CHAPTER 5

CONCLUSION

Foreign policy is the system of activities evolved by communities for changing the behavior of other states and for adjusting their own activities with the international environment. In general parlance, the foreign policy of a state is the sum total of the principles, interests and objectives, which it seeks to promote through its relations with other states. Accordingly, the foreign policy is the key element in the process by which a state translates its broadly conceived goals and interests into concrete actions to attain these objectives and preserve its interests. It is a complex and dynamic process influenced by the domestic concerns as well as the international environment.

It is also a product of a complex interplay of history, geography, present requirement, the values and perceptions of policy makers, domestic conditions, regional and global environment, political institutions and the personality of decision makers. Finally, the personality of the ultimate decision makers, their ideological predilections, psychological propensities invariably conditions the final choice of ends and mean's. While international relations include the relations among the governments, groups and individuals, foreign policy is confined to the relations initiated and implemented by governments.

Formulating a foreign policy, in fact, is one of the responsibilities of a government which can be regarded as a kind of search for the external behavior of a political unit based on the internal and external variables.

Basically, every country has a number of fixed as well as variable principles in its foreign policy. These are historically constant while the variable ones keep on changing with a change in the political system or the replacement of the authorities of the country.
Therefore, two major factors shape the foreign policies of a nation: A) Mindset, which comprises of values and conceptions held by policy-makers; and B) Objective milieu, which comprises the country’s domestic conditions and 2) international space, including its regional and world environment. Policy-makers’ values, perceptions and concerns affect what they deem desirable to do, but the setting (domestic, regional and global) determines what states are able to do. The conditions of the international (regional and global) environment, called systemic conditions, have an impact on a states’ foreign conduct and policies in two distinct ways. First, systemic conditions often generate constraints and occasionally provide opportunities that specify the possible extent of a states’ action. However, systemic conditions affect a states’ foreign conduct and policies in an additional way in that they create certain forces (pressures) which drive states or deter them from a particular direction. Hence, even if systemic conditions do not have considerable effect on the original formation of a state’s foreign policy directions, they will certainly play a crucial role in its success or failure.

So, to understand a nations’ foreign policy (notably those of the Third World countries), attention should be paid to three parameters, including constraints, opportunities and pressures. Reviewing the foreign policy of Iran is among the clear examples of the issues that the aforementioned elements played a role in its shaping.

The victory of the Islamic Revolution in 1979 also brought a radical change in Iran’s foreign policy. Following the Islamic Revolution and the establishment of an Islamic Republic in Iran, the foreign policy shifted from a pro-Western Policy to a “neither the West nor the East” one and the regime, from very beginning, projected itself as an independent from those in the West and the East.

The Islamic Revolution, in fact, converted Iran from a conservative system to an ideological and religious one bringing about major changes in its ties with the US, the Western countries and also the Arab nations in West Asia.

The foreign policy of Iran is based on rejection of any kind of suppression and oppression, establishment of peaceful relations with the non-hostile governments,
non-interference in the internal affairs of the other countries, not giving any kind of commitment to any suppressing power, maintaining its full independence and territorial integrity and defending the rights of the Muslims. These principles are being implemented in different forms such as "exporting the revolution", extending support to the "liberation movements" and promoting the "neither the West nor the East" tendencies.

Since the establishment of the Islamic Republic in Iran, these slogans have been analysed in a number of ways and this has made the foreign policy of Iran subject to discussions and debate. Therefore, one can say that the foreign policy of Iran has been a stage for a confrontation between realism and idealism, with the nation's foreign policy gradually becoming more rational and pragmatic.

Additionally, the foreign policy of Iran is a product of complicated and multi-layer deliberations among the government and the non-government players. However, the Supreme Leader, the Legislature and the Executive are the main bodies in framing and implementing the principles of Iran's foreign policy. The mega objectives of the Islamic Republic of Iran, in fact, have their roots in the political and cultural legacy of the Islamic Revolution. The culture which guided the Islamic Revolution of Iran to victory was converted into the principles and structures which determined the direction of the foreign policy of Iran. The Constitution of Iran introduces the Government of the Islamic Republic as the one wishing to observe the morality in the society and improve the moral values at the national and international levels. According to the Constitution of Iran, the principles of the foreign policy of the country are: 1- Improving Iran’s relations with the other nations, 2- Maintaining the independence and the territorial integrity of the country, 3- Protecting the rights of the Muslims all over the world, 4- Not interfering in the internal affairs of the other countries, 5- Respecting the international conventions.

However, the Islamic Republic of Iran prefers, on a priority base, to establish relations with four groups of countries i.e. 1- the neighbouring states, 2- the Muslim countries, 3- the Third World nations and 4- the countries which can meet Iran's political, economic, social and military requirements.
So far, Saudi Arabia is an important neighbour of the Islamic country with strong financial and economic potential and enjoys a special status in the West Asian region, giving it an important role in the foreign policy of Iran.

Iran and Saudi Arabia established diplomatic relations in 1928. Throughout the Cold War, these two countries were firmly allied to the United States. Both were commonly concerned about the threat of communism and the expansion of the Soviet Union in the Persian Gulf. And also, were opposed to the radical Arab nationalism led by Egypt's Gamal Adbel Nasser. During the seventies, the two constituted the pillars of the US military doctrine of the "Two Pillar Policy" for the Persian Gulf region. The decades of friendly ties between these countries ended soon after the Islamic Revolution. In fact, the triumph of the Islamic Revolution and the subsequent establishment of the Islamic Republic of Iran were considered as a prelude to a new phase of relations between Iran and Saudi Arabia. However, with the emergence of the Islamic Revolution in Iran and the threat sensed as regards to export and promulgation of politicised Islam, disputes between Iran and Persian Gulf littoral states, especially Saudi Arabia, came to the surface. Such a shift caused a notable amount of distress and disarray in the region and prepared the ground for new developments in the region.

The foreign policy of the Islamic Republic of Iran towards the Saudi Arabia, in fact, can be divided into three different periods of 1- Confrontation, 2- Expedient peace, 3- Détente and Confidence building. The confrontation policy stretched from 1979 to 1989 while the one of the expedient peace was implemented from 1989 to 1997. Iran's policy towards Saudi Arabia from 1997 to 2005 also can be discussed within the framework of the detente and confidence building policy.

Since the rise of the Islamic regime in Iran until the end of the 1980s, several tension-creating factors affected Iran-Saudi relations. These are:

a) The Islamic Shia ideology to some extent created a confrontation-seeking foreign policy. Such a philosophy that sought to overturn the prevailing status quo quickly placed itself in front of and in confrontation with the Sunni
ideology led by Saudi Arabia. These two challenged and questioned each other’s legitimacy.

b) Iran’s domestic politics and internal issues such as its uncompromising stance towards West, its campaign aimed at spreading and exporting the revolution, etc. provoked Saudis.

c) The Iran-Iraq War and Saudi Arabia’s financial, moral and other support to the Iraqis further intensified hostility between the two countries.

d) The policies practiced by the superpowers, including the United States, adopting hostile approach toward Iran and labeling it as a major threat in the region, which jeopardises political stability in the Persian Gulf areas.

e) The issue of Hajj provided a base for Iran to follow a hostile policy towards Saudi Arabia. For Iran the Hajj thus became an act of immense political significance, whereas the Saudis preferred to view it as a common religious experience uniting all Muslims, not as an occasion for political confrontation. In fact, Saudi Arabia maintained that the Hajj was strictly a personal experience of worship. The Hajj confrontation reached its climax on 31 July 1987, when Saudi troops killed 450 Iranian pilgrims during a political rally. The break came the following year, in 1988, when Riyadh formally cut diplomatic relations with Iran on 22 April 1988 and Iran formally boycotted the Hajj.

The atmosphere of tension, skepticism and mistrust prevailed up to the end of the Iran-Iraq war. In fact, from 1979, Iran’s policy towards Saudi Arabia was based on confrontationist and idealistic principles.

Hostile relations between Iran and Saudi Arabia continued for a while after the Iran-Iraq ceasefire in 1988. From late 1989, however, the Islamic Republic of Iran began to change its confrontational policy in the direction of more cooperation with the Saudis. This new move of Iran’s foreign policy was called as Expedient Peace or Pragmatic Peace Policy.
This shift occurred for a variety of reasons, most importantly because of the
death of Ayatollah Khomeini, the ascent of the pragmatists to power, the end of the
Cold War, the Iraqi invasion of Kuwait and the ensuing Gulf War.

After Ayatollah Khomeini’s death, leadership was passed to Ayatollah Seyyed
Ali Khamenei (the then president), who became the Supreme Leader. In his place
Rafsanjani (the then speaker of the parliament) became President. Ali-Akbar
Hashemi-Rafsanjani was popularly elected as Iran’s fourth President. They ascended
to power only after the Islamic Constitution was amended. The President’s power
substantially augmented. The President is now in charge of the Supreme Council of
National Security, which coordinates the activities related to defence, intelligence,
and foreign policy. In fact, constitutional mandate in 1989 provided for changes that
would end confusion over exercise of authority in government and would promote
greater pragmatism.

The installation of Ayatollah Khamenei and Rafsanjani as new leaders
signaled a novel understanding of the notion of Islamic State. Their alliance moved
policy making toward greater pragmatism in politics and management of the
economy. Actually, Rafsanjani’s election brought to power the pragmatic faction of
the fundamentalist camp and made economic reconstruction a top priority.

He put together a team of technocrats for a planned economic development
and launched what he described as the era of reconstruction. He also began to
improve Iran’s foreign relations.

Through these initiatives, Rafsanjani was able to reduce revolutionary fervour
and to give the new breed of bureaucratic managers room to develop. He even
contemplated following a pragmatic foreign policy for opening Iran to the world. An
earlier adherence to an extremist policy of the Islamic Revolution was based on the
export of revolutionary values and ignoring international regulations and resolutions
of the United Nations (UN) and other regional organisations. This position manifestly
failed to address Iran’s demands for a reorganisation of the international order. As a
result, under new circumstances but in fact reluctantly, the Rafsanjani government
accepted the realities prevalent in the international system and realised the disorderly situation prevailing within the country. In an effort to give order to the undisciplined domestic social and economic circumstances, the government adopted a policy of economic restructuring, the pivotal element of which was in fact pragmatism in the formulation and enforcement of foreign policy principles based on Islamic values. Thus, in the second decade of the Revolution and in the light of the above mentioned reasons, Iran practically adopted good neighbourly relations.

Iran made efforts to improve relations with the GCC, which required a commitment to regional stability. Rafsanjani said that Iran must stop making enemies and refrain from intervening in the internal affairs of others, an unambiguous signal that the export of revolution was no longer a policy objective. He, in fact, recognised the legitimacy of the states in the region. Accordingly, in order to prevent further decline in its position and to play a greater role in the region, the Iranian government decided to improve its relations with Saudi Arabia.

Signs of improving relations between Iran and Saudi Arabia became visible especially when Iran took positive steps towards further rapprochement of ties. The restoration of diplomatic relations in 1991 which was suspended in 1988 was one such important step.

The struggle for leadership within OPEC, rivalry over military supremacy in the region and competitions in Central Asia were the major issues which created hostility between Iran and Saudi Arabia. Also, some regional and global developments had negative impacts on their bilateral relations. These include Iran's objection and opposition to the GCC members participating in the Arab-Israel peace process, presence of US military forces in West Asia and Persian Gulf, and the dispute over Abu Musa and Greater and Lesser Tunbs. Even though Rafsanjani's Presidency was over in early 1997, he laid a strong foundation for Iran's closer and cordial relations with Saudi Arabia. This in fact facilitated the new leadership to strengthen its co-operation with Saudi Arabia. Mohammad Khatami who became the President of Iran on 3rd August 1997, with his novel idea of his foreign policy, opened
a new chapter in bilateral relations, which was known as era of détente and confidence building policy.

Khatami’s foreign policy was generally based on the three principles: 1) Détente, 2) Dialogue among Civilisations and 3) Dignity, Wisdom and Expedience.

Among the above mentioned principles, the most important aim that Khatami’s administration followed in foreign policy was realisation of policy of détente. The other two principles could be realised through détente.

Détente within the framework of the principle of dignity, wisdom and expediency meant that Khatami in his foreign policy pursued confidence building measure and removed past misunderstanding and thus tried to put an end to any kind of confrontation and dispute in foreign relations.

On the other hand, the principle of Dialogue among Civilisation played a vital role in the realisation of aims targeted by the policy of détente. Dialogue of Civilizations was a realistic objective based on certain values. It was realistic because it elucidated parts of the political and social realities that emerged in the post- Cold War era. It was value oriented as it calls on societies and civilisations to abandon violence and hostility and instead turn towards tolerance and cooperation.

The economic conditions, the political and social developments, the new internal challenges and requirements, the international order and the mental and the intellectual conditions of Khatami were among the elements effecting the shaping of the aforementioned principles. According to these principles which emphasised the reduction of tension and improvement of peaceful coexistence, Iran tried to act as a powerful civil society in the international scene to gain world credibility. Realising Iran’s uneasy relations with world countries, Khatami strengthened further his determination to improve Iran’s ties with the other nations and he, to this end, decided to hold direct talks with Europe, the neighbouring Muslim nations, the international and regional organisations and indirect ones with the USA. Given the important role of Saudi Arabia in the Organisation of Islamic Conference (OIC), Organisation of Petroleum Exporting Countries (OPEC), and also since the two Holy
cities of Mecca and Medina are located in the Saudi Arabia and the country enjoys considerable amount of influence among the Islamic countries, Khatami put the improvement of ties with Saudi Arabia at the top of his priorities. Khatami was sure that Saudi Arabia could be his best ally in achieving his regional objectives.

The security concerns in the Persian Gulf, the threat of expansion of Zionism in the region, the Palestine issue, the internal problems of Iran, the presence of the foreign forces in the Persian Gulf, the threat of globalisation, the four hundred kilometers maritime border between Iran and Saudi Arabia, the immediate and serious impact of the developments of the two countries in the Persian Gulf and the Islamic World, prevention of the arm race and the trade opportunities were among the elements forcing Iran to intensify its cooperation with Saudi Arabia.

Towards these goals, Iran sent repeated messages to Saudi Arabia, for friendly relations. Saudi Arabia readily accepted it and expressed its willingness to cooperate with Iran in a number of areas. Therefore, the warmest and most exceptional era began in the seventy-seven year old relationship between the countries.

Similarly, the new Iranian foreign policy was warmly received at the OIC Summit, which was held in Tehran in December 1997 where representatives of all the fifty-five members attended the Summit, including Saudi Arabia. In fact, after almost two decades of tension and mistrust in relations between Iran and Saudi Arabia, the Eighth Summit of OIC held in Tehran in 1997 and the participation of a high-ranking Saudi delegation in the meeting opened a new chapter in bilateral relations. During the meeting, the thoughts of Khatami and Crown Prince Abdullah head of Saudi delegation to the Summit found common ground. Though the speeches of the two leaders during the meeting were some what light and different, their contents showed that the ways of thinking of Khatami and Abdullah were very close to each other.

In a positively worded message to the Summit, the Leader of the Islamic Revolution promised that, the Islamic Republic of Iran poses no threat to any country. This was warmly welcomed by the participants, especially Saudi Arabia. The Saudi
government, which was pleased with the result of the 23 May 1997 presidential elections in Iran and assessed it as a turning point in the establishment of new relations, warmly welcomed the détente policy initiated by Khatami and evaluated it as an opportune moment for bringing the two countries closer.

Following the Eighth Summit of OIC and within the framework of the new foreign policy of the Islamic Republic of Iran, Hashemi Rafsanjani, the Chairman of the Expediency Council of Iran, visited Saudi Arabia in 1998. The visit led to considerable expansion of relations between the two countries. Building of confidence between Iran and Saudi Arabia was one of the results of the visit. During the visit, a number of unique agreements in the fields of trade, investment, science, education and sport were signed between the two sides.

The 1999 visit of Khatami to Saudi Arabia was the culmination of his policy to reduce the tension between Iran and Saudi Arabia. This was the first visit to Saudi Arabia by an Iranian head of State since the victory of the Islamic Revolution and received a red carpet welcome by Saudi leaders. This visit showed that two countries have similar views on many matters of mutual interest. In fact, the Saudis extended enough cooperation to make the event as a historical one. It was King Fahd who received Khatami at the airport although he was bound to a wheel chair. Khatami termed this visit as the continuation of the policies of the Islamic Republic of Iran to strengthen mutual understanding, cooperation and respect and said that this visit is in the line with the tension-reduction policy which the leadership and the administration of the Islamic Republic of Iran adopted as a main policy. In the course of the visit, the two sides held talks and reached agreements on speeding up the positive trend of bilateral relations and further expansion of cooperation within OPEC and OIC as stipulated in Tehran-Riyadh joint communiqué.

Following the visit and also due to the impact of the new foreign policy of Iran, the economic, trade, cultural, political and security relations between Iran and Saudi Arabia witnessed a considerable improvement converting this period in the history of their bilateral relations into an exceptional one.
In the field of economics, a number of economic and trade agreements were inked between the two sides. One of the most important contracts sealed was the air transportation agreement. According to this agreement, Iran and Saudi Arabia established reciprocal air-travel between the Saudi cities of Riyadh, Jeddah and Dhahran and the Iranian cities of Tehran, Isfahan, Shiraz and Mashad. Iran and Saudi also reached an agreement on transfer of water to Saudi Arabia and manufacturing of buses. And Iran agreed to send doctors, nurses and medical professionals to Saudi Arabia. Similarly, trade went up from $95 million in 1999 to $133 million in 2000 and $248.5 million in 2001. In June 2002, agreements were signed on the environment, flora, fauna, shipping and new agencies. In early 2003, the fifth session of the Joint Iran-Saudi Arabia Commission was successfully concluded.

Meanwhile, the two neighbours signed an agreement on Hajj related affairs to the extent that Saudi Arabia increased the ration from 145,000 to 242,000 pilgrims annually. The two governments also took steps to keep any Iranian demonstrations during the pilgrimage peaceful. In fact the Saudi government in consultation with Iran agreed and allowed peaceful demonstration of Iranian Hajj pilgrimage in front of their tents.

In the field of religious matters also, the two countries, by putting aside their major jurisprudence disputes and theologies, adopted a more moderate attitude and created a calm religious atmosphere between them. The Supreme Assembly of Saudi Ulema in 1998 forbade the excommunication of Shia.

The fatwas also issued by Iranian religious leaders on holding the daily prayers in Mecca and Medina along with the Sunnis and their repeated advice for avoiding sectarian divisions played an important role in strengthening this cordial atmosphere. It was exactly following these understandings that a Shia official, for the first time in the diplomacy of Riyadh, was appointed as the Saudi Ambassador to Iran.

With the simultaneous enforcement of détente and a policy of confidence-building, the leaders and authorities of the Islamic Republic of Iran and Saudi Arabia
exchanged views and paid reciprocal visits, and political relations between them improved.

Signing of a security agreement between the Islamic Republic of Iran and Saudi Arabia was among the most important achievements of Khatami's foreign policy. Though the agreement was limited to certain areas, it paved the ground for expansion of the understanding between the two nations. The security, in fact, was the missing element in the relations between Iran and the Saudi Arabia which was ameliorated through Iran's suitably positive engagement with Saudi Arabia. Holding of summits and also exchange of high level visits between Iran and Saudi Arabia led to the conclusion of a security agreement between the two countries. Since the governments usually enter into security agreements after consolidating their ties in other areas, one can say that the start of the security cooperation between Iran and Saudi Arabia was a turning point between the two countries.

On 18 April 2001, the Saudi Minister of the Interior, Prince Nayef, and his Iranian counterpart, Abdulvahad Mousavi-Lari, signed an agreement in Tehran on internal security cooperation. The general framework of this agreement was to ensure the completion and consolidation of the confidence building trends. Mousavi-Lavi stated during a press conference that this agreement promises peace and friendship and Iran has always reached out a hand of friendship to its neighbours. This agreement, which was termed as a big progress in its own kind for the two governments, was finally signed after many ups and downs leading to a number of outcomes for both sides.

The security cooperation and agreements between the two nations were, in fact, meant also that the two countries were not threatening each other and that they have put aside the mistrust and aggressive policies and have opened a new chapter in the relations and paved the way for implementation of the strategic designs of Iran and Saudi Arabia.

There were feeble moves even in the political arena as the parliamentary delegations exchanged visits. In December 2001, the Speaker of the Iranian Majlis
Mehdi Karrubi led a group of Majlis members to Riyadh and met the members of the Saudi Shura Council. At the end of the visit, there was a joint Shura-Majlis statement that the two countries condemned the vicious media campaign against the lofty principles, and values of Islam and considered it a conspiracy to deface the image of Islam and to weaken the Islamic and Arab nations. The statement also referred to Fahd as the custodian of the Holy Mosques rather than the usual “Shah Fahd”.

Establishment of closer ties between the Islamic Republic of Iran and Saudi Arabia in the Khatami era paved the way for cooperation between them at the global and regional level. Convergence and consensus within the Organisation of Petroleum Exporting Countries (OPEC) and Organisation of Islamic Conference (OIC), also, rapprochement of stances of the two countries vis-à-vis Iraqi and Afghanistan crisis were symbols of such a rapprochement.

In fact, with the launching of détente in Iran-Saudi relations, the two countries reached the conclusion that they posed no threat against each other. Therefore, the two countries withdrew the long running hostile outlook and misunderstanding and entered into formation of regional and global associations.

Production, export and pricing of oil were the major areas of cooperation between Iran and Saudi Arabia in OPEC in terms of regional issues during the Khatami’s regime. As a result of such an intimate cooperation and given the instability and severe fluctuations in international market prices, for the first time since its commissioning forty years ago, the target “price limits” was defined and a mechanism was forged for guaranteeing such a limit. According to the new agreement, OPEC set the average price of a barrel of oil at US $ 24 (with a fluctuation limit of plus and minus US $3. That is to say, the minimum price for a barrel of oil was set at US $ 22 and the maximum at US $ 28, by OPEC.

Meanwhile, the supportive mechanism set up for preserving such a limit was plus or minus 500,000 barrels for reducing or increasing the output. In other words, if prices plunged to below US $ 22, automatically 500,000 barrels/day would be reduced from the output and if it soared higher than US $ 28, on the contrary 500,000
barrels/day would be added to the OPEC production. The time limit for carrying out such a decision was set at 20 consecutive days, i.e., if prices dropped to below US $22 or jumped above US $28, for 20 consecutive days, the mechanism could be enforced. The improved cooperation and understanding within OPEC was as a result of member countries putting aside their political rivalries that used to previously affect the oil market as well as the economies of the member countries.

As a result of abandoning long running rivalries, for the first time a state of closer coordination, commitment and solid understanding towards market control, preserving the balance between supply and demand, creating stability in price, preventing several political entanglements and confining the roles of non-OPEC players was forged between the two major powers within the organisation (Iran and Saudi Arabia) which had a positive effect on other OPEC members.

These two countries achieved an unprecedented degree of co-ordination within the Organisation of Islamic Conference (OIC). Iran became an active member of the OIC. Within OIC, Iran and Saudi Arabia also realised that these two countries could play a constructive role in resolving many problems of the Islamic world. They therefore reached a common understanding on Jammu and Kashmir, Bosnia Herzegovina, Muslims of Cyprus, occupation of the Palestinian territory, Azerbaijan issue, terrorism and the need for revival of the Islamic civilisation and creating common understandings among the different cultures.

On issues like the problems in Bosnia, Kosovo and Chechenya, Iran and Saudi Arabia coordinated their policies. In 1997, Tehran hosted the OIC summit and the Saudi Crown Prince Abdulla participated. On the eve of the Ninth OIC Summit in Qatar in 2000, Iran and Saudi Arabia expressed displeasure over Qatar’s relations with Israel and declared that they would not attend the Summit if Qatar continues her ties with Israel and, thereby, Qatar was forced to cut her relations with Israel.

Since Saudi Arabia can be regarded as the big brother of the kingdoms in the Persian Gulf, improvement of ties with Riyadh helped Tehran intensify its cooperation with other nations in the region. This provided Iran a desirable
opportunity to establish security cooperation with the other member states of the GCC.

Bahrain restored its diplomatic relations with Iran in 1997. In August 2002, Emir of Bahrain, Sheikh Hamad bin Essa Al-Khalifah, paid an official two-day visit to Iran. Khatami also succeeded in signing a security treaty with Bahrain during his May 2003 visit to the country—the first for an Iranian leader in 25 years. Qatar’s Emir, Sheikh Hamad bin Khalifa al-Thani, visited Iran in July 2000. During his visit, the two sides agreed to develop trade and economic ties by avoiding double taxation and promoting joint investment. A security cooperation agreement was signed between Qatar and Iran in October 2002, covering cooperation on various aspects of border security, including measures to counteract drug running and money laundering.

Another positive result of the détente policy and rapprochement between Iran and Saudi Arabia was on the issue of the three Islands. For the first time in eighteen years, the heads of GCC states refrained from criticising Iran in 1999. Such a development was an indication of the fact that the solution depends on improvement of relations and settlement of disputes with the major powers of the region and influential members of the GCC, i.e. Saudi Arabia. In fact, the improvement of the ties with Saudi Arabia provided Iran certain advantages putting the country in a better position against the United Arab Emirate’s claim on the three Islands of Greater Tonb, Lesser Tonb and Abu Musa and the hostile policies of the Arab governments towards Iran on the Islands softened considerably after two decades.

During the war on Afghanistan and the war on Iraq, there were explicit consultations between them. Both cooperated with the US-led war on Afghanistan and extended financial and political support to the Hamid Karzai government. Also, both sought to put off the war by calling on Iraq to comply with the UN resolution, so as to deprive the US of a pretext to use force.

Both countries, under the pressure of the US, temporarily came closer. In fact, the US role in the region widened the gap between Iran and Saudi Arabia in the past. However, the subsequent developments at the regional and global levels and the US
role brought these countries together and improved relations between the two nations during the Khatami regime.

According to the prevailing assumption that assess relations between the two countries with a negative viewpoint, fundamental differences between the two nations in different fields in the past, made close relations between the countries impossible, however, this work of research is a proof that with consideration to the new developments in Iran’s foreign policy and creation of an atmosphere of collaboration which removed the walls of mistrust within the framework of the détente principle, the two countries enjoyed the most positive and productive era of closer cooperation in the history of their political relations.

This research also shows that issues such as Hajj, the US and competition in OPEC and OIC which had created a major divergence on the views held by Iran and Saudi Arabia, became issues of convergence between the two sides. In other words, the elements earlier used to push Iran and the Saudi Arabia away from each other was converted during the Khatami regime into the ones which narrowed the distance between the two countries.

This research also made it clear that Iran and the Saudi Arabia can, while identifying their common interests, utilise their capabilities in achieving their common objectives in the world, particularly in the Islamic World and the Persian Gulf.

The last important point is that destabilising the unity among the pro-West countries in the Persian Gulf and paving the way for dissemination of the theory of the Islamic Revolution, improving Iran’s prestige in the international and regional levels particularly among the Islamic nations, leading the Islamic World through holding the chairmanship of OIC, consolidating the oil prices as mentioned earlier, improving Iran’s image among the Persian Gulf nations and reducing the sensitivity of the West towards Iran which was earlier considered as a center of crisis and a threat to the regional countries were among the results of Khatami’s policies towards Saudi Arabia. All these issues have been explained clearly in this research.