



THE ROLE OF OIL IN SHAPING FOREIGN POLICY IN WEST ASIA: A CASE STUDY OF SAUDI ARABIA AND IRAN

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INTRODUCTION

Oil is integral in terms of strategic significance and the geopolitical landscape for West Asia. This acts like a linchpin to influence their foreign policies from major nations within this region. This study mainly concentrates on two main players Saudi Arabia and Iran, from knowing to a large extent the intricate details of their oil wealth helping in determining how their diplomatic strategies unfold. Since both countries have significant impact on oil markets around the world, their foreign policies are not simply responses to localized issues but also manipulated by the upward and downward movement in the energy sector.

The link between oil and West Asian foreign policy started in the first half of the 20th century when petroleum was found beneath deserts of this part of the world. 2 decades later, the energy trade went through a massive makeover and West Asian countries came up as major players in an industry that would soon become almost synonymous with geopolitical influence. A look at Saudi Arabia and Iran can be taken as a case study of how oil has been related to the trappings of their foreign policy issues.

This relationship has profound economic facets. The economies of both Saudi Arabia and Iran are strongly dependent on oil revenues, with the performance in the international oil market significantly influencing their respective economic performances. The economic stakes are also very high and the policy decisions, foreign affairs of these nations are always anchored on this search for stable and ever-increasing economy. If one is to make any sense out of motivations that inform the kind of choices these nations would take in regard to their foreign policy decisions, it then becomes essential for one to understand the complex dance between oil prices production levels and economic welfare of such nations.

Saudi Arabia and Iran clearly demonstrate how oil dependence has geopolitical implications. Saudi Arabia is the world's leading exporter of oil and plays a large role in international alliances and deals. Part of the country's foreign policy decisions can be attributed to it being an energy giant. Unlike Nigeria at that time, Iran today has a massive reservoir of oil at its disposal, which it uses in two capacities- as a foreign policy tool on one hand and to bolster resilience under pressure from the outside world, on the other. West Asia is a geopolitical field full of countless nuances where oil means the currency of diplomacy.

However, oil reliance presents both challenges and opportunities for these countries. They are subjected to economic uncertainties that emanate from the volatility of oil prices and cyclicity of operations within this sector. Innovative foreign policies that can reliably guide through periods of plenty as well as times of want are required. In addition, the shift towards renewable energy and increased endorsement of environmental sustainability worldwide pose challenges to the long-term viability of economies that rely on oil. The contours

of Saudi and Iranian foreign policies reflect a delicate task of balancing economic imperatives with the imperative to adapt to changing global energy landscape.

The case study approach is utilized by this research to look into the oil-centred foreign policy strategies employed by Saudi Arabia and Iran. It discusses past events, policy decisions and political exchanges to unveil missile as an element that played the role of an intermediary in re-shaping West Asian geopolitics. By taking into consideration such specific challenges, opportunities and delicate features of the policy in question this approach helps to get ensnarement in the nature of these two countries in their international affairs based on tremendous oil products.

In West Asia, the interplay between oil and foreign policy is a riveting narrative of economic imperatives, geopolitical manoeuvring, and regional power. At the core of this complex network are two major players: Saudi Arabia and Iran, whose foreign policies are inextricably linked to the massive oil deposits that define their respective national identities.

The history of oil in West Asia is defined by transformational historical events that have global ramifications. The discovery of large hydrocarbon deposits catapulted the area to prominence, making it a strategic priority for major nations. Saudi Arabia and Iran emerged as key players whose fates were linked to the flow of oil and the shift in global energy market patterns.

Oil-producing countries emphasised their joint strength with the formation of the Organisation of Petroleum Exporting Countries (OPEC) in 1960. This was a turning point in the confluence of economic and foreign policy concerns. Saudi Arabia, as a founding member of OPEC, began presenting itself as a global energy giant, leveraging its oil wealth to propel foreign policy forward.

Oil has a significant role in the economies of both Saudi Arabia and Iran. Since petroleum has become a big element of their GDP and government income, many countries have built economies centred on oil production and export. Their economic fate is inextricably related to the massive changes in global oil prices. Foreign policy decisions are no longer only a matter of international relations; they have also evolved into a more pragmatic reaction to economic imperatives.

As the world's top oil exporter, Saudi Arabia relies on oil money to maintain economic stability. The country's Vision 2030 plan, which aims to diversify the economy, recognises the need to lessen reliance on oil. However, the move to a post-oil future would require diplomatic skill to achieve a seamless transition without jeopardising national interests.

Meanwhile, Iran has faced economic challenges in addition to international sanctions. As a result, oil becomes a tool for economic recovery and resilience. Iran and the Joint Comprehensive Plan of Action (JCPOA) Background The JCPOA, while focused on Iran's nuclear programme and easing of some restrictions, had an influence that extended beyond these concerns; it paved the way for Iran to rejoin the global oil market.

Beyond the economic world, the position of oil echoes in geopolitical power corridors. Saudi Arabia, being one of the wealthiest in oil reserves, has utilised its resources to forge alliances and dominate the world. The kingdom's strategic relationship with the United States is mostly based on common economic interests in the oil sector. Using oil as a bargaining tool in geopolitics is a delicate diplomatic dance.

This is also the narrative of Iran, a country with enormous oil reserves of its own. So far, implementing sanctions aimed at reducing Iran's oil earnings has pushed the country to traverse complex diplomatic terrain in order to avoid economic hardship.

The research explores the foreign policy initiatives driven by oil in Saudi Arabia and Iran. Delving into historical events, policy decisions, and political interactions. By examining specific challenges, opportunities, and nuanced aspects of the policy at hand, the approach provides insights into the distinctive features of these two countries in their international interactions influenced by abundant oil reserves.

AIM

This study aims at revealing and elaborating the central role of oil in determining foreign policy by West Asian nations, specifically Saudi Arabia and Iran. Through analysing both historical and contemporary aspects of their foreign policies, this research seeks to demonstrate the implications that oil has had on diplomatic decision-making power, regional influence as well geopolitical events. By critically analysing the strategic underpinnings and distinct methods employed by Saudi Arabia and Iran, this study aims at advancing a holistic understanding of how oil has remained an important economic resource that shapes foreign policy directions for these key West Asian players.

KEY OBJECTIVES

- Historical Context:

The historical development of oil-related factors affecting foreign policy choices towards Saudi Arabia and Iran, focusing on important events and policy changes.

- Economic Dependency:

The role of oil wealth in the economic base of Saudi Arabia and Iran and how the dependency on this source influences their foreign policy.

- Regional Power Dynamics:

The geopolitics of oil, specifically about the role Saudi Arabia and Iran play in asserting their influence in the greater West Asia region and beyond.

- Diplomatic Strategies:

Saudi Arabia's and Iran's diplomatic endeavours; specifically, how they use these strategies to formulate and implement their foreign policies.

- Environmental Considerations:

Environmental concerns, especially in relation to oil extraction and usage, within the foreign policy strategies of Saudi Arabia and Iran.

LITERATURE REVIEW

The literature on the function of oil in determining foreign policy for states, especially as it applies to West Asia including Saudi Arabia and Iran has a fascinating weave that includes both historical economic geopolitical narratives. Scholars have discussed in detail the complicated correlation between oil wealth and foreign policy choices of these two critical Middle Eastern states. It should be noted that the discovery of oil in early 20th century revolutionized socio-economic and political arena across Saudi Arabia and Iran. It is apparent from the literature that oil played a key role in providing an

economic backbone for both states, and therefore determined... The economic importance of oil, which so often leads to dependency on oil revenues, has been pinpointed as one major driver influencing the diplomatic strategies that are employed by Saudi Arabia and Iran.

In addition, experts have studied the geopolitics of oil riches in West Asia. The literature reveals how Saudi Arabia and Iran use their oil strength advantage to exert regional and global influence. The relationships between these nations and the surrounding states as well global powers are substantially affected by power dynamics in West Asia closely related to countries roles of being major oil producers.

It is crucial that the diplomatic strategies of Saudi Arabia and Iran as a reaction to instabilities in oil prices become direct objects for scholarly interest. The oil market's volatility directly affects the foreign policy actions of these states, affecting their alliances, economic partnerships and international engagement.

In literature, environmental concerns regarding the oil extraction and consumption management also take an important role. Scholars examine the manner in which both Saudi Arabia and Iran deal with global requests for green practices, placing issues related to environmentalism under spotlight shedding light on how oil policy interacts dynamically with concerns of policymakers concerning.

Oil-rich nations' foreign policy ideological dimensions are also discussed. The literature highlights the intersection of religious and political ideologies with oil interests as a defining feature regarding how Saudi Arabia and Iran engage in regional or international relations. These ideological foundations add to the complexity of their foreign policy discourses.

Second, the literature discusses oil as a factor of conflict in West Asian dynamics such as war between Saudi Arabia and Iran. The scholars analyse the influence of oil-based factors on both alliance and rivalry, thus defining security environment in the region.

By conclusion, the literature review offers such as a broad picture of West Asian oil and foreign policy relations that are multilateral in nature.

RESEARCH QUESTIONS

- What has been the impact of the historical discovery of oil on the foreign policy orientation of Saudi Arabia and Iran?
- To what level does economic dependency on oil revenues define the diplomatic routes of Saudi Arabia and Iran, and how does this reliance influence their involvement in the Middle East and worldwide?
- How does oil contribute to geopolitical influence of Saudi Arabia and Iran in the West Asia region and how do they use their oil revenues to establish their dominance in the region?
- What effects do short-term changes in oil prices have on the diplomatic choice of Saudi Arabia and Iran, and what are the consequences on their alliances, economic relationships, and international relations?

METHODOLOGY

This study uses a secondary data collection methodology to understand the primacy of oil in determining the foreign policy directions of states in West Asia with respect to Saudi Arabia and Iran. Due to the research question's nature, the use of a historical and geopolitical context of the topic suggests a broad review of existing literature, articles, blogs, and newspaper sources.

RATIONALE AND SCOPE OF STUDY

The role of oil as a geopolitical and economic driver for West Asia has been a topic of international interest for

a long time. However, the crucial positions of Saudi Arabia and Iran in the region, both in terms of large oil suppliers and major international actors, called for a holistic view of the role of oil in their foreign policies. This research is motivated by the realization that the complex relationship of between oil riches and foreign policy decision-making is equally significant not merely for the two nations concerned but the West Asian geopolitics and also the international energy politics.

Oil acts as the most important primary source of energy on the global scale especially for West Asia where Iran and Saudi act as the major supplier thus demonstrating a need to understand the nature of the role of oil in the foreign policies of the two countries. This relationship reflects the evolution of historical context of the discovery of oil, economic dependence, geopolitical aspirations, and the changing nature of international relations in the region. That is why, this research aims to provide essential insights on these dynamics, as it discusses the complex effect that oil had on the foreign policy decisions that were taken by the leading West Asian states.

This research narrows in on the foreign policies of Saudi Arabia and Iran, applying a case study method to analyse the connection between oil and diplomacy. The time span extends to historical issues from the early 20th century to the contemporary, with the temporal aspect focused on the transformation of the dynamics under the influence of oil wealth.

The study encompasses different facets such as the economic dependence, regional balance of power, diplomacy so as to address the fluctuations in the oil market, environmental factors, and ideological element of the foreign policy. To focus on these core elements, the study addresses the overall effect of oil-related foreign policies on the Saudi Arabia and Iran, thus helping to acquire a wider knowledge on West Asian geopolitics and its global implications. It is anticipated that the results of this study will serve as a potential source of information for policymakers, scholars, and stakeholders interested in the relationship between the energy resources and the international relations in West Asia.

IMPACT OF HISTORICAL DISCOVERY OF OIL ON THE FOREIGN POLICY ORIENTATION OF SAUDI ARABIA AND IRAN

The discovery of oil in history has been a revolutionary event that largely changed the directions of the foreign policies of two major actors in the Middle East: Iran and Saudi Arabia. The discovery of immense oil resources in the early 20th century caused seismic shifts in their geopolitical strategies that resulted in complicated economic, strategic and regional relations.

Saudi Arabia

The 1930's was an important historical turning point in Saudi Arabia with the discovery of oil, especially in the eastern part of the country. This economic revolution catapulted Saudi Arabia into the international arena, enabling the Al Saud family-led government to embark on massive economic development projects. The cash generated from oil exports enabled fast urbanization, modernization, and marked changes in the standards of living.

Nevertheless, this oil boom resulted in a peculiar problem- an overreliance on oil revenues. As time passed, Saudi Arabia became increasingly dependent on oil revenues, which made it vulnerable to changes in the international oil market. The economy of the nation grew to be dependent on the global oil market, and this was reflected in the country's foreign policy.

Considering the world importance of its oil deposits, Saudi Arabia opted to align itself with Western powers, especially the United States. It had multiple objectives. It offered the kingdom with military protection for the security of its ruling monarch. Second, it helped to promote economic assistance, which contributes to the stabilization and development of the Saudi economy. The alliance with the United States became a pillar of the Saudi foreign policy, which was based on a pragmatic approach to protect its oil interests.

At the same time, Saudi Arabia used its religious importance as the cradle of Islam and the city of Mecca and Medina. The nation sought to become the Islamic world's leader, using its religious power to formulate its international relations. This also provided a subtle undertone to Saudi Arabia's diplomatic involvements, as the nation aimed at sustaining its role as the leader of the Muslim society.

Iran

The finding of oil in Iran resulted in major economic reforms, mirroring the change in Saudi Arabia. But Iran had peculiar characteristics that influenced its foreign policy orientation in a different way. The complexities that contributed to the economic development of Iran came from historical events such as the 1953 coup and geopolitical tensions with the West.

In 1951, Prime Minister Mohammad Mossadegh nationalized the Iranian oil industry in order to establish national sovereignty over its resources. This action, motivated by the need to free from foreign control, resulted in a negative reaction from the United States and the United Kingdom, among others. The consequences were severe and eventually led to the fall of Mossadegh in 1953.

The 1979 Islamic Revolution was a turning point in the history of Iran. The revolution, spearheaded by Ayatollah Ruhollah Khomeini, brought down the pro-Western monarchy and replaced it with an Islamic Republic. This transformative event announced a shift from Iran's alignment with Western powers to an anti-Western position, highlighting the need for independence from foreign powers.

The revolution and the hostage crisis that ensued at the U.S. Embassy in Tehran led to increased anti-American sentiments in Iran. This feeling has persisted, informing Iran's foreign policy, and the relationship with America has remained tense. Anti-Americanism became a hallmark of Iran's diplomacy and foreign policy.

After the revolution, Iran wanted to be recognized as a power in the region, participating in the conflicts in Iraq, Syria, and Lebanon, among others. The regional ambitions of Iran, motivated by ideological and strategic imperatives, provided another dimension of complexity to the already convoluted geopolitics of the Middle East. The Shiite-Sunni conflict with Saudi Arabia deepened the tensions in the region.

Although oil remained a major pillar of Iran's economy, the country failed to fully benefit from its oil riches because of international sanctions. Such sanctions, which were taken against Iran's nuclear program and support of terrorism, restricted Iran's further integration into the world's economy. The complexities of international isolation forced Iran's foreign policy to make strategic adaptations in building alternative alliances.

Looking at the consequences of the historical find of oil on the foreign policy directions of Saudi Arabia and Iran, it is possible to find similarities and differences. Oil wealth was used by both countries to reinforce their positions, but their foreign policy approaches were very different.

Saudi Arabia, which was closely linked to the West, adopted a more rational and alliance-focused foreign policy. The kingdom pursued security through alliances with great powers, especially the United States, and served as a stabilizing force in the region, supporting Western interests. But Iran chose a more ideological and independent route. The Islamic Revolution transformed Iran's foreign policy establishing principles of resistance to perceived Western hegemony and championing causes that were in line with the revolutionary ideals.

In conclusion, the discovery of oil in history acted as a catalyst to major changes in the foreign policy directions of Saudi Arabia and Iran. Saudi Arabia took a pragmatic path, siding with Western powers to protect its oil wealth, while Iran followed an independent and ideological path, challenging the established order. The impact of oil on foreign policy is a dynamic and ongoing process, shaped by changing global dynamics, regional conflicts, and domestic considerations. As these nations continue to navigate the complexities of the 21st century, the legacy of the historical discovery of oil remains embedded in the fabric of their foreign policy decisions, influencing their relationships with the international community and their roles in shaping the future of the Middle East.

ECONOMIC DEPENDENCY ON OIL REVENUES: DEFINING DIPLOMATIC ROUTES OF SAUDI ARABIA AND IRAN

The economic dependency on oil revenues significantly impacts the diplomatic pathways of Saudi Arabia and Iran. State revenues from oil exports are of great importance in both countries, which does not only affect their foreign policies but also dictates their participation in regional and global politics.

Saudi Arabia

Saudi Arabia plays a dominant role in the international oil market and its oil reserves are quite immense. Its majority of economy is solely dependent on the oil revenues that contribute a lot to its GDP. The Saudi government budget is very dependent on the oil income, and that is why it's easily affected by the price changes of oil. This dependency of Saudi Arabia on the economic side is directly linked with its diplomatic approach. The nation seeks to preserve order in oil prices so as to have predictable cash flows. As a result, Saudi Arabia frequently works in tandem with oil-producing states and groups, including OPEC, in an effort to control prices and volume of oil.

Saudi Arabia uses diplomacy to develop relationships and have control over other countries by using oil as a source of revenue. In the foreign affairs, economic aid and investment is one of the most used tools in the Kingdom of Saudi Arabia that results in relationships that favor its geopolitical interests. As an example, in the history of the kingdom, it has always supported allies in the Middle East and other regions, sometimes giving loans to stabilize friendly governments or neutralize geopolitical competitors.

In addition, the economic potentials from oil means bring to the country Saudi Arabia is able to conduct military interventions as shown by its participation in Yemen. Although the kingdom's military actions are motivated by various strategic considerations that ultimately aim to safeguard its interests and ensure regional stability, which is a factor in the uninterrupted supply of oil.

Iran.

Like the case with Saudi Arabia, Iran largely depends on oil revenues to keep its economy afloat. Oil exports play a crucial role in Iran's economy by contributing significantly to the country's GDP and government revenues. Although the economy of Iran is rich in oil reserves, it has not fully benefited from this wealth because of the challenges posed by sanctions.

However, the oil-dependent economy of Iran influences the Iranian diplomacy although international sanctions complicate the relationship between sanctions and the oil-dependent economy. The country aims to use its oil for its strategic foreign policy by obtaining economic alliances with its partners and bypassing sanctions. The

relations between nations such as China and Russia, which are less inclined to rely on Western financial structures, reflect Iran's efforts to identify an alternative source of economy.

The economic difficulties of sanctions also push Iran towards peaceful diplomatic measures. The nation undertakes negotiations, including the Joint Comprehensive Plan of Action (JCPOA), to alleviate the sanctions and regain access to world markets. The economic objectives are the driving force behind Iran's diplomatic initiatives, which aim at finding freedom from sanctions to increase oil exports and reinvigorate its economy.

The oil dependence of the regional economies leads to competition for the influence in the region between Saudi Arabia and Iran. All the nations pursue a policy to get alliances and proxies in the Middle East region, which results in a permanent source of conflicts and rivalries. The competition for supremacy is usually accompanied by geopolitical posturing, the support of rival factions, and efforts to steer the regional landscape to suit their respective interests.

Saudi Arabia and Iran's oil-based economies play their role as the world's the main actors in the field of international geopolitics. Their spheres of influence are far beyond the Middle East region, as they affect the world energy markets as well as alliances. Hence, the nature of diplomatic ties between oil importing and oil exporting nations is characterized by an interdependence of economies, with oil often being used as a bargaining tool in negotiations.

Thus, the reliance on oil revenues is economically dependent on diplomatic paths of Saudi Arabia and Iran. The tactics of these countries are driven by the necessity to develop stable oil markets, finding allies, and overcoming problems that their oil-dependent economies create. The battle for the Middle East by these states to dominate the region is an additional factor that further complicates the geopolitical landscape, affecting not only the Middle East but also world politics.

WHAT EFFECTS DO SHORT-TERM CHANGES IN OIL PRICES HAVE ON THE DIPLOMATIC CHOICE OF SAUDI ARABIA AND IRAN, AND WHAT ARE THE CONSEQUENCES ON THEIR ALLIANCES, ECONOMIC RELATIONSHIPS AND INTERNATIONAL RELATIONS?

The short-term variations in the prices of oil have great implications on Saudi Arabia's diplomatic options and policies. Saudi Arabia being an oil-based economy, the fiscal health of this nation is largely dependent on income generated by sale and exportation of crude. In response to the increase in oil prices, Saudi Arabia enjoys increased revenue allowing it to pursue more aggressive diplomatic agendas and extend its influence regionally and internationally.

For instance, in the periods of high oil prices Saudi Arabia may become more interventionist state providing financial aid to allies states investing into infrastructure projects and supporting proxies or factions that are aligned with its interests. This can be seen in the Saudi involvement with conflicts such as Yemeni Civil War whereby kingdom has backed up internationally recognized government against Houthi rebels who are perceived to act on behalf of Iran.

On the other hand, when oil prices fall Saudi Arabia suffers economically and this limits its capacity to influence events in other countries. In such cases, the kingdom may tend to be more conservative and cautious in its foreign policy; it would seek stability of its economy and manage domestic discontent. Low oil prices can also lead Saudi Arabia to undertake diplomatic initiatives with the aim of stabilizing global oil markets, like collaboration with other producing countries for cutting production and maintaining price levels.

In addition, short term fluctuations in oil prices may affect the alliances and economic relations of Saudi

Arabia. The kingdom's relations with the major oil-importing countries, especially in Western and Asian regions are driven by price changes of oil. High oil prices can boost Saudi Arabia's relations with the nations importing oil to maintain a stable supply of energy, while low-priced crude could weaken these connections as importers seek alternatives or use their bargaining power.

With respect to international relations, short-term fluctuations in oil prices affect Saudi Arabia's position and clout within multilateral forums and organizations. The capacity of the kingdom to exercise influence within organizations like OPEC is directly linked with its ability to control oil prices. In times of high oil prices, Saudi Arabia's leadership in OPEC is strengthened and this gives it an opportunity to influence the production policies as well as control global oil markets. On the other hand, in times of low oil prices Saudi Arabia may struggle to keep OPEC united and find itself forced into cooperation with non-OPEC producers for price stability.

The Effects of Short-term Oil Price Shocks on Iran.

As in the case of Saudi Arabia, Iran's diplomatic decisions and approaches are greatly shaped by temporary fluctuations in oil prices. With the country being one of major oil exporters, Iran's economy is dependent on income generated from exports; and a significant share comes from oil. As a result, changes in the prices of oil can have dire consequences for Iran's fiscal health and economic stability which will determine its diplomatic behaviour.

When oil prices go up, Iran earns more money which enables it to pursue its geopolitical goals with greater vigor. Rising oil prices can give Iran more money to help its allies and proxies in the region, including Bashar al-Assad's Syrian government or Shiite militias operating within Iraq and Lebanon. Moreover, high oil prices may bolster Iran's position in its regional rivalries with Saudi Arabia and other Gulf States as it tries to establish itself further into the region by challenging the status quo.

On the other hand, when oil prices fall Iran suffers economic difficulties that may limit its diplomatic choices. Low oil prices undermine Iran's revenue base, restricting its capacity for supporting allies and proxies overseas as well as possibly aggravating domestic economic stresses. Under such conditions, Iran can take a more conservative and pragmatic approach in foreign policy dedicated to protecting its economic stability and reducing the influence of sanctions or other external sources.

In addition, the short-term oil price fluctuations affect Iran's alliances and economic relations. The major oil-importing countries, particularly in Asia and Europe are influenced by the changes of price level on Iran's relations. High crude oil prices may improve Iran's relationship with the importing nations that would want to ensure steady supplies of energy while low price could put strain on such relationships as importers look for alternative sources of fuel or take advantage from economic weaknesses in Iran.

From the perspective of international relations, short-term fluctuations in oil prices can affect Iran's participation with multilateral forums and organisations such as OPEC. Iran's ability to influence OPEC is directly related with its capability of using oil production as a geopolitical tool. When oil prices are high, Iran will want to make its interests within OPEC heard and advocate for policies that would ensure maximum revenue and market share. On the other hand, in times of low oil prices Iran might find it hard to keep unity

within OPEC and may want to work with other nations that produce oil including rival states such as Saudi Arabia so as to stabilize prices for their mutual benefits.

Impact on Alliances, Economic Relations and International Relations

The effects of short-term price changes in oil on Saudi Arabia and Iran's alliances, economic ties, and international relations are diverse. Oil price changes can reinforce the existing alliances and partnerships as well as offer opportunities for new alignments and coalitions.

Regarding allies, Saudi Arabia and Iran are interested in establishing relationships with other oil-producing states, large importers of crude oil as well as regional players to achieve their strategic goals. Such short-term shifts in oil prices can affect the dynamics of these alliances because states redefine their priorities and strive to secure interests amid fast changes within geopolitics. For instance, in times of high oil prices Saudi Arabia may consolidate its alliances with other GCC states and Arab allies using economic resources to enhance regional security against Iranian threats.

On the other hand, low oil prices can burden Saudi Arabia's alliances as its allies face economic problems and search for alternative sponsorship. Likewise, Iran might have a hard time sustaining its alliances and partnerships in times of economic crisis as allies and proxies may reconsider their allegiance to the country due to diminished capacity for providing both military aids.

With regard to the economic ties, short-term fluctuations in oil prices may influence trade patterns, investment flows and the level of cooperation between Saudi Arabia Iran etc. High oil prices can lead to economic expansion and increased investment in countries that produce oil while low price of oils may result into a recession with the implementation of cost cutting measures. This in turn could influence the demand for goods and services from oil importing nations as well as capital flow between exporting countries to those dependent on imports.

In addition, short-term fluctuations in oil prices may affect the geopolitical calculation of major powers especially those with strategic interests on Middle East and alternative sources of energy. For instance, the United States of America, China and members states in European Union closely watch oil prices to enable them use their energy relationships with Saudi Arabia and Iran for geopolitical gains. These states' involvement in the Middle East and their attempts to reconcile contradictory interests may also be affected by oil prices fluctuations.

To conclude, short-term fluctuations in oil prices have important consequences for the diplomatic options and tactics of Saudi Arabia and Iran as well as on a wider geopolitical picture of the Middle East and beyond. Alliances, economic relationships and international relations are also affected by changes in oil prices which shape the behaviour of states as well as non-state actors who pursue their interests in a very competitive global energy market. The intricate relationship between oil prices and diplomacy is critical for policymakers, analysts, and stakeholders trying to make sense of the dynamics in energy geopolitics.

OIL WEALTH AND GEOPOLITICAL DOMINANCE: SAUDI ARABIA AND IRAN'S INFLUENCE IN WEST ASIA

The region in the West Asia, which is often known as the Middle East, is the home for the largest portion of the world's oil production. The plenty of oil resources is an instrument of geopolitical compete and power plays; hence, the region focuses thereon. The two biggest oil-producing countries in the region - Saudi Arabia and Iran - have financial assets that are appropriate for them to govern power within as well as outside their nation.

Oil does not equal only a mere commodity for economies; it is also a strategic asset that greatly influences the foreign affairs. The power to tame oil supplies allows states to gain advantage over other energy-dependent nations and gives them an increased strategic way around the world. For example, the countries like Saudi Arabia and Iran have an economic position which is related to the huge oil reserves they own in West Asia.

Saudi Arabia's Geopolitical Influence

Saudi Arab as the biggest oil exporter in the whole world grips a stronghold in the context of international energy supply. Besides being the OPEC's facto leader, it maintains a significant control over the oily prices and the production levels, enhancing its influence. Moreover, the kingdom's closest alignment with a number of the major Western great powers especially the USA also increases its geopolitical weight.

Through its oil resources, Saudi Arabia has oil power over the Middle Eastern region and therefore pursues a strong foreign policy supported by neighbours. The kingdom has in the past used its money to ensure that regimes that fall within the sphere of its influence prevail, rival Iran's influence in that region, and espouse through the harbouring of Sunni Islam, the vision it has for that region. Thus, Saudi Arabia offered economic help to Egypt during the period of political uncertainty and facilitated their allies in the Sunni front in the conflicts involving Syria and Yemen

Besides, oil income in Saudi Arabia is at large used on the country's military budget, which funds the purchase of new armaments and defence systems. Thus, military superiority elevates its non-violent [discouragement] power and upholds the hegemony status of the region. Also, by using it on important infrastructure endeavors, funding the needy, and deploying cultural projects, Saudi Arabia uses its oil riches to extend its soft power and influence in the region.

Iran's Geopolitical Influence

Oil is the key product of Iran that produces this particular country one of the major actors in the West Asia's politics. The implementation of sanctions and seclusion policies could not prevent Iran from persisting to be a regional force thanks to militarily, politically and economically, means at the Iranian's disposal.

One reason that Iran is likely to remain wealthy is because it has its own natural oil. In spite of sanctions, the country can still depend on sources of income which are directly tied to oil exports. The country is lucky to have essential oil deposits, which provide it with the opportunity to stand against any financial challenges and continue to focus on its regional goals. Another reason is that Iran's domination of the very strategic Strait of Hormuz, the world oil trade critical chokepoint, increases its geopolitical clout and capacity not only imposes the costs of trade friction but also to disrupt global energy supplies.

The purpose of Iran's foreign policy is to take the leading role regionally, and according to this strategy, it should counter the alleged threats from regional rivals like Saudi Arabia and Israel. The country smartly played with non-state actors such as Hezbollah in Lebanon and different Shiites militias in Iraq and Syria to enhance its influence and capacity to bear arms beyond the borders.

Additionally, Iran financialized on around-region conflicts and political crises to offset its priorities. It is worth noting that the main tool it has used is military aid and providing financial resources to the Assad regime, so, finally, Syria has got its presence in Levant and the situation in the region has allegedly become more balanced. Moreover, Iran benefits from and sometimes generates sectarian tension to strengthen its presence particularly among the Shias population in countries such as Iraq and Yemen

Utilization of Oil Revenues

Both Saudi Arabia and Iran utilize their oil revenues to consolidate their dominance in the region through various means: Both Saudi Arabia and Iran utilize their oil revenues to consolidate their dominance in the region through various means:

Military Buildup: The income from oil provides both countries with the opportunity of investing heavily in the military area, through the buying of sophisticated weapons systems, the upgrading of the performance of their armed forces as well as the development of defence infrastructure. This way of getting ready for war is also a deterrence against possible enemies and assures to be able to exercise influence beyond their own frontiers.

Economic Influence: As Saudi Arabia and Iran fund their oil-based economies, they lead other states in neighbouring countries to become dependent on them and form alliances with them. They grant aid, financial resources, and credits to the loyal regimes that enable these to remain in power. This gives impetus to both political dependability and potential to influence for the purpose of regional affairs. Furthermore, their dominance in field of domestic and the partner oil export helps them in market making and set up of policies on their own Favor.

Political Interference: Oil-rich countries try to affect the internal issues of their neighbours which leads to an increase of regional geopolitical issues and problems. There is Saudia and Iran which respectively supported proxy groups, provide financial contribution for political parties and pursue diplomatic reorganization to turn the regional dynamics to their advantage and disadvantage their rivals. Especially this type of interference perpetuates and adds fuel to the tamper tensions and instability which in turn leads them the pursue hegemony.

Soft Power Projection: Both Saudi Arabia and Iran taking part in cultural activities, educational assistance or humanitarian initiatives in order to expand their ideological dogmas and to increase their soft power. Through the foundation of churches, religious schools and funding of impoverish communities they create religious institutions get influence and act as a disseminator of their own information.

Regional Alliances: Oil revenues frequently create correlation and special relationships not only with

respective countries but also with other regional actors. Crown Prince Muhammad bin Salman's reforms and the warming of Saudi-Iranian relations can be attributed to this trend, where both states develop ties with countries with similar views and benefit from their sectarian ties and geopolitical competition, in order to strengthen their role and counter the opposing forces.

In conclusion, It can be said that the oil provides the Saudi Arabia and the Iran with a powerful instrument they use to shape the geopolitical situation in the whole of the West Asia region. Oil-based economy grants such countries a political advantage in foreign affairs providing them with the means of influencing the region's agenda and establishing themselves as the powers that be. Saudi Arabia and Iran use military reinforcement, prompting economic influence, political infiltration, soft power projection, regional alliances, in addition to oil profits to follow their strategic goals and implement geopolitical rules in West Asia. Given the fact that the oil supply is crucial, the importance of these countries will remain until new energy sources are made and the global energy networks will keep on being dependent on the regional power games.

THE HISTORICAL DEVELOPMENT OF OIL RELATED FACTORS AFFECTING FOREIGN POLICY CHOICES TOWARDS SAUDI ARABIA AND IRAN

The way the oil-linked contributors to the decision-making processes of Saudi Arabia and Iran, affecting the foreign policy choices of their countries, has been the most oil related wicked problem that the global geopolitics have been confronting for more than a century. Through the lens of the narrative, one cannot help but notice that it was shaped by myriads of events, policy decisions, and geopolitical shifts which occurred ever since the discovery of oil. In order to understand the way, the foreign policy towards these two countries evolves overtime, one must look back in the historical context and analyse the milestones and the points when the policy and the policy changes took place.

The Motives for Early Explorations and Colonizing.

The story starts in the early 20th century when oil deposits in the Middle East became abundant. This development not only provided these provinces with economic opportunities but also placed them under the lens of the colonial powers, particularly the British, as they sought to secure access to this valuable commodity. Anglo-Persian Oil Company, which later became BP (British Petroleum Corporation), was founded in 1908, signifying the commencement of the Western influence in the country's oil industry. This paved the way for other geopolitical games in that location in the future.

The Emerge of Saudi Arabia

In the Arabian Peninsula, the kingdom of Saudi Arabia started its dominant role in the world oil market after the discovery of extensive oil reserves in the 1930s. The Kingdom of Saudi Arabia has been ruled by Al Saud Family and has been able to monetize its oil wealth to fulfil its role of a major player in the region and in the world. The ties between Saudi Arabia and Western powers, with particular reference to the US, acquired greater prominence in the early period after World War II when the demand for oil significantly increased.

Iran's Oil Nationalization

Iran dynamics were other. In 1951, Iranian Premier Mohammad Mossadegh utilized the country's oil industry, most in the hands of the Anglo-Iranian Oil Company (British Petroleum in later times). The shift accelerated Western forces in the region and turned the situation into a sequence of confrontations between Iran and Britain,

which reached its peak in the Anglo-Iranian Oil Crisis. America became engaged in activities aimed at the resolution of the crisis for the reasons of Communist expansion threat and to protect its interests in the region.

Cold War and Regional Damnia

In the context of the Cold War, the Middle East was converted into a theatre for ideological and geopolitical contest between the United States and the USSR. The superpowers sought to ensure it got hold of the oil and forge ties with the region's key players too. The U.S. found Saudi Arabia and Iran as important allies that received military and economic assistance to bolster their regimes that had previously been fractured.

1973-1974 Oil Crisis and OPEC

The end of the 1970s marked an epoch that fundamentally changed the world oil system. The Yom Kippur War of 1973 resulted in an energy embargo by some of the Arab OPEC members, which in turn caused the oil prices to skyrocket and the West to experience serious economic problems. Hence, meetings showed the scale of impact of the Middle East on global energy market and the necessity for the Western Powers to handle relations with oil-producing countries more prudently.

The Iranian Revolution and The Iran-Iraq War

Iranian Revolution in 1979 marked a turning point in the country as a Western-supported Shah was toppled, and an Islamic Republic was formed with Khomeini as the supreme leader. The revolution was instrumental in the transformation of Iranian foreign policy which happened to be in sharp contrast with that of the US and thus resulted in increased animosity against the West. The Iran-Iraq War was followed by that of Iran-Iraq which destabilized the region further and saw involvement of external actors, including the United States, which threw its support behind Iraq in its conflict with Iran.

Gulf Wars and the Instability in That Region

The 1990s also had further turbulence in the Middle East with the Gulf Wars that highly impacted the region's oil industry and balance of power. The First Gulf War (1990-1991) precipitated by Iraq's attack on Kuwait demonstrated the regional oil resources' vulnerability and the West's intervention in order to protect its fundamental interests. From the second phase of the Gulf War in 2003, marked by the overthrow of the regime of Saddam Hussein in Iraq, there was a complete reshaping of the geopolitical landscape of the Middle East and further intensification of rivalries between regional powers.

The Current Realities and the Future Prospects

Oil is today nearly as pervasive in the foreign policy towards Saudi Arabia and Iran as it was during the last decades. The fact that both countries continue to be players of great importance in energy markets of the world as well as their geographical significance does not seem to change at all. Nevertheless, despite the changing landscape, including the emergence of green energy and growing climate policy, the oil-foreign policy duology maybe redesigned in future.

In the end, the history of influence of oil-related matters on foreign policy choices towards Saudi Arabia and Iran constitutes a multi-faceted story which is subject to colonialism, Cold War antagonism, regional conflicts, and economic breakdowns. The desire for control over oil resources has been one of the main factors that underpin the foreign agendas of major powers and determining issues such as alliances, interventions, and conflicts in the Middle East and the wider world. This historical context is for real in comprehending the intricacies of modern geopolitics in the region.

ECONOMIC DEPENDENCY AND REGIONAL POWER DYNAMICS

Both countries are heavily reliant on oil revenue, which forms the backbone of their economic prosperity. This dependency on oil has profound implications for their domestic stability and international relations. Saudi Arabia, a country abundant in oil, used oil to develop and grow their country. It used the sugar as the main fuel to produce and export the petroleum. The oil exports constitute quite a large share of the country's income and also whenever there's a shortage, the government revenue cuts significantly. Moreover, changes in world oil prices will have a very direct impact on the Saudi economy as government budget, employment, and ultimately economic growth rate will be associated with fluctuating oil price. The King, Saudis government, pays oil price for supporting a portion of the welfare programs, infrastructure projects which the citizens need, including a good health care, education and others, that bolster the social stability and the legitimacy which the Saudi government aspires to.

Likewise, Iran relies on the export of petroleum products to generate the required amount of energy required to run its country. With the imposition of the worldwide sanctions and the isolation in the political relationships, Iran nevertheless maintains its oil production and sales to have its economy sustained. Oil money is instrumental for government programs, subsidies and social policies, among other things, and it also is a fund for the Defence Department and deployments. Nevertheless, the Iran for its economy has been imposed as impediments by the sanctions which in turn have retarded the country's capacity to utilize its crude oil resources.

The economic dependency on oil for both the Saudi Arabian and Iranian foreign policies comes up with the important results of the policies. Oil producing states are the main actors in the global energy markets, hence they are able to deploy their excessive position for obtaining their geopolitical aspirations. While both the countries aim for industry continuity on the global oil markets to provide stable revenue and facilitate economic growth, they have different strategies that are often characterized by negotiation, conflict, and compromise. They usually perform this function in a joint manner exclusively within OPEC and similar organizations. The purpose is for maintaining production volumes and steady prices.

Moreover, the economic importance of oil shapes the foreign policies of Saudi Arabia and Iran in the broader Middle East region. Both countries compete for influence and control, seeking to assert their dominance and further their geopolitical objectives. Saudi Arabia, as a Sunni-majority state, views itself as a leader of the Arab world and seeks to counter Iranian influence, particularly among Shia communities. Iran, on the other hand, aims to expand its sphere of influence and challenge traditional power structures in the region.

These regional rivalries have had significant outcomes where proxy conflict and power struggles get worsened across the Middle East thus, increasing the tension and instability. In opposition to each other, Iran and Saudi Arabia support the parties who fight in the civil wars of Syria and Yemen on a side with more power and influence. They bring these crises with enormous human factor, and one of the results is the building of conflict regions on the map of the world.

However, Middle East politics of oil also include around other countries besides Middle Eastern countries(Saudi Arabia and Iran) as Saudi Arabia and Iran try to dominate globally. They carry out diplomatic activities like alliance building, international agreements, economic cooperation and relations to expand their realm of influence and secure their interests. Tehran offers one of the best oil prices in the world, and the country wants to develop strong partnerships with Western powers, especially the US, military build-up has been financed with the oil revenues. While the EU and US initially favoured a crippling sanction system to put Tehran on its knees, Iran moved strategically to achieve an alternative, searching for a balance of power and mitigating the consequences of sanctions by developing ties with Russia and China.

Ultimately, the oil revenue stands behind the policies of Saudi Arabia and Iran. As a consequence, they are directed to keep the stability, to spread their influence, and to protect their interests regionally as well as globally. At the stage where oil serves as a one of the key ingredients of the economy of the countries, the Middle East will be ruled by the politics between these two oil-well developed nations.

DIPLOMATIC STRATEGIES

Saudi Arabia is a major power in the Middle East, and it employs its own blockade tactics. One of their primary goals is to join forces with powerful countries like the United States. This is a genuine statement since they will be able to use it to increase their power in the region and be sustained by it.

They also use the well-known "soft power" strategy, which is attempting to attract other countries through cultural links, or economic connections. This is exemplified by Saudi Arabia's expansion through one-way investments in other nations and sponsorship of its own interpretation of Islam, which is solely Sunni.

Second, Saudi Arabia uses its oil affluence as a sophisticated diplomatic tool. They are one of the world's largest oil producers, which means they must use their oil reserves as leverage in negotiations with other countries.

When it comes to the Middle East, Saudi Arabia maintains a hostile stance towards its Iranian competitor. They strive to form special alliances with other countries opposed to Iran in order to diplomatically isolate it from the rest of the world.

Iran also builds its own diplomatic playbook. Their main component is to reject the Western presence, as they believe Westerners are a big barrier to regional peace. That is, they establish partnerships with states that share similar viewpoints, such as Russia and several Middle Eastern factions.

These strategies have been critical to Iran's regional dominance. One of the most startling facts is that Russia has the region's strongest military force. It also backs the Lebanese Hezbollah and several militias in Iraq and Syria. As a result, they maintain their dominance in other countries and frequently set their own agenda.

Both Saudi Arabia and Iran make use of a grouping of deposit, incentives, and most of the time military intervention to fall in line with their external affairs.

Other things are diplomacy that are going to be pivotal in peacekeeping. Through their diplomats, who are sent to other countries for the purpose of negotiation, building of alliances and settling conflicts, they display their power. Additionally, they work with the rest of the world's nations in the framework of international groups like the UN to create the world policies.

Another factor is to put in effect economic incentives. Both countries invest the money from oil in order to support other countries and wield influence through loans. This will allow them to gain prominence and support for their programs, which in turn will result in acceptance of their proposals.

There are cases they are using military might, and other cases they are supporting their allies militarily, in order to pursue their goals. Some human-led military strategies could be examples of these actions, such as targeted airstrikes, interventions, or other support to rebel groups involved in conflicts.

In other words, the relationship between Saudi Arabia and Iran represents a complicated set of diplomatic strategies which aims at serving the interests of the two countries rather than those of the region or the world at large. They rely on a mix of coalitions, cultural impact, economic engagements and sometimes military force to realize their visions of the region. Consequently, their rivalry takes place when wars and different diplomatic tactics is employed, so, Middle East is a complex and unstable place.

ENVIRONMENTAL CONSIDERATIONS

In recent times, global issues related to environment as an essence of interstate interactions have become the agenda for global governance initiative. The era of sustainable development and environmental conservation is now getting critical and recognized by nations as the cheapest investment in ensuring long-term stability and prosperity. The list of the countries, whose foreign policies are adjusted with environmental considerations,

can be supplemented with the Middle East countries like Saudi Arabia and Iran whose oil resources are considered as the cut dust among other countries. This essay is going to demonstrate how environmental problems, specifically in reference to oil production and usage, have had great influence of the Iranian and Saudi Arabian foreign policies practices.

Saudi

Arabia

With an estimated 2nd just after Venezuela, Saudi Arabia is the only country with the largest amount of proven oil all over the world. Historically oil revenue makes up the base of Saudi economy, it has enabled to find huge capital to embark on development and foreign policy projects. In addition, Saudi Arabia's oil local and export business heavily impose both national and global environmental issues.

Concerning Saudi Arabia, the country is struggling with the negative environmental effects of oil extraction that has led to pollution and degradation of environment. This process frequently comprises of drilling, refining, and transportation stages that are responsible for the destruction of the soil and water, habitats, and the climate pollution. Moreover, the combustion of offerings such as oil helps to aggravate the greenhouse gas levels and hence contributes to the climate change which in turn may pose the long-term threaten to the environment and public health.

Internationally, through its huge oil exports Saudi Arabia influence environmental agendas and the subject of transition from the of energy on the global stage. The oil revenues of the Kingdom are anchored to the stability of the global oil markets, the latter considered as a matter of concern since the focus is on what will reduce the consumption of fossil fuels or initiate the switch to renewable energy sources. Therefore, Saudi Arabia has always tended to usher into the greenhouse gas emissions reduction plans which are less coercive and be reluctant to participate actively in the international climate negotiations.

Yet in the course of the history, Saudi Arabia in more recent years, has been demonstrating some positive signs of seeking environmental protection in its foreign policy. The Saudi Government discloses different projects and programs to achieve diversification of national economy and cutting the oil-based dependence. Under the Vision 2030 umbrella, renewable energy projects are promoted targeting environment sustainability. Furthermore, Saudi Arabia has shown that they are ready to see the Paris Agreement (which aims to curb greenhouse emissions) flourish, but they have some reservations about the economic implication of this agreement for their country too.

Iran

As the third in terms of global oil markets after Saudi Arabia, Iran's oil volumes do not fall far behind. Export of Oil has traditionally been the most lucrative income generator for the Iranian state, supporting for domestic achievements and financing external engagements. This is very much relevant to Iran which in turn like Saudi Arabia finds its primary source of income in the extraction and use of oil, both domestically and globally.

Domestically, the republic of Iran contends with pollutions and degradations of nature caused by activities connected with extraction of oil. The extraction process prolongs to drilling, refining, and transporting, and it may show up soil and water pollution, ecological disturbance, and air pollution. Additionally, the wide age of Iran oil infrastructure, as well as the lack of proper environmental regulations lead to the environmental exposure that go on to the threats of the ecosystem and people's health.

Internationally, not only is the position of Iran as a major oil exporting country involved in global talks on the climate change crisis, but also the energy transition issue. The country committed itself to the Paris Agreement and is to be subject to the pressure for moving away from fossil fuels and opting for a more eco-sensitive alternative. While geopolitical conflicts and economic restrictions pose a barrier for Iran to carry out expensive

operations involving renewable energy infrastructure and implementation of sustainable development, the country is still moving in the right direction.

Having some situations that point to these directions, Iran had implemented some actions to tackle with environmental challenges and to build sustainable development. The Iranian government has revealed plans to devote budgetary resources to clean energy schemes, such as solar and wind energy, to achieve the goals of diversity in energy sources and cutting down greenhouse gas emissions. Besides efforts to establish mutual cooperation with other states, China and Russia, Iran is trying to get involved in other energy development projects and expand the scope of environmental protection.

Similarly, the Saudi Arabia and Iran two neighbouring countries form their coalitions in regard to oil extraction and environmental degradation while significant different approaches to resolving these problems were revealed. Saudi Arabian foreign policy has historically been centered on economic concerns. In particular, the country focuses on sustaining the global oil market stability to boost oil exports thereby generate foreign currency revenue. This is the reason the Kingdom has been so cautious in opting for clearly stated climate targets and the transition to green energy, being worried about the possible effects on the economic well-being.

While, the importance of economic factors along with geopolitical aspects has largely influence the Iran's foreign policy strategy. Although the high rate of dependency on oil exports of Iran has indicated its deeper involvement in the international discussions on climate change, it is also known that it is moving forward to explore other renewable energy options. While economic sanctions and political tensions greatly hamper the attainment of sustainable development policies of Iran, Iran still manages to implement the necessary policies albeit at a rate far below the ideal university.

Conclusion

Essentially, environmental regards stand as a multidimensional issue, which make great destinations for their international policies of Saudi Arabia and Iran, especially in the circumstances when we speak about oil extraction and usage. However, despite the similarities in their relationship towards oil revenues to be allocated on domestic growth and foreign policy agenda, they both have an increasing state of environmental issues as well as the shifting towards the sustainable energy in their economy. Vision 2030 of Saudi Arabia reveals a considerable change, away from the standard of unequivocal motion of oil exports to more significant pressure on the basis of green development and nature protection. While on the one hand Iran has been confronting environmental issues in the face of geopolitical conflicts and sanctions which give rise to its inability to develop good policies, on the other hand the United States has also lagged behind in addressing environmental problems because of the lack of coordination and commitment among the country's various departments. Nevertheless, both Saudi Arabia and Iran can build their proactive reputations at the international level in the fight against climate change and policy planning towards the sustainability given that they offer the strategies and approaches that meet the requirements.

Research Through Innovation