

The Struggle Of Power Between Iran And Saudi Arabia In The Gulf Region

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Introduction

The struggle for influence between Iran and Saudi Arabia has shaped Gulf politics for decades, but it cannot be explained adequately as an ancient Sunni-Shia conflict. Both states pursue security, regime legitimacy, economic interests, energy influence, and regional partnerships, and both have supported actors outside simple sectarian categories when strategic interests required it. The 1979 Iranian Revolution changed the relationship by replacing a pro-Western monarchy with an Islamic Republic that criticized monarchical rule and U.S. influence. Later turning points included the Iran-Iraq War, the 2003 invasion of Iraq, the Arab uprisings, wars in Syria and Yemen, and the severing of diplomatic relations in 2016. The two governments restored diplomatic ties through a China-mediated agreement in March 2023, reopening embassies and reestablishing direct communication (Saudi Ministry of Foreign Affairs, 2023). That rapprochement did not erase competing regional interests. By 2026, wider conflicts involving Iran and armed groups across the region again placed Gulf security under pressure, demonstrating that dialogue and strategic mistrust can coexist (Reuters, 2026).

Revolution, Regime Security, and Competing Visions

Before 1979, Iran under Shah Mohammad Reza Pahlavi and Saudi Arabia were both important U.S. partners and were broadly aligned against Soviet influence and revolutionary Arab nationalism. The Iranian Revolution transformed that arrangement. Iran's new leaders promoted an anti-imperialist Islamic Republic and criticized monarchical rule, while Saudi leaders viewed revolutionary activism as a threat to regional order and to their own political legitimacy. The rivalry therefore became ideological as well as strategic. Iran criticized Saudi dependence on Western security guarantees and presented itself as a leader of resistance to U.S. and Israeli influence. Saudi Arabia emphasized monarchical stability, close relations with Washington, Arab state institutions, and protection of Gulf order. Religious identity gave both governments language through which to mobilize support, but it did not dictate every alliance. As Gause (2014) argues, the rivalry is better understood as a regional cold war in which states compete through political networks, security relationships, media narratives, and local conflicts. Sectarianism can intensify competition without being its single underlying cause.

Iraq, the Arab Uprisings, and Regional Competition

The U.S.-led invasion of Iraq in 2003 removed Saddam Hussein, one of Iran's most important regional enemies, and created a political system in which Shia parties with longstanding Iranian relationships gained influence. Saudi officials worried that Tehran was acquiring strategic depth through Baghdad, although Iraqi actors retained their own interests and did not operate simply as Iranian instruments. The Arab uprisings beginning in 2011 further widened the contest. Popular movements initially centered on demands involving dignity, political participation, corruption, and economic conditions rather than a single sectarian agenda. Iran and Saudi Arabia nevertheless interpreted different crises through strategic interests. Tehran supported the Syrian government while Riyadh backed parts of the opposition; Saudi Arabia supported Bahrain's monarchy while Iran criticized the crackdown. These interventions helped transform domestic struggles into regionalized conflicts. The [Gulf states](#) therefore faced not only ideological competition but a security environment in which local political breakdown increasingly attracted external sponsorship, finance, arms, and diplomatic pressure (Wehrey, 2013).

Syria, Yemen, and the Limits of the Proxy-War Label

Syria and Yemen became major arenas of Iran-Saudi competition, but describing either conflict only as a proxy war erases local causes and actors. Iran supported Bashar al-Assad's government in Syria through advisers, financing, Hezbollah, and other allied forces, while Saudi Arabia supported parts of a fragmented opposition. In Yemen, Saudi Arabia led a military coalition beginning in 2015 after the Houthi movement seized Sanaa and expanded against the internationally recognized government. Iran provided political and military support to the Houthis, yet the movement has local roots, leadership, grievances, and decision-making that predate its relationship with Tehran (Juneau, 2016). External involvement intensified both wars and imposed severe costs on civilians. The relevant lesson is that local groups are not simply obedient tools of outside states. They use foreign assistance while pursuing their own goals. Understanding [foreign intervention](#) therefore requires attention to both regional rivalry and the domestic political failures that created space for outside influence.

Energy, Security Partnerships, and the Gulf

Iran and Saudi Arabia are major energy producers whose strategies are strongly shaped by the Persian Gulf, the Strait of Hormuz, missile and drone capabilities, and relations with external powers. Saudi Arabia has historically relied on a close security partnership with the United States and large conventional military purchases, while Iran has emphasized strategic depth, missiles, drones, and relationships with armed movements and political organizations across the region. These strategies reflect different perceptions of vulnerability. Saudi leaders have feared attacks on infrastructure and

the expansion of Iranian military influence; Iranian leaders have feared sanctions, encirclement, covert action, and military attack. Energy infrastructure and maritime routes make escalation internationally significant because disruptions can affect global oil and shipping markets rapidly. The two states also have reasons to avoid direct war because both depend on economic development, infrastructure, and stable trade. Security competition therefore contains a persistent contradiction: each side seeks deterrence through capabilities that the other interprets as threatening, producing incentives for both military preparedness and diplomatic communication.

The 2023 Rapprochement and Its Limits

The March 2023 Beijing agreement represented a major change because Saudi Arabia and Iran agreed to restore diplomatic relations, reopen embassies, and revive direct channels after seven years of formal rupture. The agreement reflected overlapping interests in reducing escalation. Saudi Arabia was pursuing long-term economic diversification and needed a more predictable regional environment, while Iran faced sanctions, economic pressure, and risks from an increasingly militarized regional confrontation. China's mediation also reflected the Gulf's growing economic connection to Asia. Diplomatic restoration, however, was de-escalation rather than alliance. Differences remained over armed groups, Iran's nuclear program, Israel, U.S. military presence, regional security architecture, and the political order of states such as Yemen, Lebanon, Syria, and Iraq. Developments in 2026 have reinforced this distinction: official relations and communication can continue while broader conflict places new pressure on the relationship (Reuters, 2026). The rapprochement is therefore significant because it creates mechanisms for crisis management, not because it eliminates the structural sources of competition.

Conclusion

The Iran-Saudi rivalry is best understood as a changing geopolitical competition in which sectarian identity, regime security, regional leadership, energy, foreign alliances, and local conflicts interact. The 1979 Revolution, Iran-Iraq War, 2003 Iraq invasion, Arab uprisings, Syrian war, Yemen conflict, and 2016 diplomatic break each altered the balance and the narratives used by both governments. The 2023 restoration of diplomatic relations demonstrated that accommodation is possible even after prolonged hostility, while renewed regional pressures in 2026 show that formal diplomacy does not automatically resolve security competition. A stable Gulf order would require continued direct communication, protection of civilian infrastructure, respect for neighboring states' sovereignty, and political settlements that give local populations meaningful agency rather than reducing them to arenas for outside rivalry. Sectarian language should also be treated as a political instrument rather than an inevitable cause of conflict because Sunni and Shia communities do not share uniform political interests. The relationship will remain dynamic, but its history shows that strategic choices can either intensify or reduce confrontation.

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