



[Egyptian President Abdel Fattah el-Sisi meets with Saudi Arabia's Crown Prince Mohammed bin Salman as Egypt Navigates Financial Crisis](#)

Amid a devastating financial crisis in Egypt, Egyptian President Abdel Fattah el-Sisi and Saudi Arabia's Crown Prince Mohammed bin Salman convened in the picturesque Red Sea city of Jeddah. As the region's dynamic geopolitical landscape shifts, these two leaders gather to strategize and forge a path toward a common future. The serene Red Sea backdrop belies the turbulent complexities permeating the Middle East. Egypt's financial turmoil, exacerbated by the ripple effects of the invasion of Ukraine, has exposed its dependence on the wealthier Gulf nations. In response to Egypt's pressing needs, Saudi Arabia and its neighbors have provided support through deposits in its central bank and substantial investments. Recently, Riyadh has indicated a significant shift in its economic aid policy, adopting a more cautious and conditional approach to assistance.

Since President el-Sisi's rise to power in 2013, following the overthrow of democratically elected President Mohamed Morsi, Saudi Arabia has been instrumental in supporting Egypt's economy. However, the Jeddah summit occurred in the context of Riyadh's announcement that it would no longer offer financial assistance without conditions. Saudi Finance Minister Mohammed al-Jadaan revealed this policy change at the prestigious gathering in Davos, Switzerland, stating that the kingdom would collaborate with international institutions to require improvements in the nations they support. This new policy briefly sparked tensions between the two countries when two prominent Saudi commentators criticized Egypt's past shortcomings on social media. Nevertheless, the situation was promptly resolved by Saudi and Egyptian authorities, with el-Sisi expressing appreciation for the assistance from their "brothers." Despite the rapid reconciliation, this policy shift carries significant implications for Egypt as it contends with its financial crisis.

As the political landscape of the Middle East undergoes significant shifts, Egypt's position is no exception. In December last year, the nation obtained a crucial \$3 billion loan from the International Monetary Fund (IMF), highlighting Egypt's reliance on its regional partners. This loan incorporates structural economic reforms, new financing, and debt rollovers from the Gulf countries. The Jeddah summit not only affects Egypt and Saudi Arabia but also carries broader implications for the Middle East as a whole. The evolving relationship between these two influential nations has the potential to reshape regional dynamics, as both countries are key players in the region's political and economic spheres.

The summit reflects 3 major changes in the region. Firstly, the summit reflects a more cautious approach by Saudi Arabia toward providing economic assistance to its regional partners. This shift may lead other Gulf countries to reconsider their policies, potentially influencing the distribution of aid and investments throughout the Middle East. As a result, countries in the region may be prompted to adopt structural reforms to meet the new conditional requirements, potentially leading to greater financial stability and transparency. Secondly, the Jeddah summit's emphasis on economic and political cooperation highlights

the growing importance of regional alliances in the Middle East. The willingness of Egypt and Saudi Arabia to address their differences and collaborate on shared challenges underscores the potential for greater regional integration. This cooperation could have a domino effect, fostering stronger ties among other Middle Eastern nations and promoting collaborative efforts in areas such as counter-terrorism, trade, and regional security. Lastly, the summit has taken place against the backdrop of significant diplomatic realignments in the Middle East. Saudi Arabia's recent efforts to mend relations with Iran, resume diplomatic ties with Syria, and strengthen its relationship with Turkey demonstrate the kingdom's desire to recalibrate its foreign policy. These developments could lead to a more balanced and stable regional order, reducing tensions and fostering dialogue between traditional adversaries. As a close ally of Saudi Arabia, Egypt's role in these realignments should not be underestimated. By maintaining strong ties with Riyadh, Egypt can position itself as a key player in the emerging geopolitical landscape, potentially leveraging its influence to address pressing regional issues such as the Israeli-Palestinian conflict, the Syrian crisis, and the ongoing struggle against extremism.

Saudi Arabia's continuously growing role in the Middle East may also be cause for alarm. As they continue to collaborate more with other countries and expand their sphere of influence, it will likely become increasingly difficult for opposition parties, pro-democracy organizations, free press, and human rights. Increased cooperation between authoritarian regimes in the region will allow these countries to collaborate in their suppression and abuse of whom they consider dissidents.

The Jeddah summit between Egypt and Saudi Arabia carries far-reaching implications for the Middle East, impacting the region's economic policies, fostering stronger alliances, and contributing to the reshaping of the geopolitical landscape. The meeting between President el-Sisi and Crown Prince Mohammed bin Salman signifies not only a new chapter in the relationship between Egypt and Saudi Arabia but also serves as a harbinger of a new era in the region's constantly evolving geopolitical landscape. As the winds of change sweep across the desert, the true impact of Saudi Arabia's new economic aid policy and the future course of Egypt's journey out of its financial crisis will be revealed in due course.