

This study is based on strategic hedging theory, which is well-suited to explaining the intricacies of Saudi Arabia's developing foreign policy actions. Hedging, as a foreign policy technique, allows governments to manage risks in an uncertain environment, especially when faced with potential shifts in global power dynamics (Medeiros, 2005; Kuik, 2008). Unlike other methods like balancing or bandwagoning, hedging enables governments to engage economically and politically with great powers while still safeguarding themselves from future dangers. This strategy represents the ambiguity of hedging, in which governments strive to reap economic and security gains while avoiding overcommitting to a single global power (Ciorciari & Haacke, 2019).

To properly understand the importance of strategic hedging in developing Saudi Arabia's foreign policy, it is necessary to define the term and separate it from other foreign policy initiatives. This chapter delves into the theoretical basis of hedging, defines its importance to Saudi Arabia's foreign policy, and examines how it represents the Kingdom's strategic changes in reaction to changing global dynamics. The report argues that strategic hedging is a suitable paradigm for evaluating Saudi Arabia's foreign policy adjustments as the country strives to balance its connections with key powers while managing global challenges.

3.3. Introduction to Hedging Theory

Hedging has arisen as a separate approach to international affairs, notably in the post-Cold War era, when governments faced growing concern about the global order's durability. Hedging is a foreign policy technique in which governments engage big powers through a combination of collaboration and caution in order to retain strategic flexibility (Ciorciari & Haacke, 2019). Unlike more direct techniques such as balancing or bandwagoning, hedging allows governments to handle geopolitical uncertainty without completely committing to one side. Hedging is an efficient way for governments like Saudi Arabia to maintain autonomy while managing the risks of shifting global alignments (Hameed & AL. Mufarge, 2022).

Scholars suggest that hedging is more than a simple mechanism between balancing and bandwagoning; rather, it is a "multiple-component strategy" that exists between these two extremes (Cheng-Chwee 2008). Korolev (2016) defines hedging as a phenomena of a different order than balancing and bandwagoning, including separate levels of analysis such as domestic elite configurations, regional threats, and power distribution in the international system. This multi-level approach helps to explain why hedging methods are best suited to complex geopolitical contexts where nations must balance internal, regional, and global demands (Korolev, 2016).

Strategic hedging is distinguished by a hybrid strategy of engagement and self-protection. States that hedge seek economic and political cooperation with many countries while preserving their own security alternatives to protect against potential threats. This strategy reflects the inherent ambiguity of hedging, in which nations seek to maximize gains from both sides of a power struggle without alienating either group or overcommitting to one bloc (Medeiros, 2005; Kuik, 2008).

Saudi Arabia's hedging policy displays a careful balance. Its strengthening relations with China via the Belt and Road Initiative (BRI) and increased defense cooperation with Russia under the OPEC+ framework demonstrate the strategic diversification of its

foreign policy (Jacobs, 2023). Furthermore, China's reunion with Iran shows an effort to lessen regional tensions while maintaining strategic autonomy from the US (Guzansky & Zalay, 2024). These moves reflect Saudi Arabia's larger endeavor to navigate the evolving multipolar global order by balancing competing forces.

3.3.1. Hedging in Relation to Other Foreign Policy Strategies

Hedging differs from other classic foreign policy measures, such as balancing and bandwagoning. Balancing entails confronting a perceived danger directly, which is typically accomplished by military alliances, armament buildups, or technical advances (Chaziza 2015). For example, during the Cold War, the United States and the Soviet Union used military alliances and strategic military deployment to balance their forces. Bandwagoning, on the other hand, is a strategy in which a weaker state aligns with a dominating power in order to achieve security or economic advantages, even if it means giving up some autonomy (Walt, 1987).

Unlike balancing and bandwagoning, hedging is a more sophisticated technique that falls in between the two extremes. States that hedge aim to interact with numerous powers at the same time while being flexible enough to adjust alliances or strategic goals in response to shifting global dynamics (Ciorciari & Haacke, 2019). Saudi Arabia's expanding commercial connections with China and Russia, while maintaining security cooperation with the United States, demonstrate this adaptable policy. Saudi Arabia exhibits the adaptive nature of hedging by engaging China economically while obtaining military guarantees from the United States (Hameed & AL.Mufarge, 2022).

Koga (2017) defines six forms of hedging: (1) conventional hedging, (2) soft hedging, (3) economic hedging, (4) security hedging, (5) diplomatic hedging, and (6) political-military hedging. Saudi Arabia's policy involves a variety of factors, including economic and security hedging, as part of a larger effort to retain strategic flexibility in a multipolar international order (Tessman and Wolfe, 2011; Chaziza, 2015).

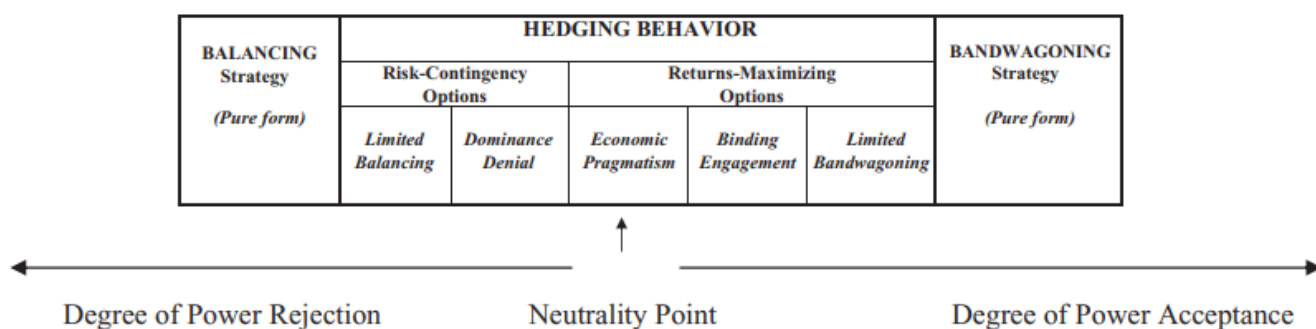


Figure 3.1. Six Forms of Hedging

Source: Kuik et al., 2012

Figure 6 depicts hedging as an intermediate strategy between balancing and bandwagoning. According to Kuik et al. (2012, pp. 315-320), hedging is a sophisticated continuum of strategic actions that allows states to manage risks and maximize rewards while not entirely committing to either alignment or confrontation. It serves largely as a pragmatic technique used by governments, particularly smaller ones, to maintain autonomy while avoiding overdependence on any single great power.

Hedging thus functions as a type of strategic risk management, allowing governments to actively seek chances for collaboration with other powers. Crucially, the absence of bipolar international frameworks or impending great power threats facilitates hedging, allowing for greater flexibility in foreign policy decisions (Marston, 2023, pp. 29-42). Furthermore, hedging involves more than simply economic interests; it employs soft power techniques, diplomatic engagement, and institutional diversity to handle strategic risks (Masterson, 2022, p. 32). Garlick and Havlová (2020, p. 85) emphasize that hedging reduces risk by diversifying a state's strategic assets and objectives, providing both economic benefits and enhanced diplomatic flexibility in a changing geopolitical context.

This complete knowledge explains why hedging is particularly important for interpreting Saudi Arabia's current foreign policy changes in the context of developing global power dynamics, as well as its strategic reactions to perceived shifts in US participation.

3.3.2. Strategic Hedging in Saudi Arabia

Saudi Arabia's hedging policy shows a purposeful response to altering global power dynamics and the perception of partial abandonment by the US. The reduction of American military and political participation in the Middle East, fueled in part by the US shale revolution and geopolitical pivot to East Asia, has left a void that Saudi Arabia has attempted to fill through strategic diversification. This strategy is reflected in a number of significant foreign policy choices.

Saudi Arabia's engagement in OPEC+ alongside Russia reflects an aim to gain more influence over global oil markets while reducing vulnerability to US political pressure (Jacobs, 2023). Similarly, Saudi Arabia's expanding trade and energy relations with China show a desire to diversify its economic reliance and gain geopolitical clout. The rehabilitation of relations with Iran, aided by China, demonstrates how Saudi Arabia uses diplomatic engagement as a hedging mechanism to lessen regional tensions while maintaining strategic independence (Guzansky & Zelayat, 2024).

Domestically, hedging is tied to regime survival. According to Korolev (2016), hedging methods can serve as a "insurance policy" for regime survival, especially in authoritarian systems where preserving elite cohesiveness, repression capabilities, and public legitimacy is critical. Saudi Arabia's hedging policy reflects this dynamic, since internal political stability and regime survival are inextricably linked to its capacity to manage external alliances and economic reliance (Gerschewski, 2013).

Saudi Arabia's hedging approach displays its ability to navigate a multipolar world order while maintaining strategic flexibility and increasing diplomatic and economic power. Unlike balancing or bandwagoning, hedging enables Saudi Arabia to preserve long-term independence while interacting with both Western and Eastern nations. This plan reflects a larger shift in Saudi foreign policy geared at protecting the kingdom's geopolitical and economic interests in an increasingly unpredictable global environment.

3.3.3. Why Saudi Arabia is Hedging: Evidence from Its Evolving Relationship with the United States

Saudi Arabia's turn toward strategic hedging marks the larger realignment of its foreign policy in response to supposed uncertainty in its long-standing alliance with the United States. Saudi Arabia is progressively adopting a proactive and diverse foreign policy approach to control strategic uncertainty and protect the ruling class at home, claims Demmelhuber (2019). This change does not translate, nevertheless, into direct balancing or conflict with the United States. Rather, Saudi Arabia's strategy shows a realistic attempt to lower overdependence on American security assurances while concurrently improving relations with rising countries like China and Russia (Demmelhuber, 2019). Historically, common strategic objectives have rather than shared ideals defined the U.S.-Saudi alliance. Through the founding of the Arabian-American Oil Company (Aramco), Bronson and Wrampelmeier (2006) emphasize how closely American oil companies—especially helped Saudi Arabia become a powerhouse for energy. This bond was strengthened by Saudi Arabia's guardianship over the Islamic holy sites and its common anti-communist policy with the United States. With the U.S. depending on Saudi Arabia for energy security and regional stability while Riyadh relied on American military backing and modernization initiatives, the building of a U.S. Air Force base in Saudi Arabia in the 1950s cemented this strategic link (Bronson & Wrampelmeier, 2006).

Though this coalition has great power, conflicts have sometimes surfaced. Over the years, the relationship has been tested by the emergence of Osama bin Laden, the 9/11 attacks, differences on Iran, and invasion of Iraq. Grey (2017) contends that Saudi Arabia's control of the world oil market has helped it to keep influence over the United States in spite of these conflicts. Though American military presence in the Middle East changed, the Kingdom's "oil clout" has helped it to remain strategically significant to the United States (Grey, 2017). Further arguing that transactional strategic interests rather than ideological alignment characterize the U.S.-Saudi relationship is Camack (2017). While Saudi Arabia depends on American military and political backing to maintain home and regional peace, the United States desires privileged access to Saudi oil resources (Cammack, 2017). New

strains into this relationship have come from recent geopolitical events. The U.S. shale revolution has reduced American reliance on Middle Eastern oil, diminishing Saudi Arabia's strategic importance to Washington (Cammack, 2017). In 2019, after an attack on Saudi oil facilities, President Donald Trump remarked that the United States no longer needed Middle Eastern oil, reinforcing Saudi concerns over American disengagement from the region (Gardner, 2019). The impression of American retreat has heightened Saudi Arabia's search of strategic options through hedging. This entails keeping basic security connections with the United States while strengthening bonds with China and Russia (Fulton, 2020).

The hedging plan of Saudi Arabia covers not only military cooperation but also financial and economic policies. Established through the United States-Saudi Arabian Joint Commission on Economic Cooperation, the agreement between Saudi Arabia and the United States to trade oil in U.S. dollars demonstrates the degree of their economic dependency (Amadeo, 2022). As the world reserve currency, the petrodollar system has strengthened the value of the US dollar, therefore confirming US hegemony in the worldwide oil market (Tun, 2022). However, Saudi Arabia's developing economic connections with China imply a probable transition away from the dollar-dominated oil trade, further highlighting its strategic hedging behavior (Tun, 2022).

The strain in the U.S.-Saudi relationship is also driven by political and ideological factors. Diplomatic relations between American criticism of Saudi Arabia's political administration and human rights record have become convoluted. This dynamic is best shown by the aftermath from journalist Jamal Khashoggi's murder in 2018. China and Russia abstained from public criticism while President Joe Biden called Saudi Arabia a "pariah," therefore supporting Saudi impressions that other alliances may provide more political stability and strategic alignment (Demmelhuber, 2019). Cengiz (2020) contends that Saudi Arabia's increased diplomatic engagement with China reflects Beijing's policy of non-interference in domestic government, which contrasts with the U.S.'s more interventionist approach (Cengiz, 2020). In the military domain especially, Saudi Arabia's hedging approach is clear-cut. The Kingdom remains largely reliant on American military

backing, but recent U.S. moves have aroused worries in Riyadh. The Trump administration's last-minute decision to abandon a planned strike on Iran following the downing of a U.S. drone in 2019 reflected a waning American commitment to Gulf security (Fulton, 2020). Additionally, the U.S. exit from Afghanistan and Iraq, combined with the reduction of missile and aircraft deployments in Saudi Arabia, has further exacerbated ambiguity regarding American strategic priorities (Demmelhuber, 2019; Perez, 2022). The belief that the United States would no longer be a consistent security guarantee has strengthened Saudi Arabia's attempts to diversify its defense links, including bolstering military ties with China and Russia (F Fulton, 2020).

Strategic hedging helps Saudi Arabia to keep security links to the United States while also increasing its diplomatic and economic interaction with other world nations. Riyadh's strategic flexibility seen in its hedging approach is reflected in its readiness to investigate closer collaboration with China and Russia. Tessman (2012) contends that smaller governments are more likely to pursue varied security and economic alliances as American hegemony decreases and less likely to bandwagon with the U.S. Saudi Arabia's adjustment of its foreign policy clearly shows this dynamic: combining American security assurances with Chinese economic prospects demonstrates a planned and determined hedging approach (Tessman, 2012).

The Kingdom's hedging policy highlights its wider strategic goal to safeguard political stability and national security despite evolving global power dynamics. Former Saudi Ambassador to the United States Prince Turki bin Faisal expressed this view when he said China was "not necessarily a better friend, but a less complicated friend" (Parello-Plesner, 2019). This quotation captures Saudi Arabia's geopolitical aim of preserving autonomy and flexibility in a world order going toward multipolarity.

Thus, Saudi Arabia's foreign policy pivot toward strategic hedging represents a determined response to perceived American disengagement and larger geopolitical developments. To protect its long-term strategic interests, the Kingdom is aggressively seeking alternative alliances with China and Russia even as it depends on American

military and financial backing. This thesis investigates the fundamental reasons and wider consequences of this strategic recalibration, contending that the changing character of Saudi Arabia's foreign policy in the twenty-first century can be better understood only by considering its hedging approach.

3.4. Research Design and Methodology

This research seeks to investigate the fundamental causes and strategic reasoning behind Saudi Arabia's alteration in foreign policy, emphasizing the kingdom's reaction to the United States' partial withdrawal. The research question directing this study is: "What factors have prompted a shift in Saudi Arabia's foreign policy due to the United States' partial abandonment?" This paper analyzes how Vision 2030 functions as a crucial tool for strategic hedging, allowing Saudi Arabia to fortify its geopolitical and economic standing within a changing multipolar global framework.

The selected approach for this research is qualitative textual analysis. This method facilitates a comprehensive analysis of the official discourse, diplomatic pronouncements, policy documents, and strategic communications that delineate Saudi Arabia's foreign policy choices. In contrast to quantitative methods that emphasize measurable data and statistical patterns, qualitative textual analysis is better equipped to interpret political language, reveal ideological and strategic nuances, and examine the intricate narratives that characterize Saudi Arabia's strategic hedging behavior.

Textual analysis is particularly adept at examining how Saudi Arabia expresses their hedging strategy through diplomatic and economic discourse. According to McKee (2003), textual analysis enables scholars to examine how political actors shape their actions and develop strategic narratives to affect global perception and bolster political legitimacy. Hindle's (2007) focus on systemic modeling highlights the significance of analyzing Saudi Arabia's hedging strategy in relation to the evolving global order. This strategy elucidates how Saudi Arabia is managing its ties with significant nations like

China and the United States, while concurrently augmenting its influence in the Middle East and beyond.

Textual analysis is a well-established qualitative research methodology, especially prominent in cultural studies. The analysis encompasses many factors including originality, creativity, historical context, and cultural frameworks that influence the content under examination (McKee, 2003). Grounded in interpretative approaches, textual analysis aims to uncover the ideological and cultural foundations inherent in a text. Smith asserts that textual analysis is often utilized in communications because of its transdisciplinary character, including several social sciences and humanities. Smith emphasizes that textual analysis can encompass several methodological methods within these disciplines, including content analysis, semiotics, rhetorical critique, and interactional analysis.

The beginnings of textual analysis are associated with Greek mythology, including the narrative of Hermes, the divine messenger. Giles A. Hindle posits that Hermes needed to initially decipher and grasp the words of the gods before rendering them into a comprehensible format for mankind (Hindle, 2010). This parallel encapsulates the core of textual analysis, which entails interpreting language, symbols, and meanings inside a text to comprehend how humans get understanding from the supplied information.

McKee characterizes textual analysis as a method by which scholars obtain insights into individuals' interpretations and understandings of the world. It serves as a methodological instrument that allows researchers to investigate how individuals from diverse cultures and socioeconomic backgrounds conceptualize their identities and position themselves within their respective environments (McKee, 2003). McKee asserts that textual analysis necessitates educated assumptions on potential readings of a text and comprehension of the wider socio-cultural context in which these interpretations arise.

Textual analysis is a method for deciphering the construction and interpretation of language and symbols within a specific social and historical context. It provides an

effective approach for analyzing the production and negotiation of meaning within texts, enabling academics to critically examine the content and get profound insights into the ideological and cultural influences affecting the discourse.

3.4.1. Research Framework and Case Selection

This study utilizes a case study methodology focused on the reform of Saudi Arabia's foreign policy under Vision 2030. The choice of Saudi Arabia as a case study is both intentional and warranted because to its substantial geopolitical influence in the global oil market and its diplomatic realignment. The kingdom's developing foreign policy exemplifies strategic hedging, as a traditional oil-dependent state shifts towards a diversified economic model while readjusting its strategic relationships.

The choice of Saudi Arabia as a case study is deliberate, based on significant strategic and analytical factors. Initially, Saudi Arabia's historical partnership with the United States, notably through the oil-for-security agreement formed in the 1940s, offers a contextual foundation for comprehending the kingdom's foreign policy transition. The implementation of Vision 2030 as a framework for economic diversification signifies a deliberate attempt to diminish dependence on the United States and to connect with rising countries like China. Third, Saudi Arabia's increasing involvement with China and the wider Gulf area indicates a strategic adjustment that mirrors larger global transitions towards multipolarity.

The case study technique facilitates an in-depth investigation of the evolution of Saudi Arabia's foreign policy by investigating how Vision 2030 serves as a strategic tool for hedging. The research examines significant diplomatic occurrences and strategic accords, encompassing the Saudi-China Comprehensive Strategic Partnership, the 2023 normalization of relations with Iran facilitated by China, and Saudi Aramco's substantial investments in Chinese refineries. These events are significant markers of Saudi Arabia's evolving foreign policy and its overarching plan to equilibrate relations between Western and Eastern nations.

3.5. Data Acquisition and Examination

This study employs a qualitative methodology based on textual analysis to investigate the causal relationship between U.S. strategic disengagement and Saudi Arabia's foreign policy realignment. The research focuses on the historical context of Saudi Arabia, how the kingdom was formed and how the relations with the United States was formed at the beginning and how the kingdom is using the hedging theory in order to show how a secondary state deal with the issue of being highly dependent the hegemonic order. Textual analysis allows for a detailed examination of official government statements, trade and defense agreements, and policy documents to uncover patterns in Saudi Arabia's strategic positioning. This approach provides insight into how Saudi Arabia's hedging strategy reflects both domestic political imperatives and external geopolitical pressures.

To support this analysis, the study draws on a comprehensive range of primary and secondary sources to ensure a balanced and well-rounded examination of Saudi Arabia's foreign policy behavior:

- Primary sources include official government publications, diplomatic agreements, speeches by Crown Prince Mohammed bin Salman and high-level Saudi officials, and policy documents outlining Saudi Arabia's strategic objectives. Official statements from U.S., Chinese, and Russian officials related to diplomatic and military cooperation with Saudi Arabia are also examined to trace how Saudi Arabia balances its strategic ties.
- Secondary sources include peer-reviewed academic articles, books, and policy reports from leading institutions such as the Brookings Institution, the Carnegie Endowment for International Peace, and the Center for Strategic and International Studies (CSIS). Scholarly works, including *Vision or Mirage* (David Rundell), *Salman's Legacy* (Madawi Al-Rasheed), and *Saudi Arabia in Transition* (Bernard Haykel), provide critical insights into the historical and political dimensions of Saudi Arabia's foreign policy.
- Media and digital sources from reputable news outlets and analytical platforms are also incorporated to capture real-time developments and diplomatic maneuvers.

Reports and commentary on Saudi Arabia's involvement in BRICS, and regional security arrangements provide valuable context for understanding the hedging strategy.

The study leverages this diverse body of sources to identify recurring themes and strategic patterns in Saudi Arabia's foreign policy behavior. The textual analysis focuses on how Saudi Arabia frames its foreign policy objectives and balances competing influences from the U.S., China, and Russia. This analysis will illuminate how strategic hedging allows Saudi Arabia to adapt to the shifting global order and assert greater geopolitical independence

3.6. Obstacles and Constraints

This research recognizes certain methodological issues and constraints:

- **Data Availability and Political Sensitivity:** Access to official policy papers and diplomatic records may be restricted due to the sensitive nature of Saudi Arabia's foreign policy.
- **Interpretive Bias:** Textual analysis intrinsically entails subjective interpretation, potentially leading to researcher bias. Efforts will be undertaken to corroborate findings using various sources to alleviate this constraint.
- **Absence of Transparency:** Saudi Arabia's political framework and decision-making mechanisms are significantly centralized, potentially constraining the accessibility of direct evidence pertaining to strategic aims.
- **Geopolitical Fluidity:** Saudi Arabia's foreign policy is markedly dynamic and shaped by external factors, including changes in U.S.-China ties and regional crises. This may restrict the capacity to derive conclusive insights on enduring strategic trends.
- **Language Barriers and Translation Challenges:** Diplomatic communications and policy documents are frequently disseminated in Arabic. Measures will be

implemented to cross-verify translations against original sources to guarantee accuracy.

The justification for using textual analysis as an approach is in its capacity to reveal the strategic motives and political discourse underlying Saudi Arabia's foreign policy changes. The study aims to analyze how Saudi Arabia's leadership articulates its geopolitical strategy and formulates diplomatic narratives to bolster its hedging behavior. The research tries to elucidate how Saudi Arabia's foreign policy mirrors deeper structural transformations in the global order by concentrating on language and political discourse.

This technique corresponds with the theoretical framework of hedging theory within the larger context of neorealism. While neoclassical realism further integrates internal political dynamics, such as leadership and domestic policies, to explain a state's foreign policy decisions, neorealism emphasizes the influence of structural elements, such as the distribution of power in the international system, in shaping state behavior. Textual analysis allows the examination of how Saudi Arabia's leadership formulates strategic narratives in reaction to evolving global power dynamics.

This research design and analytical methodology seeks to enhance the existing literature on hedging behavior and Saudi Arabia's changing geopolitical position in a multipolar world.

CHAPTER IV

ANALYSIS AND DISCUSSION

4.1. Introduction

This chapter examines Saudi Arabia's emerging foreign policy through the prism of strategic hedging, concentrating on the Kingdom's contacts with key global powers and regional entities that are consistent with its Vision 2030 goals. It begins by examining Saudi Arabia's evolving diplomatic stance under Crown Prince Mohammed bin Salman, focusing on recent developments and historical influences that have formed its current policies. Following that, the chapter looks into Saudi Arabia's strategic hedging behavior, looking at the country's complicated relationship with the United States and its deliberate diversification of foreign alliances. The examination then shifts to the geopolitical triangle of Saudi Arabia, the United States, and China, focusing on the interplay between Vision 2030's economic objectives and evolving global alignments.

Finally, the chapter discusses the probable ramifications and major problems connected with Vision 2030, providing insight into how these elements affect Saudi Arabia's overall geopolitical posture and international connections.

4.2. Saudi Arabia's Changing Foreign Policy

Saudi Arabia's foreign policy has undergone a profound transformation in recent years, marked by a series of prominent diplomatic and geopolitical initiatives that demonstrate a calculated shift in approach under Crown Prince Mohammed bin Salman's leadership. This evolution has been characterized by significant milestones such as the normalization of relations with Iran, negotiations with the Yemeni Houthis, Syria's reinstatement into the Arab League, and efforts to mediate a truce in Sudan. Saudi Arabia also hosted

Ukrainian President Volodymyr Zelensky during the Arab League Summit in Jeddah, a move indicative of its growing assertiveness on the international stage. While some observers perceive these moves as an abrupt departure from its historical foreign policy, they represent a continuation of the Kingdom's strategic objectives, executed with greater pragmatism to align with its Vision 2030 framework (Borck, 2023).

A central tenet of Saudi Arabia's foreign policy has always been to stabilize the Middle East to safeguard its national security, ensure the uninterrupted flow of oil exports, and enable domestic economic development. However, under Crown Prince Mohammed bin Salman, these objectives have become increasingly intertwined with Vision 2030, an ambitious socio-economic reform initiative aimed at diversifying the Kingdom's economy and reducing its dependency on oil. This alignment is evident in Riyadh's recalibrated approach to foreign policy, which seeks to mitigate regional instability and foster an environment conducive to achieving Vision 2030's objectives (Borck, 2023).

Initially, Mohammed bin Salman's foreign policy approach was marked by aggressive tactics, including a military intervention in Yemen, a 2017 diplomatic blockade of Qatar, and the controversial attempt to coerce Lebanon's Prime Minister Saad Hariri into resigning to curb Hezbollah's influence. However, these moves often backfired, with the Yemen intervention spiraling into a protracted conflict, the Qatar blockade strengthening Doha's resilience, and the Lebanon episode drawing widespread international criticism. These setbacks prompted a reassessment of Saudi Arabia's approach, ultimately leading to a more calculated and pragmatic foreign policy strategy (Borck, 2023).

The turning point came with the 2019 drone and missile attacks on Saudi oil facilities in Abqaiq and Khurais, widely attributed to Iran. The lack of a decisive U.S. response underscored the vulnerability of Saudi Arabia's security dependence on Washington and catalyzed Riyadh's pivot toward a more autonomous foreign policy. While the Kingdom remains open to collaboration with the U.S., including joint mediation efforts in Sudan, it has increasingly sought partnerships with other global powers, particularly China and

Russia, to diversify its geopolitical alliances and reduce its reliance on a single partner (Borck, 2023).

The normalization of relations with Iran, brokered by China, serves as a hallmark of Saudi Arabia's pragmatic shift. Despite Riyadh's longstanding reservations about Tehran's regional ambitions, the agreement reflects an effort to de-escalate tensions in the Gulf and protect the Kingdom's economic interests. Similarly, Saudi Arabia's ongoing negotiations with the Yemeni Houthis illustrate a recognition of the need for a political solution to end the conflict, mitigate cross-border attacks, and preserve Saudi Arabia's image as a secure destination for investment under Vision 2030. Furthermore, Riyadh's renewed engagement with Syria, including its support for Syria's reinstatement into the Arab League, highlights its pragmatic approach to addressing regional challenges such as drug trafficking and refugee crises while asserting its leadership role in the region.

Saudi Arabia's recalibrated foreign policy has been shaped not only by recent developments but also by historical events. The Arab Spring of 2011, which triggered widespread calls for democratization and regime change, posed significant threats to the Gulf monarchies, including Saudi Arabia. The overthrow of Egypt's long-time ally, President Hosni Mubarak, amplified Riyadh's concerns about the stability of its own regime. In response, Saudi Arabia adopted assertive measures to counter perceived threats, including its 2011 military intervention in Bahrain to suppress anti-government protests led by the Shiite majority. The deployment of 1,000 Saudi troops, along with 500 UAE police personnel, underscored Riyadh's determination to curb Iranian influence in the Gulf and maintain the political status quo in Bahrain (Henderson, 2011). Although the intervention achieved its immediate goal of stabilizing Bahrain, it exacerbated sectarian divisions and drew international criticism, particularly from Iran and the United States.

These developments demonstrate the broader trajectory of Saudi Arabia's evolving foreign policy, which seeks to navigate a multipolar world order while maintaining regional dominance. By normalizing ties with Iran, engaging in dialogue with the Houthis, and adopting a leadership role in resolving regional crises, Riyadh has shown a willingness

to pursue independent initiatives, even at the risk of diverging from U.S. policy. Nevertheless, Saudi Arabia continues to value its strategic partnerships with Western powers while simultaneously leveraging relationships with emerging global players such as China and Russia.

Ultimately, Saudi Arabia's foreign policy reflects a nuanced balancing act between traditional alliances and new opportunities. By adopting a pragmatic and multipolar approach, Riyadh aims to reinforce its position as a regional powerhouse and a key player on the global stage, all while ensuring that its foreign policy aligns with the domestic priorities of Vision 2030. This strategic evolution underscores Saudi Arabia's ability to adapt to a rapidly changing geopolitical landscape, positioning itself as a modernized and influential nation capable of navigating complex challenges.

4.2.1. Saudi Arabia's Strategic Hedging Behavior

According to Demmelhuber (2019), Saudi Arabia has undertaken a more assertive and diverse foreign policy to handle growing international concerns while also protecting the ruling class domestically. Importantly, this strategic repositioning should not be understood as Saudi Arabia attempting to strike a hard or soft balance against its long-standing friend, the United States. Historically, the bilateral partnership has focused mostly on energy security. According to Bronson and Wrampelmeier (2006), this connection began with the formation of Aramco by American oil businesses and has since grown stronger due to common geopolitical goals, such as combating communism and regional threats.

Throughout the decades, Saudi-US ties have fluctuated owing to a variety of factors, including the rise of Osama bin Laden, mutual distrust, and opposing approaches to Iran. However, a reciprocal dependence exists: the United States requires constant energy access, whilst Saudi Arabia relies on American military aid and security assurances (Grey, 2017).

Scholars emphasize the complexities of this interdependence, claiming that despite periodic crises such as oil embargoes and the aftermath of 9/11, the economic and security benefits remain strong, owing largely to Saudi Arabia's influence in global energy markets (Grey, 2017; Cammack, 2017). However, recent geopolitical developments have created concerns. America's falling reliance on Middle Eastern oil, along with pronouncements by former President Trump signaling U.S. energy independence, heightened Saudi fears about decreased American commitment (Gardner, 2019; Loris, 2020).

The current dynamics between the United States and Saudi Arabia in 2024-2025 clearly reflect these concerns. Saudi Arabia aggressively pursues Article 5-style security assurances from the United States as part of larger discussions involving normalization with Israel and civilian nuclear cooperation (Liptak, 2023; Cook & Lindsay, 2023). Simultaneously, Riyadh has pressured Washington to resume substantial armament shipments that were stopped under the Biden administration (Crux, 2023). These events highlight Saudi Arabia's hedging strategy of pursuing comprehensive security arrangements with the United States while expanding its diplomatic relationships overseas.

Another key feature is the petrodollar arrangement established by the US-Saudi Joint Commission on Economic Cooperation. Since 1945, oil has been mostly sold in US dollars, bolstering America's worldwide economic supremacy (Amadeo, 2022; Tun, 2022). Even with periodic conflicts, this agreement remains a cornerstone of Saudi-American relations.

4.2.2. Vision 2030 as a Strategic Hedging Mechanism

Saudi Arabia's Vision 2030 functions as a calculated strategy for hedging, enabling the Kingdom to adapt to a transforming global landscape characterized by the waning of U.S. dominance and the ascent of China and other developing powers. Vision 2030 is not only an economic reform initiative; it is a strategic geopolitical framework aimed at diminishing Saudi Arabia's reliance on the United States and diversifying its economic

and political influence (Khatib, 2021). Saudi Arabia aims to enhance its strategic flexibility by fostering deeper connections with China through agreements in infrastructure, energy, and technology, while concurrently upholding security and diplomatic relationships with the United States (Gause, 2016). The Kingdom's choice to link with China's Belt and Road Initiative (BRI) and join BRICS highlights this approach, providing access to alternative financial and political structures beyond the Western-dominated system (Chen & Han, 2019).

The core of this hedging technique is economic diversity. Saudi Arabia's historical dependence on oil exports for economic sustenance and geopolitical leverage rendered it susceptible to variations in global oil prices and alterations in Western foreign policy (Yergin, 1991; Issawi, 1978). Vision 2030 seeks to alleviate this vulnerability by advancing non-oil industries like as renewable energy, tourism, and infrastructure development, therefore generating new sources of national income and diminishing the economy's susceptibility to oil market fluctuations (Khatib, 2021; Al-Rasheed, 2018). This economic transition enhances Saudi Arabia's negotiating leverage, enabling it to interact with several global powers without excessive dependence on any one partner (Kéchichian, 2019).

The increasing economic and strategic alliance of Saudi Arabia with China exemplifies this hedging strategy. The formation of a Comprehensive Strategic Partnership with China in 2016, together with substantial collaborative ventures in petrochemicals and infrastructure, signifies Riyadh's endeavor to counterbalance Western influence (Chen & Han, 2019). The 2022 visit of Chinese President Xi Jinping to Riyadh, culminating in several economic and security deals, underscored the strategic significance of this partnership (Chen & Han, 2019). Saudi Arabia's involvement in OPEC+ alongside Russia and its collaboration on oil production quotas illustrate a strategic alignment with Moscow that maintains Saudi Arabia's supremacy in global energy markets while concurrently mitigating Western political pressure (Gause, 2016; Kéchichian, 2019).

Hedging via Vision 2030 entails collaboration with emerging powers beyond the conventional U.S.-Saudi relationship. Saudi Arabia's accession to BRICS signifies its desire to integrate with non-Western political and economic structures, hence establishing a diverse geopolitical stance that enhances its strategic influence (Khatib, 2021). BRICS participation affords Saudi Arabia access to alternative financial systems, mitigating its vulnerability to Western sanctions and financial volatility while enhancing its influence in a multipolar international order (Chen & Han, 2019). This hedging technique allows Saudi Arabia to adjust to a developing global system marked by fragmented power dynamics and evolving economic relationships.

The achievement of Vision 2030 depends on Saudi Arabia's capacity to maintain this fragile equilibrium. Although hedging enables the Kingdom to capitalize on possibilities arising from global realignments, it also poses strategic complications. Strengthening relations with China and Russia may create tension with the U.S., while economic rivalry within BRICS might undermine Saudi Arabia's ambitions for leadership (Gause, 2016). Vision 2030's economic transformation and strategic realignment exemplify a purposeful hedging strategy aimed at augmenting Saudi Arabia's long-term geopolitical independence and global prominence.

4.3. The Geopolitical Triangle in Relation to Vision 2030

The longstanding U.S.-Saudi partnership has been fundamental to American policy in the Middle East, focused on shared interests in oil security and regional stability. Since the 1930s, when oil was initially discovered in Saudi Arabia, this relationship has developed into a profound collaboration that has bolstered both economic and strategic objectives for the two countries. Gause (2016) asserts that the alignment between the U.S. and Saudi Arabia has been crucial for Saudi stability and has reinforced U.S. interests by ensuring access to essential energy resources and creating a significant ally in a tumultuous area. Nonetheless, the fundamental premise of this relationship has progressively altered. The 1973 Oil Crisis, as noted by Issawi (1978), enabled Saudi Arabia to utilize its oil exports as a significant political instrument, thereby altering the global view of Saudi influence

internationally. Recent changes, notably the United States' domestic oil production and energy independence resulting from the shale revolution, have transformed the dynamics of this relationship, compelling Saudi Arabia to explore alternate strategies to safeguard its strategic interests.

Saudi Arabia's reliance on oil is being tested by the worldwide transition to renewable energy and the kingdom's diversification objectives outlined in Vision 2030, hence elevating its connection with China. Vision 2030, initiated by Crown Prince Mohammed bin Salman, is an ambitious reform initiative designed to transition Saudi Arabia from an oil-dependent economy to a diversified one, emphasizing industries such as tourism, technology, and finance. This strategic shift corresponds with China's aspirations via the Belt and Road Initiative (BRI), an infrastructure and economic program aimed at augmenting China's influence throughout Asia, Europe, and Africa. Florence Gaub (2019) contends that Vision 2030 and the Belt and Road Initiative possess complimentary aims, both striving to transform economic environments and improve interregional connectivity. Saudi Arabia seeks to link with China to capitalize on Chinese investment and technological proficiency in order to fulfill the developmental objectives of Vision 2030, while concurrently diminishing its need on Western financial assistance. Grand and Wolff (2020) assert that the pragmatic economic engagement with China affords Saudi Arabia financial flexibility and growth prospects devoid of the ideological limitations typically associated with Western alliances.

This expanding alliance with China indicates Saudi Arabia's quest for enhanced geopolitical independence. Vision 2030 embodies an aspiration for diversification, both economically and geopolitically. Khatib (2021) observes that Saudi Arabia's strategic engagement with China, demonstrated by its participation in BRICS and the Shanghai Cooperation Organization (SCO), signifies a shift towards a multipolar strategy. This transition indicates that Saudi Arabia is no longer inclined to maintain exclusive alignment with the U.S. and is proactively pursuing alliances that facilitate a balanced global presence. Saudi Arabia seeks to cultivate stronger relations with China to establish a foreign policy that is robust and responsive to evolving global power dynamics.

The public opinion in Saudi Arabia significantly influences the growing terrain of foreign policy. Recent research conducted by the Washington Institute indicates a notable transformation in the perspectives of Saudi nationals, especially within the younger demographic. A significant number of Saudis regard China positively regarding economic collaboration and technological progress, as China's economic framework aligns with Saudi Arabia's aspiration for a diverse, sustainable economy. This change in popular mood, fostered by Vision 2030, corresponds with the kingdom's extensive social transformation initiatives intended to modernize Saudi society and diminish the prevalence of reactionary views. With growing popular endorsement of economic pragmatism above conventional alliances, Saudi leadership is emboldened to forge ties with non-Western nations, such as China, in manners that may have previously been limited.

The dynamics among the U.S., China, and Saudi Arabia currently illustrate a multifaceted balancing endeavor for Saudi leadership. The monarchy is a major partner of the U.S. in security cooperation, while being dedicated to enhancing its economic relations with China. Gause (2016) emphasizes that this diversification strategy reflects Saudi Arabia's endeavors to develop a foreign policy that is not dependent on a singular alliance, thereby providing it with the adaptability to maneuver through the changing international environment. Saudi Arabia's choice to collaborate with China on technology and infrastructure initiatives, notwithstanding U.S. concerns about technology transfer and possible security ramifications, underscores its commitment to an autonomous trajectory that aligns with its national interests under Vision 2030.

4.4. Consequences for Saudi Foreign Policy and Global Relations

Saudi Arabia's foreign policy has historically focused on its partnership with the United States, especially concerning oil security and regional stability. In recent years, the kingdom has strategically broadened its alliances, particularly with China. This transition is essential for comprehending the intricacies of Saudi Arabia's Vision 2030, which aims for both economic diversification and a reconfiguration of its geopolitical ties. The focus

of Vision 2030 on economic diversification and modernization influences Saudi Arabia's foreign policy. Grand and Wolff contend that Vision 2030 may result in a recalibration of Saudi Arabia's longstanding partnerships. As the monarchy reduces its reliance on oil revenue, it may endeavor to establish a more autonomous foreign policy and foster new alliances, especially with developing countries like China. Saudi Arabia aims to establish itself as a pivotal actor in a multipolar global order. The Kingdom has strengthened its relations with China, its principal commercial partner, and engaged in collaboration with Beijing on technology transfer and infrastructure development. Riyadh does not intend to supplant Washington with Beijing as its principal ally; rather, it perceives China and Russia as strategic allies that can enhance its current affiliations with Western countries. This multipolar strategy enables Saudi Arabia to maneuver through intricate international dynamics while protecting its Vision 2030 objectives.

Notwithstanding the ambiguities regarding the results of these diplomatic initiatives, Saudi Arabia's assurance in its economic and geopolitical position has empowered it to pursue an independent trajectory. Encouraged by robust economic growth and an enhanced international standing, Riyadh is committed to fostering positive relations with all major nations while resisting external pressures to align with specific geopolitical rivalries (Borck, 2023)

Ultimately, Saudi Arabia's shifting foreign policy signifies a strategic transition from reactive and militaristic approaches to proactive and pragmatic diplomacy. The Kingdom's revised strategy highlights its dedication to ensuring a stable and prosperous future, domestically and internationally, as it redefines its position in the evolving geopolitical environment (Borck, 2023).

This cooperation with China has numerous consequences. Economically, it denotes increased dependency between the world's foremost oil exporter and its principal buyer. This relationship is crucial for global energy security, particularly as both nations pursue a transition to more diversified and sustainable energy sources. The Sino-Saudi cooperation diplomatically signifies a wider reconfiguration of global power, with China

establishing itself as a significant actor in the Middle East, while Riyadh reinforces its status as an autonomous regional power. This relationship may have enduring effects on regional security, especially in influencing policy about technology, cybersecurity, and defense collaboration.

This expanding alliance aligns with the broader framework of Saudi Arabia's evolving foreign policy aims. It signifies Riyadh's aspiration to assume a prominent position in a multipolar world, enabling it to equilibrate its affiliations with Western powers such as the United States and burgeoning global entities like China. By uniting with China, Saudi Arabia diversifies its strategic ties and elevates its global position as a conduit between the Global South and the West. Simultaneously, China utilizes its alliance with Saudi Arabia to amplify its influence throughout the Arab world and establish a presence in the resource-abundant Gulf region. Moreover it remarkably showed that Chinese President Xi Jinping wants to amend ties with the Kingdom of Saudi Arabia after his visit back in December 2022—the first since 2016.

4.5. Obstacles and Critiques of Vision 2030

Although the objectives of Vision 2030 are ambitious, Grand and Wolff highlight certain problems and objections that may impede its execution. A notable challenge is the kingdom's socio-political environment, which continues to be conservative despite recent attempts at liberalization. For instance, although MBS has eased specific social constraints, including permitting women to drive and encouraging entertainment initiatives, there exists opposition within Saudi society (Grand & Wolff, 2020).

Critics dispute the feasibility of Vision 2030 achieving its stated goals without reforming the Kingdom's political structure. Al-Rasheed (2020) contends that economic reforms should be paired with political reforms to guarantee enduring stability and sustainability. The persistent challenges of regional instability, especially in Yemen and Iran, exacerbate Saudi Arabia's reform goal. Economic challenges are significant, as realizing the diversification objectives of Vision 2030 necessitates substantial financial investment and

ongoing dedication to transformation. Grand and Wolff observe that although Vision 2030 seeks to diminish governmental reliance, the Saudi economy remains predominantly state-driven. Furthermore, the economic repercussions of the COVID-19 outbreak have exacerbated Saudi Arabia's reform initiatives, imposing financial burdens on the country and underscoring the persistent instability of global oil markets. These issues highlight the challenges Saudi Arabia encounters in liberating itself from oil dependency and establishing a robust, diversified economy.

Bronson's notable contribution is her analysis of the changes in U.S.-Saudi ties following the ascension of King Salman and his son, Crown Prince Mohammed bin Salman. Despite her analysis was published prior to the complete implementation of Vision 2030, Bronson anticipates the obstacles confronting Saudi Arabia in sustaining its influence amid evolving global energy markets and increasing U.S. energy independence. She posits that the new Saudi leadership signifies a pivotal shift in the kingdom's strategy regarding its alliance with the U.S., as they endeavor to attain increased autonomy in the pursuit of economic and security objectives.

Bronson's viewpoint is especially pertinent when examined in conjunction with contemporary studies, including Khatib (2021) and Kéchichian (2019), which investigate the ramifications of Vision 2030 on Saudi foreign policy. Bronson emphasizes the historical reliance on oil, however Khatib and Kéchichian contend that Vision 2030 represents Saudi Arabia's endeavor to diversify its economy and diminish its dependence on oil exports. This transition undermines the conventional basis of U.S.-Saudi relations, as Saudi Arabia endeavors to forge new alliances beyond the United States, indicative of a wider realignment in its foreign policy approach. The geopolitical ramifications of Vision 2030 surpass mere bilateral relations. The changes have allowed Saudi Arabia to pursue a more autonomous and assertive foreign policy, especially in its interactions with regional adversaries such as Iran. (Feierstein, 2018) emphasizes that Saudi Arabia's diversification and economic changes under Vision 2030 have enabled the nation to diminish its dependence on external security assurances and to initiate engagement with

its opponents. Saudi Arabia has sought to enhance relations with Qatar and Iran, illustrating the interconnection between economic development and regional stability.

The Belt and Road Initiative (BRI) aims to augment trade across Asia, Europe, and Africa while fostering world peace and cultural enrichment. Saudi Arabia's strategic geographical position establishes it as a pivotal participant in this project, harmonizing seamlessly with Vision 2030, which underscores the Kingdom's capacity to leverage its location as a conduit between continents.

By engaging in the BRI, Saudi Arabia can deepen its integration into the global economy, augment trade and investments, and reinforce its position as a regional and global center for commerce and diplomacy. The Belt and Road Initiative (BRI) strongly complements Saudi Arabia's Vision 2030, since both efforts are strategically aligned to promote mutual economic progress and regional integration. Fulton (2020) cites five key areas where Sino-Saudi engagement flourishes under the BRI framework: strategic policy alignment, greater infrastructural connection, broad economic links, expanding financial integration, and expanded cultural and interpersonal contacts. China's strategic vision complements Saudi Arabia's economic diversification initiatives, transforming their relationship from transactional oil trades to comprehensive economic and infrastructure cooperation. Amin H. Nasser, CEO of Saudi Aramco, has underlined the need of strategic alignment, arguing that conventional buyer-seller interactions should be transformed into deeper collaborative investments targeted at supporting China's economic advancement.

Saudi Arabia remains China's most important Middle Eastern economic partner and principal oil supplier, bolstering China's energy security—an essential component of the Chinese Communist Party's political legitimacy (Zhu, 2011). The 2020 oil market slump induced by the COVID-19 epidemic underscored China's economic significance to Saudi Arabia, demonstrating weaknesses inherent in a rentier economic framework primarily reliant on oil exports (Fulton, 2020). As a result, Saudi Vision 2030 stresses economic diversification through major foreign direct investment and collaborations with

multinational firms. China has emerged as a crucial facilitator of these investments, playing an important role in Saudi Arabia's overall economic reform initiatives.

Recent activities demonstrate the economic depth of this alliance. In 2019, Saudi Aramco signed a \$10 billion agreement with Zhejiang Petrochemical to build a refinery in China, with the express goal of strengthening China's energy security (Gnana, 2019). Saudi Arabia and China strengthened their strategic partnership by signing approximately \$30 billion in agreements in late 2022 across a variety of sectors, including renewable energy, cloud computing, and infrastructure development, with Chinese technology giant Huawei prominently involved. Huawei's development in Saudi Arabia, notably in the construction of 5G networks and high-tech complexes, demonstrates stronger technical integration within the Kingdom's Vision 2030 ambitions.

Furthermore, Saudi Arabia has approved a number of strategic agreements with Chinese companies, including Saudi Aramco's partnership with Shandong Energy for petrochemical refining and the establishment of electric vehicle production through a collaboration between Saudi Sumou and Chinese ENOVATE Motors (Aizhu, 2022). The Kingdom has permitted the operation of a Chinese bank within its boundaries, indicating further financial integration (Reuters, 2020). China's involvement as an alternate supplier of military weapons highlights Saudi Arabia's hedging strategy in the face of anticipated American withdrawal. Although not as broad as its defense cooperation with the United States, Saudi Arabia sees China as a supplemental supplier of advanced military technology, such as the Chinese HQ-9 missile defense system, which the United States has been hesitant to deliver. This increasing military dimension, albeit small, is strong enough to indicate a gradual shift in regional power.

Furthermore, Soummane, Ghersi, and Lecocq (2022) identify other non-energy industries as part of Saudi Arabia's ongoing diversification agenda, including manufacturing, machinery exports, tourism, and fiscal policy advances. Chinese participation in these areas is growing, highlighting Beijing's strategic economic influence over Saudi Arabia's future. The significant economic, scientific, and strategic links between China and Saudi

Arabia have complicated geopolitical repercussions. Given Saudi Arabia's strategic alliances with China and Russia's strong bilateral connection, managing Western-imposed sanctions on nations such as Russia would be challenging. Nonetheless, the Sino-Saudi alliance indicates mutual understanding of each other's strategic and economic interests, which supports their strong but delicately balanced cooperation.



CHAPTER V

CONCLUSION

This thesis has analyzed the significant evolution of Saudi Arabia's political, economic, and foreign policy structures, emphasizing its shift from previous reliance and the reorganization of its international ties. Rooted in strategic hedging theory within the context of neorealism, the study examined the alignment of Saudi Arabia's growth with its Vision 2030, including both domestic requirements and foreign obstacles. The research has rigorously analyzed the Kingdom's developing foreign policy strategies, highlighting the decrease in dependence on the United States and the augmentation of its impact in a multipolar world. Saudi Arabia's strategic realignment demonstrates its attempt to mitigate the risks stemming from its historical dependence on American security assurances and the evolving global power dynamics. Vision 2030 seeks to diversify the Kingdom's economy, foster innovation, and enhance geopolitical influence by strengthening partnerships with emerging countries like China, while readjusting its enduring partnership with the United States. The initiatives described—namely economic diversification, private sector development, and increased female workforce participation—highlight Saudi Arabia's commitment to creating a sustainable, knowledge-driven economy while reinforcing its standing in global politics.

Concurrently, Saudi Arabia's foreign policy has undergone a substantial metamorphosis, moving away from its historical reliance on the United States for security and economic partnerships. This recalibration indicates discontent with U.S. commitments, particularly following the 2019 assaults on the Abqaiq and Khurais oil facilities and the perceived insufficiency of American assistance in sustaining regional security. The Kingdom's establishment of new partnerships, particularly with China and Russia, indicates a strategic transition towards a more diversified foreign policy. Saudi Arabia's actions, such as reconciliation with Iran, negotiations with the Yemeni Houthis, and engagement with

the BRICS grouping, illustrate its aspirations to position itself as an independent regional and global power. The facilitation of the Saudi-Iran normalization deal by China highlights Saudi Arabia's increasing capability to navigate divergent global interests, therefore enhancing its autonomy in a multipolar world.

Saudi Arabia's strategic realignment is intrinsically connected to its primary goal of securing domestic stability and advancement, highlighting the relationship between its internal and exterior policies. The study examined Saudi Arabia's evolving position in regional dynamics, exemplified by its involvement in the Gulf Cooperation Council (GCC), the restoration of relations with Qatar after the embargo, and its pragmatic engagements with Syria. These activities demonstrate Riyadh's aspiration to reinforce its dominance in the Arab world while positioning itself as a crucial mediator in crises and regional security matters. Saudi Arabia's hedging policy demonstrates a comprehensive effort to maintain security links with the United States while enhancing political and economic ties with developing states.

Strategic hedging substantiates the assertion that Saudi Arabia's foreign policy alterations are intentional rather than reactive, serving as a calculated approach to safeguard its political and economic prospects in a multipolar landscape. Saudi Arabia is leveraging its economic reforms under Vision 2030 to establish itself as a significant player in global energy and trade networks, enhance its geopolitical independence, and fortify relationships with emerging powers like China and India. Saudi Arabia's revised strategy reflects a concerted effort to mitigate the dangers associated with the perceived waning of American power while positioning itself as a significant player in the emerging multipolar landscape.

This thesis concludes that Saudi Arabia's strategic departure from its previous dependence on the United States, exemplified by Vision 2030, embodies a multifaceted and progressive strategy. Saudi Arabia is progressing towards greater strategic autonomy and influence within the global framework by diversifying its economic foundations and expanding its geopolitical relationships. This transformation safeguards the Kingdom's

enduring political and economic interests and positions it as a stabilizing force in the Middle East.

Driven by its change from a rentier state to a diversified, knowledge-based economy, this theory has shown Saudi Arabia is going through a significant transformation. Reflecting the Kingdom's deliberate attempt to reposition itself in a fast changing global order, this metamorphosis is not just financial but also profoundly geopolitically. The study highlighted how economic diversification under Vision 2030 is intimately related to Saudi Arabia's geopolitical hedging strategy, therefore showing the junction between its domestic reform and its foreign policy recalibration.

This thesis has demonstrated how internal and external pressures shape Kingdom's strategic decisions by following important historical events including Saudi Arabia's reliance on oil during the oil boom, its foreign policy alignment with the United States during the Cold War, and the changing character of this relationship in the post-9/11 period. Using strategic hedging as a theoretical framework emphasizes how Saudi Arabia is diversifying its relationships and lowering reliance on any one player, especially the United States, so managing the changing balance of power.

Strategic hedging used theoretically supports the case that Saudi Arabia's foreign policy changes are not reflexive but rather part of a planned strategy to protect its political and economic future in a multipolar world. Saudi Arabia is using its economic changes under Vision 2030 to assert itself as a major actor in world energy and commerce networks, obtain more geopolitical autonomy, and strengthen connections with rising nations such as China and India.

The adjusted approach of Saudi Arabia shows a larger attempt to strike a compromise between preserving security relations with the United States and strengthening political and economic connections with emerging countries. This paper has shown that the strategic hedging strategy of the Kingdom is meant not only to reduce the risks connected

with the seeming decrease of American influence but also to establish Saudi Arabia as a major participant in the developing multipolar order.

Finally, this thesis finds that Saudi Arabia's strategic break from prior reliance on the United States marked by Vision 2030 reflects a complex and forward-looking approach. Saudi Arabia is headed toward more strategic independence and influence in the world system by diversifying its economic bases and extending its geopolitical ties. This metamorphosis protects Kingdom's long-term political and economic interests and helps it to establish itself as a stabilizing agent in the Middle East.



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