

## Between Power Projection and Regional Rivalries. Saudi Arabia's Engagement in the Horn of Africa

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**Saudi Arabia is pursuing a strategy of security policy power projection, foreign policy diversification, and economic market development in the Horn of Africa. In this context, Riyadh considers the region on the western side of the Red Sea as its direct neighbourhood, which has gained geostrategic relevance against the backdrop of the war in Yemen and is viewed as part of the Saudi sphere of influence. In contrast to the United Arab Emirates (UAE), which sees itself as a shaping power in Africa and has been able to strengthen its political, economic, and military presence there, Saudi Arabia has so far lacked suitable instruments to implement its own interests over the long term. This is now to change: In the context of multipolar competition in the region, it is likely that the Saudi leadership will pursue a strategy similar to that of the UAE, heightening the risk of an intensified rivalry between the two powers.**

Against the background of a new conception of Saudi foreign and regional policy in recent years, Riyadh is also modifying its engagement in the Horn of Africa. Since the rise of Mohammed bin Salman as the country's influential crown prince and de facto ruler, Saudi foreign policy has undergone a gradual transformation. In the beginning, Mohammed bin Salman pursued an interventionist regional policy of escalation and provocation.<sup>1</sup> This was particularly evident in the military action in Yemen that began in March 2015, in the uncompromising stance against Iran, and in the so-called Gulf crisis with neighbour Qatar between June 2017 and January 2021. Most recently, however, we have seen a change in Saudi foreign policy. The shift in strategy may have been triggered by the drone attacks on Saudi oil refineries in September 2019, allegedly carried out by Iran.<sup>2</sup> At the time, Riyadh felt that it received too little support from the US administration under President Donald Trump. The Saudi leadership questioned its traditional partnership with the United States and has, since then, sought to gradually emancipate itself from Washington. The fact that the current president, Joe Biden, harshly criticised the crown prince in his election campaign and that

<sup>1</sup> Steinberg, Guido. 2018. "Muhammad Bin Salman Al Saud an der Macht. Der Kronprinz und die saudi-arabische Außenpolitik seit 2015". SWP Aktuell 2018/A 71, 18 December 2018.

<sup>2</sup> Hubbard, Ben, Palko Karasz and Stanley Reed. 2019. "Two Major Saudi Oil Installations Hit by Drone Strike, and U.S. Blames Iran". New York Times, 14 September 2019.

his administration resumed negotiations with Iran on the nuclear agreement (JCPOA) further strengthened Riyadh's critical stance towards the United States.

As a consequence, Saudi Arabia is currently adapting to the changed geopolitical framework. In times of global multipolarity, Riyadh is pursuing a course of equidistance. The kingdom is increasingly turning to partners such as China<sup>3</sup> and adopting a position of strength vis-à-vis Western allies, expressed for example in the rejection of US and European demands to significantly increase oil production to decrease energy prices, which have risen rapidly due to Russia's war against Ukraine. Riyadh is instead sticking to the agreement with Russia in OPEC+,<sup>4</sup> also to demonstrate that, in its own political calculations, national interests such as a high oil price take precedence over Western concerns. At the same time, the kingdom wants to restore its temporarily tarnished reputation as a leading power in the Arab-Islamic world and tactically weaken regional rivalries. Thus, Saudi Arabia together with the UAE, Bahrain, and Egypt officially settled the conflict with Qatar in January 2021. Meanwhile, the Saudi leadership is seeking a direct exchange with Iran; it is also striving for a de-escalation of the war in Yemen and the conflict with Turkey.

Domestically, Crown Prince Mohammed bin Salman has consolidated his position in recent years. He fashions himself as the "architect of the fourth Saudi state",<sup>5</sup> which is to be established as the centre of economic prosperity, entertainment, tourism, and technology in the Middle East. To achieve this goal, he is pushing for economic liberalisation while simultaneously engaging in political repression and fuelling Saudi nationalism with identity politics.<sup>6</sup> Socio-economically, the kingdom is recovering from the "double shock" caused by a drop in oil prices and the outbreak of the Corona pandemic.<sup>7</sup> But the task of creating jobs for the country's youth remains urgent. Riyadh's economic policy course is increasing the rivalry with the UAE and Qatar, both of which are pursuing a similar business model of economic liberalisation and diversification in the region.<sup>8</sup>

## The Horn of Africa as part of the Saudi sphere of influence

In this broader foreign policy concept, Riyadh increasingly regards the Horn of Africa as a priority. The region has traditionally been of particular relevance to Saudi Arabia, as there are close cultural and linguistic ties between the two sides based on trade and migration flows. However, the kingdom has mostly pursued a transactional policy of temporary influence. This has changed under the new Saudi leadership, as Washington's perceived withdrawal from the Middle East is causing a fundamental shift in the regional balance of power. Saudi Arabia is thus forced to adopt a more coherent approach in the Horn of Africa if it wants to safeguard its national interests.

Mohammed bin Salman trusts close followers who stand for a more balanced foreign policy, which is evident in the Horn of Africa. These include members of the royal family,

<sup>3</sup> Nakano, Jane and Frank A. Verrastro. 2017. "The Saudi 'Pivot to Asia'". Centre for International and Strategic Studies, 27 March 2017.

<sup>4</sup> England, Andrew and Samer Al-Atrush. 2022. "Saudi Arabia Signals Support For Russia's Role In Opec+ As Sanctions Pressure Mounts". Financial Times, 22 May 2022.

<sup>5</sup> Schraner, Maximilian. 2022. "Mohammed bin Salman: Der Architekt des „vierten saudischen Staats“ in der Corona-Krise". In *Weltpolitische Gestaltung in Zeiten von COVID-19. Zur Rolle von Persönlichkeit und Führungsstil in der Coronakrise*, edited by Ohnesorge, Hendrik W. and Xuewu Gu, 249-268. Wiesbaden: Springer VS.

<sup>6</sup> Alhussein, Eman. 2019. "Saudi First: How Hyper-nationalism Is Transforming Saudi Arabia". European Council on Foreign Relations, 19 June 2019.

<sup>7</sup> Arezki, Rabah and Ha Nguyen. 2020. "Coping with a Dual Shock: COVID-19 and Oil Prices". World Bank, 14 April 2020.

<sup>8</sup> Ottaway, David. 2021. "Saudi Arabia and the United Arab Emirates Turn Rival Allies". Wilson Center, 20 July 2021.

such as the Frankfurt-born foreign minister, Faisal bin Farhan Al Saud, who is held in high esteem by the crown prince and presents himself to the neighbouring region as a representative of Saudi pragmatism. In 2018, the experienced diplomat Ahmed bin Abdulaziz Kattan, who had served as Saudi ambassador to Egypt, was appointed minister of state for African affairs – a move that underscored how much Africa's importance has grown for the political leadership in Riyadh. Kattan, for example, played an important role in the mediation efforts in Sudan.<sup>9</sup> With such personnel decisions, the crown prince wants to position himself as an undisputed leader and prevent conflicts of competence between the individual ministries. In terms of content, his Africa policy is about pursuing Saudi interests in specific areas – this concerns military engagement in Yemen, Riyadh's regional leadership role, rivalry with Qatar and Iran, as well as economic diversification, food security, and migration.

## The conflict in Yemen

Riyadh sees a nexus between Yemen and the Horn of Africa. Since the military intervention in Yemen began in March 2015, the region has been considered a strategic hinterland of this conflict. Saudi Arabia therefore exerted massive pressure on individual governments in the Horn countries to forge an alliance and advance against the Shiite Huthi militia in Yemen. Sudan, Eritrea, and Somalia then joined the Saudi-led military alliance. Sudan, for example, sent between 7,000<sup>10</sup> and 30,000 soldiers and militiamen<sup>11</sup> to support Saudi Arabia in Yemen. In return for their deployment, Riyadh provided financial aid. For example, more than USD 1 billion was provided to the Sudanese Central Bank in the form of deposits in 2015.<sup>12</sup> The fact that Riyadh offers economic and financial incentives for military allegiance has, on the one hand, not only strengthened the Horn's security linkages with the Arabian Peninsula, but also intensified regional militarisation. The Saudi leadership's aim here was to legitimise the war in Yemen by securing the broadest possible political and military support.

At the same time, the Horn of Africa is considered a potential source of destabilisation to Saudi Arabia. Irregular migration to Yemen, and from there to the kingdom, is a growing security concern; the same applies to the activities of terrorist groups as well as conflicts in East Africa and the Sahel region. The Red Sea is geostrategically vital for Saudi oil production and world trade. Any instability in the region therefore affects the kingdom's economic interests. Piracy in the Gulf of Aden and Bab al-Mandab, drug smuggling, and illegal fishing are additional security factors that have prompted Saudi Arabia to increase its engagement in the Horn of Africa.

## Projecting political power in the region

Riyadh's overriding interest is to permanently secure its own claim to regional leadership. To this end, Saudi Arabia supports autocratic power structures and opposes democratisation movements. With this course, the royal house is repeating its strategy from the era of

<sup>9</sup> Mutambo, Aggrey. 2022. "Saudia Emerges As Key Mediator In Sudan Crisis". The East African, 11 June 2022.

<sup>10</sup> De Waal, Alex. 2019. "Cash and Contradictions: On the Limits of Middle Eastern Influence in Sudan". African Arguments, 1 August 2019.

<sup>11</sup> Amin, Mohammed. 2019. "30,000 Sudanese Forces Fighting in Yemen: Official". Anadolu Agency, 22 June 2019.

<sup>12</sup> Cafiero, Giorgio. 2015. "Sudan Gets \$2.2B for Joining Saudi Arabia, Qatar In Yemen War". Al-Monitor, 23 November 2015.

the “Arab uprisings”. In 2013, for example, it provided financial support, together with the UAE, for General Abdel-Fatah al-Sisi’s coup against President Mohammed Morsi in Egypt. The common goal was to eliminate Islamist and democratic forces. A similar approach was seen in Sudan after the overthrow of President Omar al-Bashir in 2019 and the subsequent military coup against the civilian government under Prime Minister Abdalla Hamdok in October 2021.<sup>13</sup> Together with the UAE, Saudi Arabia supported the Sudanese Transitional Military Council in its actions against the civilian protest movement; among other forms of assistance, Riyadh provided USD 3 billion<sup>14</sup> as well as economic aid for the military government. In this way, the kingdom wanted to maintain its own influence over the political-military elite in Sudan and motivate allies from the military there, such as General Abdel Fattah al-Burhan and General Mohamed Hamdan Dagalo (“Hemedti”), to continue their pro-Saudi course in Yemen. Al-Burhan is responsible for the Sudanese mission in Yemen and is considered a loyal supporter of the Saudi leadership. However, al-Burhan’s partisanship in Sudan led to an increasingly polarised domestic conflict situation and destabilised the country. This was followed by vigorous public protests against the Saudi influence, leading Riyadh to adopt a more conciliatory tone and, together with Washington, attempt to mediate between the conflict parties.

Still, many people in the Horn reject Saudi Arabia’s policy as interventionist, development-inhibiting, and paternalistic, as became evident during the protests in Sudan.<sup>15</sup> Moreover, it is believed that the kingdom is still pursuing an indoctrinating religious policy, which many opposition groups see as an additional sign of Saudi infiltration.

## Regional rivalries with Qatar and Iran

The restrained policy of the United States in recent years has led regional actors such as the UAE, Qatar, Turkey, and Iran to expand their presence in the Horn of Africa. In addition, the “Arab Uprisings” in 2011 and the Gulf crisis in 2017 caused conflicts to intensify between the UAE and Saudi Arabia on the one hand, and Qatar on the other. Djibouti, Somaliland, and Ethiopia ended up supporting the blockading quartet during the Gulf crisis, whereas Eritrea adopted a more neutral position so as to not jeopardise its good economic relations with Qatar.<sup>16</sup> However, the rapprochement between Qatar and the blockade actors in January 2021 opened up new opportunities for the Horn states to improve relations with both sides. This is particularly evident in Somalia: The change of government from President Mohamed Abdullahi Mohamed “Farmajo” to Hassan Sheikh Mohamud in May 2022 also offers an opportunity to settle rivalries between Gulf monarchies. Whereas “Farmajo” had pursued a rather neutral course in recent years, which Saudi Arabia and the UAE interpreted as closeness to Qatar, Mohamud already announced that he would make relations with all external partners more constructive and less confrontational – which has brought its first successes in the political discussions with Saudi Arabia and the UAE.<sup>17</sup>

<sup>13</sup> Kurtz, Gerrit. 2022. “Machtkampf in Sudan. Die Vorherrschaft der Militär- und Sicherheitskräfte stößt an ihre Grenzen”. SWP Aktuell 2022/A 21, 10 March 2022.

<sup>14</sup> Abdelaziz, Khalid. 2019. “Saudi Arabia, UAE to Send \$3 Billion in Aid to Sudan”. Reuters, 21 April 2019.

<sup>15</sup> Alamin, Mohammed and Alaa Shahine. 2019. “Gulf Powers Promise Sudan \$3 Billion in Latest Bailout for Ally”. Bloomberg, 21 April 2019.

<sup>16</sup> Soliman, Ahmed. 2017. “Gulf Crisis Is Leading to Difficult Choices in the Horn of Africa”. Chatham House, 29 June 2017.

<sup>17</sup> Arab News. 2022. “Saudi FM Attends Inauguration Ceremony For Somalia’s President”. 9 June 2022; Hassan, Mohamed Olad. 2022. “Somalia Releases Nearly \$10M Seized from UAE Plane Four Years Ago”. Voice of America, 19 May 2022.

From the Saudi perspective, Iran has been encouraged by US restraint in the region and the 2015 nuclear deal to expand its influence in the kingdom's immediate neighbourhood. Riyadh sees itself encircled by Tehran's allies in Yemen, Iraq, Lebanon, and Syria. Moreover, many representatives of the political and media elite in Saudi Arabia are convinced that they are also threatened by Iranian influence in East Africa – without, however, being able to clearly substantiate these accusations. As a result of the anti-Iranian narrative, asymmetrical power relations developed in which Saudi Arabia used its financial and political weight to instrumentalise the states in the Horn of Africa for its own purposes and to push Iran back. As a result of Riyadh's influence, Sudan, Somalia, and Djibouti closed their embassies in Tehran in 2016. In January 2016, Somalia received USD 50 million in return.<sup>18</sup> The Sudanese central bank had already been provided with deposits of USD 1 billion in 2015, as mentioned.<sup>19</sup> Saudi Arabia concluded an agreement with Eritrea in April 2015 to work together against external security threats in the Red Sea and Yemen – a clear move to counter Iran's role in the region.<sup>20</sup>

Moreover, the improved Saudi-US coordination towards Sudan, which exists despite Riyadh's grievances with the Biden administration, shows a high degree of pragmatism and an anti-Iranian thrust. The Saudi government, through Foreign Minister Faisal bin Farhan, among others, seeks dialogue with the United States to help shape local conditions, as in Sudan, but also to maintain a *modus operandi* with Washington. In doing so, Saudi Arabia under Mohammed bin Salman is pursuing a two-dimensional approach. Although explicit criticism of the United States has become an integral part of the country's public discourse, the kingdom continues to rely on its security and economic partnership with Washington. The United States is still seen as Saudi Arabia's protecting power and a relevant partner in containing Iran. Thus, against the backdrop of the geopolitical rivalry with Tehran, the Horn of Africa increasingly functions as a Saudi bargaining chip vis-à-vis the United States. The latter, on the other hand, is seeking dialogue with Saudi Arabia in order to push back on China's growing influence.

## Economic diversification

Saudi Arabia and the other Gulf monarchies regard the states in the Horn of Africa as interesting markets and investment locations. In the last two decades, the kingdom has invested USD 35.7 billion in Sudan alone,<sup>21</sup> which has become the most important market for Saudi companies in the Horn. Under the "Vision 2030" development agenda initiated by the crown prince, ambitious mega-projects enjoy high priority, including the construction of the artificial technology city of Neom on the Red Sea, which is stylised as the showpiece of the kingdom's economic transformation. Neom is to be established as a regional economic centre; the project is leading the Saudi leadership to take an increased interest in the African states bordering the Red Sea. In order to be able to refinance the massive investments in Neom and other major projects, Riyadh wants to open up markets in the Horn. In 2018, the total volume of Saudi investments there amounted to USD 4.9 billion.<sup>22</sup> The Saudi Public Investment Fund (PIF) has established itself as the crown prince's most important instrument for

<sup>18</sup> Reuters. 2016. "Somalia Received Saudi Aid The Day It Cut Ties With Iran: Document". 17 January 2016.

<sup>19</sup> Sudan Tribune. 2015. "Sudan Says It Received \$1 Billion in Forex Deposits from Saudi Arabia". 11 August 2015.

<sup>20</sup> Middle East Monitor. 2015. "Saudi Arabia, Eritrea Agree To Boost Red Sea Security". 30 April 2015.

<sup>21</sup> Yousif, Fatehelrahman. 2022. "Saudi Arabia, UAE Top Gulf Investments in Horn of Africa". *Asharq Al-Awsat*, 5 April 2022.

<sup>22</sup> Meester, Jos, Willem van den Berg and Harry Verhoeven. 2018. "Riyal Politics. The Political Economy of Gulf Investments in the Horn of Africa." *Clingendael*, April 2018.

capturing new markets in Africa. The PIF is designed to drive economic diversification while consolidating the political legitimacy of Mohammed bin Salman, who serves as the fund's chief executive officer.<sup>23</sup>

State investors such as the PIF are said to be contributing to Saudi power projection, which is why they are squeezing out non-state actors more than ever. This was exemplified by the detention of Saudi-Ethiopian entrepreneur Mohammed al-Amoudi in November 2017, part of a wave of arrests instigated by the Saudi leadership against influential businessmen, media moguls, and princes in the country. The aim of the action was to marginalise the traditional elites of the Saudi patronage economy. On the one hand, this was done to secure the power of the crown prince, and on the other hand, billions were demanded from the detainees in order to finance the investment offensive. With an estimated fortune of USD 8.1 billion at the time of his arrest, al-Amoudi belonged to the circle of traditional favourites, which is why he came into the crosshairs of the new political leadership. He was only released in 2019 – presumably in exchange for a large payment to the Saudi government.<sup>24</sup>

## Food security

Saudi Arabia's growing engagement in the Horn of Africa is also reflected in the extensive, highly controversial investments in agricultural land to secure its own food supply. For example, the kingdom has acquired 124,000 hectares of land in Ethiopia.<sup>25</sup> In April 2021, Saudi Arabia and the UAE announced that they would support agricultural production in Sudan by giving USD 400 million.<sup>26</sup> On the one hand, these agreements affect the local food supply, which increases poverty and social injustice. On the other hand, they are an expression of the growing Gulf Arab rivalry in the Horn of Africa. During the Gulf crisis, Qatar in particular made intensive efforts to acquire new land. The aim was to circumvent the blockade and maintain its own food security. This struggle for land fuelled competition with Saudi Arabia and the UAE, so that the intra-Gulf conflict also extended to economic engagement in the Horn of Africa. Faced with supply shortages in the wake of Russia's war against Ukraine, Saudi Arabia and other Gulf monarchies are likely to continue their policies of buying land in countries such as Sudan to mitigate growing shortages of grain.

## Migration

Transnational migration has shaped the complex relations between the Horn of Africa and Saudi Arabia for generations. Migrants returning from the kingdom to their home countries of Ethiopia or Sudan often act as drivers of the economic partnership and as local agents for Saudi investments. However, in Saudi Arabia, the growing number of migrants from East Africa is increasingly perceived as a threat to the national economy. With a domestic youth unemployment rate of 29.4 per cent (2020), job creation for young Saudi men and women is a top priority for the country's leadership. In total, about 500,000 low-wage migrant workers

<sup>23</sup> Roll, Stephan. 2019. "Ein Staatsfonds für den Prinzen. Wirtschaftsreformen und Herrschaftssicherung in Saudi-Arabien". SWP Studie 2019/S 13, June 2019.

<sup>24</sup> Aljazeera. 2019. "Saudi Billionaire Mohammed Al-Amoudi Released From Detention". 27 January 2019.

<sup>25</sup> Mason, Robert. 2022. "Pushing the Envelope of National Security and State Influence at the Margins. Saudi and Iranian Competition in the Horn of Africa". In *The Gulf States and the Horn of Africa. Interests, Influences and Instability*, edited by Mason, Robert and Simon Mabon, Manchester: Manchester University Press, 50.

<sup>26</sup> Abdallah, Nayera. 2021. "Sudan to Get \$400mln from Saudi Arabia, UAE for Agriculture – SUNA". *Zawya*, 11 April 2021.

each from Ethiopia and Sudan and 100,000 each from Eritrea and Somalia are said to be employed in the kingdom – as domestic workers, in the service sector, or in construction.<sup>27</sup> Due to the Saudi state's attempt to nationalise the labour market ("Saudisation"), thousands of Ethiopians in particular were dismissed, detained in camps, and then deported back home, especially during the Covid pandemic. Between March and June 2022 alone, 38,000 Ethiopian nationals had to leave the kingdom.<sup>28</sup>

In many societies in the Horn of Africa, these deportations, as well as reports of the rape of female domestic workers, have led to massive levels of resentment. The deportation campaigns have reduced the volume of remittances to Ethiopia from USD 480 million to USD 404 million between 2019 and 2020, exacerbating the economic crisis there.<sup>29</sup> Human rights organisations criticise the structural violence being perpetrated against migrants,<sup>30</sup> especially as returnees often cannot find work in their home countries. During the pandemic, they were also defamed by Saudi authorities and the media as sources of infection, which has led to anti-Saudi resentment in parts of East Africa. Furthermore, many East African migrants travel the dangerous Eastern Migration Corridor from Addis Ababa via the port cities of Obock in Djibouti and Bosaso in northern Somalia to Yemen in order to reach Saudi Arabia. In total, almost 25,000 migrants from East Africa arrived in Yemen in 2022 up until April, with 90 per cent of them coming from Ethiopia.<sup>31</sup> However, they often fail to cross the border into the kingdom and are stranded in dire conditions on the Yemeni side. Such conditions are criticised in the home countries, but at the same time Saudi Arabia is still seen as a desired destination for future migrants.

## Instruments to exert influence meet regional priorities

Against the background of this complex set of interests, traditional instruments of Saudi influence are losing importance, as they are being adapted or replaced by new means. In particular, the historically powerful religious policy is increasingly taking a back seat in Saudi domestic and foreign policy. The crown prince is pursuing an identity-focussed policy largely directed at the younger generation, in which Arab cultural heritage and the importance of the royal family as a pillar of the Saudi nation are emphasised more than the religious roots and Wahhabism. In terms of foreign policy, traditional Wahhabi proselytising has also lost influence because the spread of ultra-conservative teachings does not fit into the understanding of a "return to moderate Islam", as demanded by the crown prince.<sup>32</sup> This development, however, creates a dilemma in the Horn of Africa. After all, for many years religious policy was an essential instrument of influence to safeguard strategic interests. Now that this tool has largely disappeared, a vacuum has been created that Saudi Arabia will find difficult to fill.

All of the Gulf monarchies have expanded their military cooperation with partners in the Horn of Africa. The UAE is taking a particularly holistic approach here; through the logistics

<sup>27</sup> Mosley, Jason. 2021. "Turkey And The Gulf States In The Horn Of Africa: Fluctuating Dynamics Of Engagement, Investment And Influence". Rift Valley Institute, 2021.

<sup>28</sup> Hairsine, Kate. 2022. "Deported Ethiopian Migrants Tell Of Suffering In Saudi Arabia Detention". Deutsche Welle, 23 June 2022.

<sup>29</sup> The Global Economy. 2022. "Ethiopia: Remittances".

<sup>30</sup> Juneja, Ziva Luddy. 2021, "Saudi Arabia Repatriates Hundreds of Detained Ethiopians". 1 March 2021, Human Rights Watch.

<sup>31</sup> International Organization for Migration. 2022. Migration along the Eastern Corridor, Report 25. 2 June 2022.

<sup>32</sup> Hincks, Joseph. 2017. "The Saudi Crown Prince Says the Kingdom Will Soon Return to a 'Moderate Islam'". The Time, 25 October 2017.



company DP World, it has invested in the expansion of military and commercial capacities and maritime infrastructure. The Emirates has established itself as an influential maritime player and is striving to build a global network in port infrastructure as far away as Latin America. Furthermore, UAE-contracted mercenaries have been sent to countries such as Somalia, as well as arms deliveries. Saudi Arabia, on the other hand, has not succeeded in achieving a similarly dominant role as a maritime networker; it remains dependent on Emirati infrastructure and acts in a rather volatile manner. However, the kingdom plans to invest more in the logistics sector in the future. This approach also suggests an expanded engagement in the Horn of Africa, which is likely to increase Saudi market access there as well as the rivalry with the UAE and even China. After all, Beijing regards the Horn as a strategic hub of its Belt and Road Initiative.

Saudi Arabia also provides humanitarian aid in the Horn of Africa. The aim is to control and moderate conflicts; Riyadh is not interested in solving socio-economic problems in the heterogeneous and fractured societies of the region in a sustainable way. Since 1975, a total of USD 1.6 billion in official development assistance has flowed from the kingdom to Sudan.<sup>33</sup> It is followed by Ethiopia with a volume of USD 764 million since 2005,<sup>34</sup> Somalia with USD 281 million since 1977,<sup>35</sup> and Eritrea with USD 63 million since 1995.<sup>36</sup> Sectoral priorities were food security, water supply, and health. With financial support, comprehensive humanitarian aid, and budget grants to friendly governments, the Saudi leadership is trying to counter security threats and forge political alliances; it also wants to present itself as a reliable guarantor of development policy support and as a generous partner and donor.

With regard to the provision of development aid, the rivalry with Qatar, which was also active in humanitarian work in the Horn until the outbreak of the Gulf crisis, has once again become apparent in recent years. Between 2012 and 2017, Qatar was even the most important donor to Sudan before the blockade brought the Doha's humanitarian activities there to a standstill. After the settlement of the conflict, however, there are again prospects for a better coordinated Gulf monarchies' development policy in the Horn of Africa. The framework for this is provided by the Arab Coordination Group and the Arab-DAC Dialogue on Development of the Organisation for Economic Co-operation and Development. In recent years, Saudi development policy has striven for a more sustainable and multilateral approach. This is also reflected in the increased development policy engagement of the Jeddah-based Islamic Development Bank. In addition to financing traditional infrastructure projects, the bank is increasingly devoting itself to other sectors such as education, health, and renewable energy in Sudan, Djibouti, and Somalia – its three member countries in the Horn. Saudi Arabia is the bank's largest shareholder with 23.5 per cent, and therefore has great influence on its strategic and operational business.

## Larger trends in the Saudi Horn of Africa policy

Unlike the UAE, Saudi Arabia is in direct vicinity of the Horn of Africa. Whereas the Emirates' interventionism has comparatively few political costs – as their own position of power can hardly be threatened in view of the distance between them – the situation is completely different for Riyadh. Any destabilisation in the Horn of Africa affects the power structure

<sup>33</sup> Saudi Aid Platform. 2022. Beneficiary Continent Statistics: Sudan.

<sup>34</sup> Saudi Aid Platform. 2022. Beneficiary Continent Statistics: Ethiopia.

<sup>35</sup> Saudi Aid Platform. 2022. Beneficiary Continent Statistics: Somalia.

<sup>36</sup> Saudi Aid Platform. 2022. Beneficiary Continent Statistics: Eritrea.



within the Saudi sphere of influence. That is why Riyadh is acting more cautiously and not taking too many risks. At the same time, the Horn serves as a bargaining chip for the Saudi leadership when it comes to moderating divergences in relations with the United States and obtaining concessions from the Biden administration in its approach to Iran.

It can be assumed that the kingdom will orient itself at least to some extent on the strategic actions of the UAE. Such “Emiratisation” is already evident in Saudi economic policy, which, under Mohammed bin Salman, focusses particularly on sectors such as entertainment, sports, technology, tourism, and finance – sectors that are traditional pillars of the Emirati business model. Saudi economic engagement in the Horn of Africa could increasingly target such sectors, thereby challenging the UAE’s ambitions. In Saudi Arabia as well as in the Emirates, the growing competition in their reciprocal relations is seen as “beneficial” and “healthy”.<sup>37</sup> However, it could lead to increasing polarisation in the Horn of Africa, which would require the regional actors to take sides, similar to the Gulf crisis.

The priority in Saudi regional policy is the settlement of the conflict in Yemen, which has become a security and financial disaster for Riyadh in recent years.<sup>38</sup> The establishment of the Presidential Leadership Council in Yemen and the direct talks with Iran show Saudi Arabia’s political will to overcome this conflict diplomatically, since a military solution has become highly unlikely. Should a breakthrough emerge in Yemen, this could also have an impact on the engagement in the Horn of Africa. On the one hand, an easing of the conflict could reduce polarisation in the Horn, as Saudi Arabia would probably have less interest in rewarding possible allies for their engagement in Yemen. On the other hand, the Saudi leadership would give less priority to the region because its relevance as a strategic “hinterland” for the operation in Yemen would decrease. But even in such a scenario, the Horn of Africa is seen as a buffer zone against a possible expansion of Iran’s sphere of influence. Therefore, it is likely that Saudi Arabia will not reduce its presence there, but modify it by seeking diplomatic solutions in individual cases. A model for this is the peace agreement reached in Jeddah in 2018, which settled the Eritrean-Ethiopian conflict and was mediated by Saudi Arabia and the UAE.<sup>39</sup>

Riyadh is also interested in creating multilateral forums. One example of this policy is the Council of Arab and African States bordering the Red Sea and Gulf of Aden (“Red Sea Council”). It was established in 2020 on Saudi initiative and includes Egypt, Yemen, Jordan, Sudan, Eritrea, Djibouti, and Somalia in addition to the kingdom. The forum has not been able to achieve significant results so far; however, it serves as a platform for Saudi Arabia to establish regional loyalties, to oppose potential rivals such as Iran and, above all, to pursue common security interests. Issues of environmental protection or economic integration, on the other hand, play no role.<sup>40</sup> As with another platform – the Middle East Green Initiative, founded by Mohammed bin Salman in 2021 – is supposed to implement environmental protection measures on a transregional level, from which the Horn of Africa could also benefit. This part of the continent is increasingly suffering from climate change, and regional initiatives are a suitable instrument to meet those challenges. Saudi Arabia also sees itself as a pioneer in this area. Dealing with migration due to climate change may become more urgent for the kingdom in the future; migrants from neighbouring Arab states and the Horn are expected to increasingly seek protection in the kingdom.<sup>41</sup> However, Saudi

<sup>37</sup> Interview with Saudi analyst in Riyadh in March 2022; interview with Emirati analyst in Abu Dhabi in May 2022.

<sup>38</sup> Guzansky, Yoel and Ari Heistein. 2018. “Saudi Arabia’s War in Yemen Has Been a Disaster.” *The National Interest*, 25 March 2018.

<sup>39</sup> King Faisal Center for Research and Islamic Studies. 2020. “Red Sea Peace Initiatives: Saudi Arabia’s Role in the Eritrea-Ethiopia Rapprochement”. April 2020.

Arabia could also use multilateral approaches to forge alliances against Iran if its rapprochement with Tehran proves unsuccessful. Such an approach would further destabilise the region.

## Recommendations for Germany

For Germany, Saudi involvement in the Horn of Africa poses a problematic challenge. In many areas, the kingdom is pursuing interests that are diametrically opposed to Germany's Africa policy, as shown by the strengthening of patronage-based and autocratic power structures and the associated weakening of civil society democratisation tendencies. The expulsion of East African migrants and the rivalry between the Gulf monarchies and Iran in the Horn also affect Germany's diplomatic approaches in the region.

Therefore, there are only limited possibilities for Germany to cooperate constructively with Saudi Arabia in the Horn of Africa. However, an attempt could be made to seek greater diplomatic exchange with the regional forums that have emerged. In addition, German foreign and development policy should identify concrete fields to implement long-term development projects in the Horn together with the Gulf monarchies. This could include migration management, among other things. As a shift towards more sustainability is emerging in Gulf monarchies' development policy, the political will to coordinate more closely at both the bilateral and multilateral levels is also increasing. Joint triangular cooperation in the Horn of Africa could be realised with the Islamic Development Bank in particular, which the German government is interested in.<sup>42</sup> The strategy for dealing with the Gulf monarchies ("A Strategic Partnership with the Gulf"), published by the European Union in May 2022, also offers a European basis for identifying further fields – such as economic partnerships, transport, maritime security, and renewable energy – as priorities for cooperation with the Gulf monarchies in the Horn of Africa.<sup>43</sup> However, in order to avoid being instrumentalised for Saudi purposes, the German government must carefully evaluate in advance to what extent such cooperation entails reputational risks.

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<sup>40</sup> Custers, Desirée. 2021. "Red Sea Multilateralism: Power Politics or Unlocked Potential". Stimson, 7 April 2021.

<sup>41</sup> Fanning, Kate and Yossi Mekelberg. 2021. "The Coming Climate Migration Crisis in the Middle East and North Africa". New Lines Institute for Strategy and Policy, 7 December 2021.

<sup>42</sup> Federal Ministry for Economic Cooperation and Development. 2022. "Triangular Cooperation in German Development Cooperation". January 2022.

<sup>43</sup> European Commission. 2022. "A Strategic Partnership with the Gulf". 18 May 2022.

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