



COLLECTION

MARCH 2023

# Symposium on the Chinese-Brokered Iran-Saudi Deal



THE INSTITUTE FOR  
PEACE & DIPLOMACY

## THE INSTITUTE FOR PEACE & DIPLOMACY

is a non-profit and non-partisan North American international affairs think tank operating in the United States and Canada dedicated to promoting dialogue, diplomacy, prudent realism, and military restraint—principles we believe are the four cornerstones of sustainable peace in an increasingly complex and dynamic international system.

Founded in 2019, the Institute (IPD) encourages policymakers, and leaders in government, civil society, and business community to adopt a more restrained and open-minded approach in managing the strategic challenges and geopolitical risks of the 21st century.



[peacediplomacy.org](https://peacediplomacy.org)



[@diplomacy\\_peace](https://twitter.com/diplomacy_peace)



[the-institute-for-peace-diplomacy](https://www.linkedin.com/company/the-institute-for-peace-diplomacy)



[PeaceDiplomacyOrg](https://www.facebook.com/PeaceDiplomacyOrg)



[@peacediplomacyorg](https://www.instagram.com/peacediplomacyorg)

## About

Last week, Iran and Saudi Arabia agreed to restore diplomatic relations as part of a Chinese-brokered deal. The détente between the two regional rivals was finally reached not in Oman nor in Iraq but rather in Beijing, catching many by surprise.

Several months ago, the Institute for Peace and Diplomacy (IPD) published an assessment report of a private meeting we convened with high-level experts from the region and beyond to discuss the prospects for the Iran-Saudi rapprochement. We are proud to see much of what we assessed and anticipated at the time is now matching the unfolding developments in the bilateral relations between Tehran and Riyadh.

Yet, there is still much that remains to deconstruct and uncover from the new deal which has become the subject of much interest and speculation. While many experts view it as a significant breakthrough for regional stability and cooperation, others remain cautious, noting the complex nature of the deal and its potential implications for the region and beyond.

To provide a nuanced and multidimensional analysis of this critical development, IPD has organized a symposium featuring prominent Middle East experts who have shared their strategic insights on the deal and its geopolitical impacts at both the regional and international levels.

## Commentators

In this symposium, you will read 10 short analyses from a diverse range of experts. The experts come from **Saudi Arabia, Oman, Qatar, Israel, Canada, the United States, and China**. Each expert sheds light on different aspects of the Chinese-brokered Iran-Saudi deal.

**Hesham Alghannam:** Director General, Strategic Studies & National Security Programs, Naif Arab University for Security Sciences

**Abdullah Baabood:** Non-Resident Scholar, Malcolm H. Kerr Carnegie Middle East Center; Chair of the State of Qatar for Islamic Area Studies, Waseda University

**Abdolrasool Divsallar:** Non-Resident Scholar, Middle East Institute; Visiting Professor, Università Cattolica del Sacro Cuore

**HE Wenping:** Senior Research Fellow, Institute of West Asian & African Studies, Chinese Academy of Social Sciences

**Dawn C. Murphy:** Associate Professor, National Security Strategy, U.S. National War College, National Defense University\*

**Robert Satloff:** Segal Executive Director & Howard P. Berkowitz Chair, Washington Institute for Near East Policy

**Dania Thafer:** Executive Director, Gulf International Forum; Professorial Lecturer, Center for Contemporary Arab Studies, Georgetown University

**Luciano Zaccara:** Research Associate Professor, Gulf Studies Center, Qatar University; Advisor, Institute for Peace & Diplomacy

**Younes Zangiabadi:** Executive Vice-President, Institute for Peace & Diplomacy

**Raz Zimmt:** Research Fellow, Institute for National Security Studies; Research Associate, Alliance Center for Iranian Studies, Tel Aviv University

*\*Disclaimer: The views expressed in these responses are those of the author and do not reflect the official policy or position of the National Defense University, the Department of Defense, or the U. S. Government.*



## Dr. Hesham Alghannam

DIRECTOR GENERAL, STRATEGIC STUDIES &  
NATIONAL SECURITY PROGRAMS, NAIF ARAB  
UNIVERSITY FOR SECURITY SCIENCES

*This deal ought not to be thought of as a fundamental regional shift towards China, but rather as regional players adapting to the emerging multipolarity of the world system — something many in D.C. are either not willing or not able to accept.*

The Chinese-brokered Saudi-Iran deal is profound as it is a tone-setter for the region. Both Saudi Arabia and Iran have stated their willingness to choose a pathway of dialogue. This means that if two regional heavyweights decided to embark on a route of dialogue, then we can anticipate a less zero-sum and more pragmatic region. This deal speaks to the international dynamics of the region too.

The agreement is based on two pillars: respecting the sovereignty of both states and activating the 2001 security cooperation agreement between the two countries. The fact that the heads of the national security (councils) of the two states signed the agreement informs us that the security concerns of Saudi Arabia were at the core of the agreement.

Whether Iran will fulfill its obligations in the agreement remains to be seen. However, we are optimistic because the agreement has been signed under the auspice of China with whom Iran has significant interests in advancing its economic relations, which might encourage them to live up to the agreement's clauses. For this to happen, Iran should ease internal reconciliations in Yemen, Iraq, Syria, and Lebanon, which would contribute to a stable and secure region. Should this happen, the trade and security ties between Saudi Arabia and Iran will increase, contributing further to the region's security and prosperity.



With such an important agreement reached under a Chinese umbrella, China is gaining more of a diplomatic portfolio to its large economic presence. It has to be mentioned that this deal ought not to be thought of as a fundamental regional shift towards China, but rather as regional players adapting to the emerging multipolarity of the world system — something many in D.C. are either not willing or not able to accept. This deal also points to themes of regional and inter-regional agency.



## Dr. Abdullah Baabood

NON-RESIDENT SCHOLAR, MALCOLM H. KERR  
CARNEGIE MIDDLE EAST CENTER; CHAIR OF THE  
STATE OF QATAR FOR ISLAMIC AREA STUDIES,  
WASEDA UNIVERSITY

*Dynamic changes in the global system have offered China a space to act. Equally, these changes provided Middle Eastern countries with an opportunity to diversify their relationships through hedging strategies, thereby increasing their political maneuverability.*

It is apparent that China's relationship with the Middle East has grown beyond energy demand, the Belt and Road Initiative (BRI), and its global infrastructure development project. The relationship has since expanded and diversified, and China has emerged as a crucial economic actor in the region through trade, investment, and development support. Beijing has been forced to increase its engagement with the Middle East due to its growing economic presence in the region. Over the past decade, China has significantly increased its economic, political, and — to a lesser extent — security footprint in the Middle East, becoming the biggest trade partner and external investor for many countries in the region.

China has become a key economic player in the Middle East and has established strategic partnerships with many states across the Middle East. The country's growing economic presence is likely to pull it into wider engagement with the region in ways that could significantly affect other global powers' interests. Beijing is, however, extremely cautious in its approach to local political and security challenges and global competition by perusing a foreign policy of balancing between rivals and increasing multilateralism, which will enable it to deepen its ties with countries in the Middle East.

Dynamic changes in the global system have offered China a space to act. Equally, these changes provided Middle Eastern countries with an opportunity to diversify



their relationships through hedging strategies, thereby increasing their political maneuverability. The desire to strengthen the relationship is mutual and Beijing will seek to further bolster its ties with Middle Eastern countries. Facilitating the Iran-KSA agreement is a strong indication of China's determination in helping with conflict resolution and adds to Beijing's reputation and prestige as a contributor to global stability, especially in the turbulent Middle East. The agreement sends a not-so-subtle message that China is a rising and powerful diplomatic presence in the region.





## Dr. Abdolrasool Divsallar

NON-RESIDENT SCHOLAR, MIDDLE EAST INSTITUTE;  
VISITING PROFESSOR, UNIVERSITÀ CATTOLICA DEL  
SACRO CUORE

*Against the backdrop of classical political and religious rivalry, a militarization of Saudi-Iran relations has been a dominant trend of the last decade. The deal will remain vulnerable to complex challenges caused by such militarization.*

While the importance of trust-building and regional de-escalation cannot be underestimated, the reality is that there will be many continuities rather than changes in Saudi-Iran relations. As I have argued elsewhere, against the backdrop of classical political and religious rivalry, a militarization of Saudi-Iran relations has been a dominant trend of the last decade. The deal will remain vulnerable to complex challenges caused by such militarization. The Iranian and Saudi military doctrines as well as their key military plans remain intact, meaning militarized hotspots are likely to remain as the friction points with destabilizing potentials.

The Saudis will continue to improve their missile defence and anti-drone capabilities by working with the U.S. and other partners. Iran has long viewed this as a threat to the regional offensive-defensive balance. Thus, Tehran will likely continue its effort in launching proper countermeasures, among them improving the offensive capability of its axis of resistance. This means improving horizontal operational linkages among proxy groups, raising their interoperability capabilities, and providing missiles and drones to these groups in the region.

On the regional level, the complexities in Yemen may persist too. Tehran views Yemen as a strategic corridor that guarantees operational access to Saudi's inland. Moreover, Iranian expeditionary forces in Yemen will be critical assets in imposing a logistical burden on the Saudis. Though Iran has agreed to ask Houthis for toning



down tensions, they will be still supported and treated as a critical asset for Iran.

Also, the Saudi threat continues to impact Iran's weapon choices and basing programs. In recent years, Iran has been reinforcing its military bases close to the Persian Gulf coasts to increase its stand-off capabilities against the littoral states of the Persian Gulf. This trend will likely continue as well and contribute to Saudi arms purchases to thwart the Iranian threat.

Even though security dilemma will remain the feature in short term, the way forward to benefit from this historical opportunity depends on innovative ideas that can promote regional defence and security talks. Think-tank and academic communities play a significant role here by assisting policymakers with solutions to initiate broader defence talks, proposing agendas for such talks, and helping to expand Saudi and Iranian expert-level dialogues.



## Dr. HE Wenping

SENIOR RESEARCH FELLOW, INSTITUTE OF WEST ASIAN & AFRICAN STUDIES, CHINESE ACADEMY OF SOCIAL SCIENCES

*The United States — with the withdrawal of troops from Syria and Afghanistan in recent years — caused Middle Eastern countries to feel like they can no longer rely on Washington for security guarantees. As a result, they have taken the initiative to ease originally sharp bilateral relations while carrying out diplomatic diversification.*

The agreement has facilitated handshaking and peacebuilding between Iran and Saudi Arabia, the two regional ‘rivals’ and ‘old enemies’. This effectively eased tensions in the Middle East, and also caused the collapse of the Middle East ‘anti-Tehran alliance’ — which aims to win over Saudi Arabia, Egypt, and Israel to confront and isolate Iran — built during the Trump administration, and major changes have occurred in the Middle East geopolitics in favour of Iran.

Since ‘the last shot on goal’ of the agreement was held in Beijing, China hosted and chaired the talks between Iran and Saudi Arabia, and issued the China-Iran-Saudi Arabia trilateral joint statement which former Chinese Foreign Minister Wang Yi called a “victory in dialogue” and “victory in peace.” This effectively demonstrates China’s role and contribution as a promoter of peace and a bridge builder of dialogue. This diplomatic breakthrough has implications for resolving other global conflicts, including the Ukraine crisis.

As the most important power outside the Middle East, the United States — with the withdrawal of troops from Syria and Afghanistan in recent years — caused Middle Eastern countries to feel like they can no longer rely on Washington for security guarantees. As a result, they have taken the initiative to ease originally sharp



bilateral relations while carrying out diplomatic diversification. The decline of U.S. influence and China's proactive efforts to promote peace talks also corresponds to the current diplomatic trends and needs of Middle Eastern countries. The conclusion of the agreement will also help improve Iran's relations with GCC countries.



## Dr. Dawn C. Murphy

ASSOCIATE PROFESSOR, NATIONAL SECURITY STRATEGY, U.S. NATIONAL WAR COLLEGE, NATIONAL DEFENSE UNIVERSITY

*I do not see indications that China seeks to provide security guarantees, pick sides in conflicts, or play a more robust security role in the region that would resemble the United States' presence.*

Today, China is the primary economic partner of the Middle East. It is an emerging political force, but its regional security role is limited. It maintains positive relations with all countries in the region and, in general, is perceived as a balanced actor. Based on current trends, I expect those dynamics to continue.

Building on decades of interactions with the Middle East, China will likely continue to expand its relations with countries in the region across functional areas with the China-Arab States Cooperation Forum (CASCF), the Forum of China-Africa Cooperation (FOCAC), and increasingly the Shanghai Cooperation Organization (SCO). It will also leverage initiatives such as the Global Development Initiative (GDI) and the Global Security Initiative (GSI). I anticipate China's economic and political interactions with countries in the Middle East will continue to expand, including in areas such as technology, green energy, and health.

China's recent brokering of an agreement between Iran and Saudi Arabia showcases its growing role in the region. China wants to mediate between Iran and the Gulf Cooperation Council (GCC) countries, including Saudi Arabia, to promote stability in the Middle East and increase its regional influence. China has also worked to resolve other regional hotspots through special envoys, such as the Palestinian-Israeli conflict and the Syrian civil war. That said, at this point, I do not see indications that China seeks to provide security guarantees, pick sides in conflicts, or play a more robust security role in the region that would resemble the United States' presence.



## Dr. Robert Satloff

SEGAL EXECUTIVE DIRECTOR & HOWARD P. BERKOWITZ CHAIR, WASHINGTON INSTITUTE FOR NEAR EAST POLICY

*It is unlikely that Riyadh places too much stock in faraway China as a real source of security. Rather, turning to China as an apparent midwife of Saudi-Iranian rapprochement was most likely a deliberate slap at the Biden administration, perhaps to make up for the White House's refusal to apologize for the president's politicized criticism of Saudi oil policy.*

The resumption of Saudi-Iran relations is significant but it has triggered exaggerated reactions both about China's emergence as a regional powerbroker and about a strategic shift of Riyadh away from its traditional partners toward Beijing.

In my view, the decision was principally a tactical decision by Riyadh to achieve near-term calm in Yemen and other fronts with Iran so as to pursue its energetic policy of domestic economic, social and cultural reform with a minimum of external security threats. Traditionally, the United States had been the prime provider of security but the Saudis had finally tired of successive administrations either tying Saudi hands or signalling their eagerness to unshackle themselves from regional security responsibilities.

But restoring relations with Iran does not mean Riyadh is leaving the American security orbit in favour of an alliance with Tehran. Saudi ties with the U.S. national security infrastructure are too deep — and Saudi differences with Iran on ideological, political, and strategic matters too profound — for this to be more than a tactical shift, one whose long-term outcome remains uncertain. Indeed, Riyadh



seems more inclined to want to diversify its sources of security than to make a dramatic shift from one bloc to another. In this regard, one can imagine Saudi Arabia expanding the circle of its security partners to include a higher profile for Europeans (British and French) and even room for Israel if it acts smartly to become a helpful source of partnership in high-value areas.

It is unlikely that Riyadh places too much stock in faraway China as a real source of security. Rather, turning to China as an apparent midwife of Saudi-Iranian rapprochement was most likely a deliberate slap at the Biden administration, perhaps to make up for the White House's refusal to apologize for the president's politicized criticism of Saudi oil policy in September or the fact that the administration has refused to publicly and amicably close the subsequent Saudi policy review.

Importantly, the rapprochement seems premised on the idea that the United States will take no military action to prevent Iran from achieving a nuclear weapons capability. The most significant open questions are whether that is indeed the case — and whether Israel reaches the same conclusion but opts for a different strategic response than the diplomatic course the Saudis chose.



## Dr. Dania Thafer

EXECUTIVE DIRECTOR, GULF INTERNATIONAL FORUM; PROFESSORIAL LECTURER, CENTER FOR CONTEMPORARY ARAB STUDIES, GEORGETOWN UNIVERSITY

*In the increasingly multipolar international system, there has been more room for the GCC states to maneuver through strategic hedging but that does not necessarily mean realignment has occurred.*

Saudi Arabia having diplomatic relations with Iran does not conflict with the U.S.' primary goals in the Gulf region. The U.S. has encouraged efforts of de-escalation in the region. In fact, a pillar of the Biden administration's National Security Strategy is to support de-escalation in the Middle East.

In the increasingly multipolar international system, there has been more room for the GCC states to maneuver through strategic hedging but that does not necessarily mean realignment has occurred. The disruption of hydrocarbon resources because of the Ukraine war has benefitted the GCC states in terms of both political and economic leverage. However, the rise of multipolarity has not affected all areas equally, this is especially the case when it comes to regional security. Certainly, Saudi Arabia and other GCC states have been pivoting eastward and upgrading their relations with China. But still, when it comes to great power competition, the security architecture of the GCC states is largely dependent on the U.S.





## Dr. Luciano Zaccara

RESEARCH ASSOCIATE PROFESSOR, GULF STUDIES CENTER, QATAR UNIVERSITY; ADVISOR, INSTITUTE FOR PEACE & DIPLOMACY

*The agreement was not unexpected, given the anticipation generated by two years of discussions, events in the Yemeni context, and the restoration of diplomatic relations with other GCC members. It is reasonable to contend that this accord epitomizes the culmination of a longstanding aspiration for stability and détente.*

The Iran-Saudi Arabia roadmap signed in Beijing is anticipated to exert minimal influence on overall Iran-GCC relations. Firstly, Iran maintains varying degrees of relationships with other GCC members such as Oman, Qatar, and Kuwait. Notably, Oman has been acknowledged by Iran as a mediator in these discussions. Secondly, Iran-Qatar relations have seen Sheikh Tamim consistently advocating for dialogue with Iran rather than an isolationist approach. Thirdly, the UAE and Kuwait reestablished diplomatic ties with Iran in August 2022, leaving Saudi Arabia and Bahrain as the remaining GCC states yet to do so since the 2016 diplomatic rift.

The recently ratified agreement materialized after multiple negotiation rounds spanning nearly two years, with initial talks between representatives of both nations commencing in Baghdad in April 2021. The protracted duration is attributable to the reluctance of both parties to expedite the process for various reasons, including the desire to secure favourable negotiation positions before making concessions. The impetus for initiating these discussions stemmed, however, from the precarious trajectory that the bilateral relationship was steering both parties towards, and the exigency to establish a dialogue framework to forestall any escalation culminating in an overt conflict. Indeed, the primary declaration of the joint statement pertains



to the reinstatement of the 2001 security agreement, signed during President Khatami's tenure. Consequently, the present agreement does not represent a significant milestone in bilateral relations, nor does it accomplish more than alleviating extant tensions that almost escalated into warfare in 2019, following incidents near the Persian Gulf waters.

The agreement was not unexpected, given the anticipation generated by two years of discussions, events in the Yemeni context, and the restoration of diplomatic relations with other GCC members. It is reasonable to contend that this accord epitomizes the culmination of a longstanding aspiration for stability and détente. Yet, this will certainly not lead to a long-lasting friendship between the two regional heavyweights, nor will drastically transform the already existing trends in Iran-GCC relations.



## Younes Zangiabadi

EXECUTIVE VICE-PRESIDENT, INSTITUTE FOR PEACE  
& DIPLOMACY

*Despite all the hype around China's increasing influence in the Middle East, the United States remains to be the most important foreign actor in the region, maintaining the largest regional military presence with many Arab states depending on it as their main security guarantor. Thus, it should not come as a surprise if a change in the White House or failure in the Iran nuclear talks suddenly leads to a complete U-turn in what we are witnessing today in the region.*

What is fascinating about this Chinese-brokered Iran-Saudi deal is how well it reflects the paradigm shifts in the way countries — particularly those long considered as the U.S. traditional allies in the Middle East — are reframing their regional and foreign policy strategies to adapt to the changing international order.

The fact that such an important deal was finalized in Beijing speaks to this reality. Most regional countries, with the exception of Iran and Syria, are leveraging the growing divide between Washington and Beijing to test hedging strategies in their foreign policy practice. By pursuing diversification, balancing, and bandwagoning, they aim to maximize their interests by playing into the broader international strategic competition among the great powers.

In this vein, through its non-interference policy and long-term partnership agreements with Iran and Saudi Arabia, China has built enormous trust and respect in the region, positioning it as an effective mediator between the two regional rivals.



More importantly, Chinese interests from energy reliance to expanding the Belt and Road Initiative in the region are very much affected by the state of Iran-Saudi relations, which is another key factor for Beijing to take on this new role.

With many domestic challenges at home — from delivering on the ambitious Saudi Vision 2030 social reform and economic diversification agenda to Iran’s struggle to stabilize its hyper-inflated and dire economic situation — it just no longer made sense to continue the never-ending/zero-sum game over regional hegemony long proven to be devastating to both countries and the region.

It is expected that the Raisi administration, guided by its ‘Neighbourhood Policy’, will further invest in reinforcing Iran’s relations with the Arab states and even seeks rapprochement with other Arab states like Bahrain and Egypt. This may reduce international pressure for now but it will not do that in the long-term nor strengthen Iran’s position vis-a-vis the West on the nuclear file.

Despite all the hype around China’s increasing influence in the Middle East, the United States remains to be the most important foreign actor in the region, maintaining the largest regional military presence with many Arab states depending on it as their main security guarantor. Thus, it should not come as a surprise if a change in the White House or failure in the Iran nuclear talks suddenly leads to a complete U-turn in what we are witnessing today in the region. Until then, Iran has an opportunity to rebuild trust with its regional neighbours and resolve its nuclear issue so that the region will not have to go through another decade of bloody proxy wars among regional powers.



## Dr. Raz Zimmt

RESEARCH FELLOW, INSTITUTE FOR NATIONAL SECURITY STUDIES; RESEARCH ASSOCIATE, ALLIANCE CENTER FOR IRANIAN STUDIES, TEL AVIV UNIVERSITY

*The Iranian-Saudi agreement may actually boost Iran's self-confidence, concluding that it strengthens its regional position, improves its relations with China, and impose constraints on the Israeli military option. These altogether may reduce Iran's incentive to return to the nuclear agreement.*

The recent agreement between Iran and Saudi Arabia to renew their relations does not represent normalization between the two countries nor does it mean the ideological-religious enmity between them has come to an end. Therefore, it is expected that the competition for regional status will continue in the foreseeable future.

However, this agreement is a significant strategic development that presents opportunities for both countries. Saudi Arabia may take advantage of the deal to extricate itself from the quagmire it found itself in Yemen and ease tensions with Iran, particularly after the Iranian attack against the Saudi fuel facilities in September 2019, exposing its vulnerability. Iran could gain political benefits from renewing ties, particularly against the backdrop of growing international pressure, and perhaps reduce Saudi support for the Iranian opposition TV station 'Iran International'.

The agreement has direct consequences for Israel as well, providing further evidence of the flawed assumption underlying the Israeli strategy vis-à-vis Iran that an Arab-Western-Israeli coalition can be created against Iran. It has become clear that the Israeli assessment that the arrival of Iran at the military nuclear threshold,



its military support for Russia against Ukraine, and the repression of recent protests create a basis for the establishment of a regional and international coalition against Iran is based on wishful thinking.

Yet, this does not mean that it will not be possible to normalize relations between Israel and Saudi Arabia in the future. If Saudi Arabia concludes that its interests require normalization with Israel, the agreement with Iran will not be an obstacle. The Abraham Accords have already proven that relations between Iran, the Gulf States, and Israel need not be a zero-sum game. The Gulf States can normalize their relations with Israel and simultaneously improve their relations with their eastern neighbour.

While some assume that the agreement may be a step towards the easing of tensions between Iran and the West, as well, and perhaps pave the way for the renewal of negotiations on returning to the nuclear agreement, that should not necessarily be the case. Instead, the Iranian-Saudi agreement may actually boost Iran's self-confidence, concluding that it strengthens its regional position, improves its relations with China, and impose constraints on the Israeli military option. These altogether may reduce Iran's incentive to return to the nuclear agreement.

## About Us

**The Institute for Peace & Diplomacy (IPD)** is a non-profit and non-partisan North American international affairs think tank operating in the United States and Canada dedicated to promoting dialogue, diplomacy, prudent realism, and military restraint—principles which we believe are the four cornerstones of sustainable peace in an increasingly complex and dynamic international system.

Visit us at [peacediplomacy.org](https://peacediplomacy.org) to learn more.

© 2023 Institute for Peace & Diplomacy



THE INSTITUTE FOR  
PEACE & DIPLOMACY