



The War Of Geo-Economic Hegemony In Saudi-Iran Relations After The Rise Of Muhammad Bin Salman

Shah Fahad Ikram, MPhil Scholar, Department of International Relations, Abdul Wali Khan University Mardan Email; fahadmiraj90@gmail.com

Dr. Abdul Shakoor, Assistant Professor, Department of International Relations, Abdul Wali Khan University Mardan. Email: abdulshakoor@awkum.edu.pk

Dr. Sajjad Ali Khan, Assistant Professor, Department of International Relations, Abdul Wali Khan University Mardan. Email: sajjadali@awkum.edu.pk

Dr. Ahmad Ali, Assistant Professor, Department of Sociology, Abdul Wali Khan University Mardan. Email: dr.ahmadaup@gmail.com

Abstract

Saudi Arabia and the Islamic Republic of Iran are two important states of the Middle East but their relationships are restrained for decades due to ideological differences. After the rise of Muhammad Bin Salman, the young crown Prince of Saudi Arabia, the old enmity of ideological and religious differences with Iran has transformed into geo-economic hegemony in the region. The purpose of the current study is to highlight the geo-economic factor in the strained relationship between Riyadh and Tehran along with the implications thereof for Saudi-Iran relations. Hegemonic stability theory has been implied on this qualitative work as focus is on Muhammad Bin Salman's rise since 2015. The data shows that this paradigm shift is inherently driven by Saudi Arabia's opprobrium view of Iran's military capabilities. The crown prince wants to create hegemony in the region through its strong and thriving economy as Iran is under international sanctions. This research shows that the geo-economic hegemony in Saudi-Iran relationships is clearly visible after the rise of Muhammad Bin Salman and his vision 2030 is a clear manifestation of it. Beside confrontation there also lies opportunities between them where they can cooperate as both are largest producer of oil in the region. The joint venture in oil sector can lift the whole region and ummah.

Keywords: Saudi Arabia, Iran, Muhammad Bin Salman, Ideological difference, Geo-economics, Strained relationship, Hegemony.

Introduction

After the rise of Muhammad Bin Salman, the young crown prince, Saudi-Iran's tough relationship has transformed from the historical and ideological factors to geo-economics. Iran's military is stronger than Saudi Arabia but it has a weak economy as compared to Saudi Arabia (Chughtai, 2018). This is why more focus is being given to economics both domestically and internationally by Riyadh. Muhammad Bin Salman domestically has brought a lot of social and economic reforms to create more avenues of revenue other than oil to make its economy sustainable. On international front Saudi Arabia has begun huge investment and trade deals with Pakistan, China, India, and Malaysia to strengthen its footprints abroad.

Now the young Saudi crown prince is in pursuit of becoming a regional dominant player and spreading its influence in the Gulf region with its strong economy which is backed by a strong defense. A strong economy is a pre-requisite to a strong defense and a strong defense is a pre-requisite to spread the influence and hegemony across the Middle East. But Iran is the main hurdle in the way of Saudi hegemony and influence in the region due to its historical background, strong military, large territory, and role in the region. Iran also wants to dominate the region and lead the Islamic world which is in sharp contrast to Saudi Arabia's desires (Huwaidin, 2015).

Kingdom Saudi Arabia is a traditional Sunni absolute monarchy founded in 1932, having close ties and relationships with the western world and especially with the United States. Riyadh considers itself the true leader of the Islamic Ummah. While modern Iran is a historical old Shia-dominated country. It became an Islamic republic after the Islamic revolution in 1979, with a different political system as compared to the Kingdom of Saudi Arabia that includes the essence of a parliamentary democracy supervised by a "theocracy" and governed by a supreme leader (Marcus, 2017). Despite the "Islamic stance" and nature of the formation of their state of both countries, there has been a serious difference of opinion on many issues and also in their foreign policies (Gause, 2014). For more than 80 years the relations between the kingdom of Saudi Arabia and the Islamic Republic of Iran have been in the dull drum (Fanack, 2018). It has been shaped by distrust and desperate decisions. Both countries' rivalry has serious implications whether it is economic, political, or security-wise for the region. For the kingdom, the threats of security from the Iranian side are the same as those emanating from the rest of the neighboring Gulf countries. To the kingdom, Saudi Arabia, the new Iran after the Islamic revolution of 1979 is a direct eminent ideological and political threat (Gause, 2014).

When Shah Raza Pahlavi was in power in Tehran, the relationship was normal despite the differences over the politicization of hajj and oil pricing (Rich, 2016). But after the revolution of 1979, the relations have become worse because the "theocracy" of Iran has put a direct threat to the kingdom of Saudi Arabia and other Sunni monarchies. It was important for the

new Iranian set up after the 1979 revolution to export its ideology to get local and domestic legitimacy (Keynoush, 2016). This has been transformed into a battle of leadership in the region more dramatically. A race for supremacy in the region has begun between the two countries. The Iran-Iraq eight years' war in the 1980s further strained the relationship and animosity as the Saudi support was behind the Iraqi troops (Antonopoulos, 2017). A new turn came in the strained relationship with the growth of new phenomena of sectarian strategies. Both Riyadh and Tehran have founded the new sectarian partners to be the most effective tool for projecting power across the region (Hashmi, 2017). The armed proxy conflicts in Iraq, Syria, Lebanon, Yemen, and political uprising in Egypt and Bahrain are widely known to have Iranian and Saudi political and material support (Fanack, 2018).

This research is geared towards the analysis of the new economic factor in the rivalry and strained relationship between Saudi Arabia and Iran. This will help us to understand how this shift in Saudi Arabia policy has come after the Muhammad Bin Salman rise and why the economic factor has been incorporated by Muhammad bin Salman in the Saudi Arabia policy.

The purpose of the study is to examine the new economic factor in the Saudi Arabia and Iran rivalry and their strained relationship in the Middle East. These two nations are the leading political and Islamic powers in the region and have seen the tension between them for decades. Both countries value the idea of how to become the leader of the Islamic world. Each country differs in its values, ideology, and politics.

Due to the political structure and system in Saudi Arabia, political, social, and economic change occurs very rarely. The Gulf region and the Middle East at large see any change in the kingdom power corridor and policy as a big development because it has implications for the entire region. The rise of Muhammad bin Salman, the young crown prince is that sort of a change for the entire region. There are also opportunities for Riyadh and Tehran to cooperate but due to their strained relationship, the whole Middle East is in a constant flux of conflicts.

Problem Statement

Saudi Arabia and Iran have had a strained relationship for decades due to historical and ideological factors. Now with the rise of Muhammad Bin Salman the animosity and a strained relationship seem to have transformed from the historical and ideological factors to geo-economics. The young crown prince seems to be in pursuit of regional hegemony with a strong economy that can influence the region backed by a strong defense. But Iran is the main hurdle in the way of Saudi influence and hegemony in the region. The latter also wants to dominate the region and have a sphere of influence due to its large territory, history, and a strong military. A strong economy can be the key to influencing the region and that is why the young crown prince is focusing on the geo-economics that has led to the introduction of a new factor in the Saudi Iran Strained relationship. This will have multiple implications and consequences for both countries and the entire region. Besides the troubling relationship,

there also lies some opportunities and challenges for both countries.

Significance of the study

The Middle East is very important both strategically and politically as it is the hub of oil and gas. The region is the world's largest oil and gas supplier. The US military presence also shows the significance of the region. The whole Muslim world directly or indirectly suffers from the enmity between Saudi and Iran, especially Pakistan which is the close neighbor of Iran on one side and has a strong bond of relationship with Saudi Arabia on the other.

This research is going to help all the Muslim countries as well as Pakistan in particular to understand and analyze the Saudi-Iran new geo-economic strategies. This work will provide a research base data to all the regional countries to understand the new geo-economic phenomena of Saudi and Iran relations.

This study will also enable and help us to understand why and how the rivalry between Saudi and Iran has changed from historical and religious factors to geo-economics. The work will also allow us to identify the conflicting zones as well as the areas of cooperation where both countries' interests have convergence and can cooperate for a win-win situation.

No significant work has been done on the economic side. A lot of work has been done on the geopolitical and religious factors. This economic factor after the rise of Muhammad Bin Salman is a new phenomenon. This research explains and gives us the new dimension of the Saudi Iran strained relationship, which is very important for the governments, policymakers, think tanks, academicians, and above all the discipline of international relations and its students to understand the current ongoing situation of the Gulf region. Theoretically, it will contribute to the political economy of the International Relations discipline.

Research Methodology

The qualitative method has been used for this research as the focus is on the specific time of Muhammad bin Salman's tenure as economic, defense minister and then crown prince from 2015 to 2019. The examination of the content of public speeches given by the officials of both countries is especially important for this research. The official statements will provide insights into how leaders of respective countries perceive the competitor and the role that their country has to play to counterbalance the challenger. Moreover, the research will take a case-study approach as more than one theory can be applied to such sort of research.

Date Collection

Data has mainly been collected from secondary sources e.g., Newspapers, Research articles, Documentaries, Books, TV Programs, and Interviews along with Official Statements of Saudi Arabia and Iran. We have also utilized and analyzed carefully the official statements of Saudi Arabia and their newspapers about Iran, and how they portrayed the Iranian government and its policies towards Riyadh. What the Iranian government official statements and their

newspapers says about the Kingdom of Saudi Arabia has also been analyzed.

The Rise of Muhammad Bin Salman

After the death of King Abdullah in 2015, his elder son Salman bin Muhammad was ascended to throne. The new incumbent king has appointed his 56 years old nephew Prince Muhammad bin Nayef as crown prince. He also appointed his younger son Muhammad Bin Salman as defense minister. He was also given charge of the economic council chairmanship to overhaul the economy. As defense minister, he first started a military campaign in Yemen against the Houthis to prevent them from power there. On the other hand, for economic overhaul, Muhammad Bin Salman introduced an ambitious reform program called Saudi vision 2030. According to the ambitious program, the plan is to diversify the country's economy and make it more sustainable (Rahima, 2019).

Historically the Saudi's economy is dependent on petrol. The rise and fall in the petrol prices directly affect the country's economy and that's why prince Muhammad Bin Salman has decided to search for more avenues of revenues other than petrol to have a sustainable economy. He also decided to establish a more effective and large sovereign wealth fund of approximately \$2 trillion. Under the plan, he also outlined the privatization of airports, health care, and education.

Prince Mohammed also maps out a series of social reforms within the kingdom, including investing in cultural events and entertainment facilities. Vision 2030 helps Muhammad Bin Salman gain further attraction internationally as a reformer and solidifies him as the new face of the Saudi monarchy.

In 2017 king Salman Bin Muhammad sideline the royal customs and traditions by replacing his young son Muhammad bin Salman as the crown prince with Muhammad bin Nayef. It was a difficult and controversial decision for all the princes. Soon after becoming the crown prince Muhammad Bin Salman lead Saudi Arabia and other Arab coalition partners to cut down diplomatic ties with the state of Qatar. The Saudi-led coalition also blocked the air land and searoute for Qatar. The Saudi-led coalition demands that Qatar shut down news outlet Al Jazeera and cut ties with Iran, or else the blockade would continue (Nasa, 2019).

Saudi Vision 2030

Overview

Saudi Vision 2030 is an ambitious plan of the crown prince, Muhammad Bin Salman which he has announced in 2016. He is the main architect of this huge plan to diversify the Saudi economy completely, and not rely primarily on oil dependency. According to the official Saudi vision 2030, document the plan has many mega-projects and goals. Saudi Arabia is at the heart of the Arab and Islamic world and connects three different continents. Due to this strategic and important geographic position, Saudi Arabia can easily become the investment and

economic powerhouse of not only the region but of the world. This vision has set out 96 strategic objectives. The pillars of this vision rest on three main notions. E.g., A vibrant society based on strong roots and foundations. A thriving economy due to its unique geostrategic position with rewarding opportunities. The third pillar is that Saudi Arabia has an effectively governed model and responsibly enables the system. From strengthening Islamic values and national identity to offering a full-filling and healthy life to grow and diversify the economy is the main theme of the Saudi vision 2030. To understand in brief some of the goals and objectives are as follows.

According to the Saudi vision 2030, a comprehensive plan has been made to achieve the various targets and goals which are as follows.

- To increase the capacity of Umrah visitors from 8 million to 30 million every year. To more than double the different Saudi heritage sites.
- To have three cities be recognized in the top-ranked 100 cities of the world. To lower the unemployment rate from 11.5 % to under 7.
- To increase SME contribution from to GDP from 20 to 35%.
- To increase women's participation in the workforce from 22% to 35%. To increase women's participation from 22% to 30%.
- To move from the current position of 19 largest economy to top 15. To increase localization of oil and gas sectors from 40 % to 75 %.
- To rise from the current position of 25 to the top 10 in a global competitive index.
- To increase foreign direct investment from 3.8% to an international level of 5.8 % of the GDP. To increase the private sector's contribution from 40 % to 65% of GDP.
- To raise the non-oil exports, share in GDP from 16 to 50%.
- To increase non-oil revenue from SAR 163 billion to SAR1 trillion.
- To rally one million volunteers per year (compared to 11,000 now (Saudi Vision 2030, 2017).

The Need for Vision 2030

The original idea of 2030, came from the "Saudi beyond oil" document written and developed by a consulting business firm of McKinley Global Institute (MGI) in 2015. The report was based on the kingdom's excessive use of oil and more dependency on it. This report highlighted more avenues of revenues to the kingdom for the diversification and more

sustainability of the economy. According to the report, the Saudi economy is run by oil, fed by oil, and sustained by oil. The oil revenues contribute roughly about 42 % to the kingdom's GDP, 90 % export earnings, and 87 % in budget revenues. According to the MGI report, the oil prices boom from 2003 to 2015 has helped Saudi Arabia to become the 19th largest economy. Soon after the rise in oil prices, the Saudi economy has risen but with the downfall in prices, the economy was again hit badly and showered down. This gives Muhammad Bin Salman, a chance to diversify the economy and not rely on the rise and fall of oil prices (Nuruzaman, 2018).

Why Hegemony in the Region through Economics?

Iran economically has become very weak due to international sanctions imposed by the US which Riyadh fully supports the region. Since Iran wants a greater role in the Middle East due to its Islamic revolutionary ideology. This economic weakness has a direct impact on Iran's bargaining position and influence in the region and hedges Persian Empire rule which Saudi Arabia is opposing and preventing in the middle with its strong economy now. So far sectarian groups and proxies were being used to stop each other's influence in the region, but now after the rise of Muhammad bin Salman, and the economic downfall of Iran has given edge and leverage to Riyadh to dominate the region with economics.

As hegemonic stability theory states that a system needs a hegemon who has a strong economy with a strong defense to stabilize the system. Now Saudi Arabia is doing that, making its economy more reliable and sustainable to dominate and have hegemony in the region. Iran was the main hurdle in Saudi Arabia's way and militarily it was difficult for Riyadh to counter Tehran. As the world has changed now from conventional wars to economic warfare. Keeping this change in mind the Saudi young crown prince is pushing its strong and thriving economy to counter Iran's influence and politics in the region. Saudi Arabia has given huge economic grants to Bahrain, Egypt, Lebanon, Iraq, Yemen, and Jordan. The \$20 billion investment announcement by the crown prince in Gawadar for the Petrochemical complex and oil refinery and a similar sort of investment announcement in India is a clear indication that the Saudi crown prince is thinking in terms of geo-economics. Iran is a neighbor to both India and Pakistan and the Saudi announcement of huge investment here is a sign of the geo-economic encirclement of Iran.

Strong and Thriving Economy.

Saudi Arabia has a strong and thriving economy. The 2019 budget alone was the highest in the region. Far from the reach of even Iran. It has crossed the one trillion mark with an estimated expenditure projection lies SAR 1.1 trillion. This huge budget of 2019 was a manifestation and support towards crown prince vision 2030. The non-oil revenue for the 2019 budget was also set very high reaching 313 billion in 2019 with an increase of almost 9 percent. So, on one hand, Saudi has given its highest budget and on the other side, Iran has struggling big time with its falling and sanctioned economy. Due to which the social

development progress has been halted. Iran crude oil production has been also affected hence resulting in the dollar's shortage and high inflation. Dollars were coming to Iran primarily due to the large share in the international market but due to sanctions all went wrong against Tehran. Saudi Arabia has also isolated Iran within OPEC. Iran's currency has also been affected very much as a result of high inflation in Iran. This has given leverage to Riyadh to manipulate the region, OPEC, and international oil market more effectively. It also served the kingdom to push Iran hard with its economy and spread its influence through bail-out packages and economics in the region.

External factors

Reducing Iran's Influence in the Region through Economics

After the Arab spring in 2011, many authoritative "regimes" fall or saw an eruptive change in the Middle East. The tipping point of all the uprisings across the region was the bad economic affairs of the various respective countries. So, it is very clear that economics shapes the politics and policy of various countries in the Middle East. Almost in the whole world, it is the economics and political economy which decides and influences the state's decisions. Among all the Middle East countries, Saudi Arabia is the most stable country both economically and politically. Saudi Arabia wants this strong position to use as a tool to counter the influence of Iran in the region. The economy of Iran is struggling due to the international sanctions imposed by the US over its long-disputed nuclear program. After the Trump withdrawal from the Iran nuclear deal in May 2018, the sanctions have more become robust. This has led to more vulnerability in Iran, where inflation and local petrol prices have hit the Iranians very badly. Iranian currency was also affected by the sanctions which led to a sharp deprivation. This situation where Iran is economically down and Saudi Arabia is up with its thriving economy has given leverage to Riyadh to dominate the region with its Petrodollars. Egypt, Bahrain, Iraq, Jordan, and Lebanon are in the middle of an economic crisis which has led to the mass protests again in 2019 after the Arab spring of 2011. In this situation only, Riyadh in the region is in the position to help and bail out them. The economic vulnerabilities of the Middle East continue to spark and rise, which has made Riyadh a hegemon in the region. Saudi sees this situation as a clear chance and opportunity to use its economy for debt diplomacy and reduce the influence of Iran in the region via its economy. Most of the countries in the Middle East are now looking towards Riyadh for help and bailout instead of Tehran due to its strong economy.

Saudi's Consolidation of the Economy

While Iran is struggling with its economy due to heavy international sanctions, Saudi Arabia has successfully consolidated its economy to boost its influence in the region. Saudi Arabia in the troubled Middle East region is one of the advanced and in the top 20 economies of the world. Saudi Arabia in the Middle East is the only country which is in the G-20. This gives leverage to Riyadh to convince international powers against Tehran, to pressurize it on its

ambitious nuclear program as well as international sanctions. Saudi Arabia has the largest proven oil reserves in the Middle East and its economy is mainly dependent on it as Riyadh is the biggest exporter of oil in the international market. In addition to petroleum, the kingdom is also having the 5th largest natural gas reserves with a total worth of about \$33.2 trillion, Saudi Arabia has the second most abundant natural resources in the world.

In 2016, the Government of the kingdom Saudi Arabia announced vision 2030, Program to diversify its economy from oil dependency. The consolidation of Saudi's economy is quite visible from the fact that its budget of 2019 has accomplished its surplus for the first time since 2014 in the first quarter of 2019. This surplus was about \$ 10.15 Billion which was comprised of oil and non-oil revenues. According to Saudi Arabia's official data, proven petroleum reserves are estimated to be 260 billion barrels, which is about one-quarter of the total world reserves. Petroleum in Saudi Arabia is not only under pressure but is also very close to the earth's surface. This unique feature has added the kingdom to one of the cheaper oil suppliers in the world as well as more profitable. This is why Saudi Arabia is the biggest producer and largest exporter of oil in the international market. Iran on the other side has also huge reserves of oil and gas but is being unable to sell them in the international market due to international sanctions.

The petroleum sector accounts for roughly 87% of Saudi budget revenues, 90% of export earnings, and 42% of GDP. Saudi Arabia's oil reserves and production are largely managed by the state-owned corporation Saudi Aramco. Another 40% of GDP comes from the private sector. An estimated 7.5 (2013) million foreigners work legally in Saudi Arabia, playing a crucial role in the Saudi economy, for example, in the oil and service sectors. The government has encouraged private sector growth for many years to lessen the kingdom's dependence on oil and to increase employment opportunities for the swelling Saudi population. In recent decades the government has begun to permit private sector and foreign investor participation in sectors such as power generation and telecom and acceded to the WTO. During much of the 2000s, high oil prices enabled the government to post budget surpluses, boost spending on job training and education, infrastructure development, and government salaries.

Market prices are estimated by the International Monetary Fund and other sources, with figures in millions of Saudi Arabian Riyals (SR). Mean wages were \$14.74 per man-hour in 2009.

Economic Vulnerabilities in the Region and Saudi's Response

After the Arab Spring, the majority of Middle East countries have seen and witnessed economic chaos and instability. This economic vulnerability and instability in the region have given Riyadh a chance to assert itself and influence the affairs of various important countries. Iran on the other hand, despite its wishes to be the hegemon of the region, has been overdone by Saudi through its economic diplomacy. Saudi Arabia has full cash and utilized the regional

economic vows and responded with it effectively, as a result, has paved the way for Riyadh regional hegemony and influences the Middle East affairs. Some of the economically vulnerable countries in the Middle East and Saudi Arabia response are as follows.

Iraq

The kingdom has helped a lot economically the war turned country Iraq more than anybody else. This is also because Riyadh wants to a minimum the influence of Iran in the affairs and decision-making process of Iraq. For this purpose, a lot of trade and aid packages have been extended to Iraq. On the other hand, Iran cannot match the economic power capabilities as Saudi Arabia has. Hence leaving Iraq politicians and establishment softly towards the kingdom. Tehran has traditionally and historically been involved in the affairs of Iraq for years due to the huge Shia population. To counter Iran, influence there, it was hard for the kingdom to negate it. Thus, leaving one option to counter it through economics as Iran is struggling with its fragile economy. Saudi Arabia has done the same used its economy and trade agreements to curb the Iranian sphere of influence. The Iraqi imported market is dominated by Iran since 2003, around \$12 billion of consumer products have been exported in 2017 (Soleman, 2018). To this Saudi started its planning and increase of trade and export. Al-Abrar border crossing in August 2017 was reopened to boost the export between the two countries. The kingdom also encourages its private sectors and companies to engage in Iraq as well as increase investments there. Riyadh is also eyeing establishing road infrastructure to link for trade purposes (Badwin, 2016). According to some writers, Kingdom has focused on the rich province of Basra for resources. The southern market of Iraq is long dominated by Iran as now Saudi is pushing itself there to make a case for him. Both countries are now looking forward to opening a connecting pipeline that allows Baghdad to send its precious oil through Saudi Arabia to the red sea.

Bahrain

Bahrain is also facing serious financial problems and uncertainty. This economic crisis has also led to violent mass protests in the capital city in October 2019. In the context of Bahrain's domestic challenges, continuing social tensions and economic stagnation have made Bahrain's Sunni rulers increasingly dependent on Saudi Arabia for security and financial assistance. Although Bahrain has diversified its economy away from oil more than other GCC members have, the 70 percent slide in oil prices since mid-2014 has severely damaged the island kingdom's state finances. Reliant on oil revenues for over 80 percent of the national budget, Bahrain expects its budget deficit to reach nearly \$5.8 billion this year. To counteract this crisis, officials in Manama have implemented austerity measures, including the cutting of gas subsidies and the removal of meat subsidies. Amid economic stagnation, Manama had appealed to Saudi Arabia (which manages Bahrain's largest oil field, Abu Safa, through ARAMCO) for financial support. Saudi Arabia promptly pledged \$1 billion in annual assistance for the next decade on the appeal (Cafiero, 2016).

Lebanon

Saudi Arabia is a historic backer of the Lebanese state and mainly Sunni allies in Beirut. Ties between the two countries have been seen to improve recently, with Saudi Arabia lifting a travel advisory this year against its nationals visiting the country. That follows a strain in relations in recent years as armed Shi'ite Hezbollah, backed by Riyadh's regional enemy Tehran and part of Lebanon's current coalition government, has grown in influence.

Lebanon's economic turmoil has also led to the resignation of Saad Al Hariri due to heavy protests in October 2019, after the unprecedented rise in inflation. Saudi Arabia assisted the government in its reforms to meet the economic shortcomings. The Saudi finance minister after the request for a bailout from Lebanon said,

"We continue to believe and put our money and commitment in Lebanon, we'll continue to support Lebanon and we are working with its government," Jadaan said in an interview with Reuters.

Conclusion

The broad scope and aim of this study were to find why Saudi-Iran's old enmity and the troubled relationship has been transformed into geo-economic hegemony in the region after the arrival of Muhammad Bin Salman as a crown prince. Before the Iranian revolution, the relationship was normal and cooperative but after the 1979 revolution, the relationship between Riyadh and Tehran became very soar. This was because the revolution directly posed a threat to the Saudi monarchy. Hegemonic stability theory was applied to this research and was the main driving theme in this whole study. A lot of research has been conducted on Saudi-Iran rivalry and strained relationships but primarily on sectarian lines only. This research for the first time highlighted the potential economic factor in the strained relationship between the two countries. Both nations have a history of strained relationships due to ideological differences and race for regional hegemony and Muslim Ummah leadership. Saudi Arabia does not want a direct war with Iran because of the strong Iranian military and geography along with a big population. Iran historically has a battle-hardened army and a strong defense as compared to Saudi Arabia who relies more on the imported defense products along with a small army and small population. This scenario has given a chance to Riyadh to lead the region economically as Iran is under various international and US sanctions presently and has huge economic problems. The region at large is also looking towards Riyadh for a bailout or economic assistance as Saudi Arabia has advanced its economy and soft power very much in recent years. Various countries like Iraq, Lebanon, Egypt, and Yemen have been economically supported by Riyadh very much in recent years, which is a clear indication that Saudi Arabia is using its economy to a great effect in the region and want to be a hegemon in the region on it.

The discussion and findings of this study clearly show that after the arrival of Muhammad Bin

Salman as crown prince in Saudi Arabia focus has been shift from sectarian division and politics to geo-economics. Saudi Arabia is investing more and more in other avenues of revenues to boost and consolidate its oil-dependent economy. Various Giga projects have been launched which have been discussed in the paper in detail. The economic vulnerability of the other countries in the region especially Iraq, Lebanon, Egypt has also been discussed and how Saudi Arabia has responded to them.

Hegemonic stability theory suggests two things for a hegemon to have e.g., strong economy backed by a strong defense. Both of these have been addressed by the crown prince in his vision 2030 plan. This clearly shows that Saudi Arabia wants to dominate the region and counter Tehran economically. This suits Riyadh more than a military conflict as in the Neo world where conflicts are fought through economics.

Recommendations

Saudi Arabia and Iran both are very important countries not only for the whole Muslim world but also for Pakistan especially. Riyadh and Tehran's cooperation can change and uplift the whole Muslim ummah. The Muslim world's oil and gas needs can be easily fulfilled if both countries cooperate. The use of high tech and advancement in this field can benefit the whole Muslim community. Saudi Arabia is in a big position as it has the wealth and investment power much more than the rest of the world. So, it can use it to the maximum advantages for the Muslim world.

Science and technology along with the exploration of minerals in the whole Muslim world if utilized correctly so the advantage can go to the billions of Muslims instead of some other companies which are not associated with the Muslim world.

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