



Saudi Arabia's Sports Investments Linked to Political Goals

Sara Nowacka

Football has joined the list of instruments used by Saudi Arabia to cover up the brutality of the ruling monarchy's domestic politics and its controversial foreign interventions. This season, Saudi clubs have spent close to \$490 million on player transfers to raise the prestige of the domestic league to promote an economic development strategy and build a positive image of the state. The sporting investments are part of the authorities' increasingly assertive policy towards Western partners.

Sport has become one of the key elements in strengthening Saudi Arabia's image in the world. In this summer's transfer window, Saudi league clubs signed contracts with some of the world's best-known footballers, including Karim Benzema and Neymar. The state has also invested in other high-profile sports, including organising fights for the world heavyweight boxing championship from 2019 or races in the Formula One world championship. This year, the LIV golf tournament, managed by the Saudi Arabian Public Investment Fund (PIF), took over the institution managing the world's most important golf tournaments to date, the PGA Tour. These actions intend to demonstrate the effectiveness of the social and economic transformation in the country as envisaged by its *de facto* leader, crown prince Muhammad Bin Salman, and thus consolidate his influential position in the eyes of the international community. Although similar measures have been used previously by the leaders of other autocratic states (including Belarus and [China](#)), the level of the Saudi investments are unprecedented.

Internal Dimension. Sports-related investments are meant to consolidate the crown prince's power. They serve to rally Saudi support and thus prevent potential destabilisation, especially by other members of the ruling family. He wants to maintain a critical role in the most high-profile sports-related areas, given the importance for a large number of young citizens (63% of Saudis are under 30) to have access to quality entertainment. Decisions regarding the

development of football teams were part of this effort. Within the framework of gradual privatisation, the four most successful Saudi clubs were taken over (up to 75%) in June this year by the PIF, which is overseen by the crown prince. These clubs are responsible for this year's major Saudi league transfers. Other institutions also directly and indirectly controlled by the crown prince (including energy giant Aramco) have in turn taken over four lesser-known teams. The PIF is also a majority shareholder in Newcastle United, a club it bought out with its British partners in 2021. In 2023, the fund created a separate investment company, SRJ Sports, to focus on acquiring broadcasting rights for international sporting events, as well as their organisation. This led to an increase of around 8% per year in the number of international sporting events hosted by the kingdom. Bringing in world-class footballers has also translated into interest from sports channels in Saudi games. Following Cristiano Ronaldo's transfer to Riyadh-based club Al-Nasr, the Saudi league signed contracts to broadcast its matches in more than 130 countries at four times higher prices than during the previous season.

The football evolution in Saudi Arabia is also expected to promote the tenets of the crown prince's economic and social programme Vision 2030, a strategy he devised to decouple the Saudi economy from oil export revenues by making it a technological and business hub. In this context, sport is expected to both create income and attract foreign investors from other industries. It is linked to planned state

mega-investments (e.g., the construction of an urbanised NEOM area in the desert), which is part of a [wider effort to legitimise the authoritarian model of governance by the Gulf Arab states](#). Sporting projects implemented on a grand scale are intended to demonstrate the monarchy's financial capabilities. They dominate internal media discourse, obscuring issues such as the [failure of Saudia Arabia in the Yemen war](#) or the monarchy's inability to [defend its mining infrastructure against militia attacks](#). The authorities also hope that the presence of world-class footballers will attract tourists. In August, Visit Saudi, the country's official tourism platform, signed an agreement with Spain's La Liga, under which the latter will promote Saudi football and tourism. Raising the prestige of the entertainment sector is also expected to create related, attractive jobs in the private sector. Currently, [two-thirds of working Saudis are employed in the state sector](#), making it difficult to diversify the economy, forcing the monarchy to maintain its role as a distributor of oil profits in the form of jobs.

Foreign Dimension. Prestigious sports-related investments are linked to the [Saudi rulers' conviction that the international order is changing towards a multipolar direction](#) and to the intent to consolidate Saudi Arabia's influence in the world and increase the state's legitimacy as a major actor in international relations in the Middle East. This was evidenced, for example, by Saudi Arabia's bid to co-host the 2030 World Cup with Egypt and Greece. At the time, the monarchy offered both countries financing of the construction of stadiums on their territory in exchange for hosting 75% of the matches in Saudi Arabia. The joint offer was also part of strengthening Saudi-Greek-Egyptian relations, not least because of their consistent goals of [reducing Turkey's influence in the Mediterranean and the Middle East](#). In the end, the countries withdrew their candidacy after considering that Qatar hosting last year's football championship limited the chances of awarding the host role to a Middle Eastern country. In addition, Saudi Arabia was accused of using sport to expand its political influence—the U.S. Senate questioned U.S. PGA Tour representatives in July 2023 after they had signed an agreement with PIF. This was also connected to former President Donald Trump's links to the PIF-managed tournament. There was also controversy over the opacity of the Saudi fund, which was ranked 56th in transparency among 64 sovereign wealth funds in 2021.

Increasing the prestige of Saudi sporting events is also important in building relations with societies in developing countries. This is indicated by the monarchy's successful bid to host the 2027 Asian Cup and the African Football Confederation final in September this year, which will

feature clubs from Algeria and Egypt. This will increase the chances of a favourable stance from the African Confederation on Saudi Arabia's potential bid to host a future World Cup. At the same time, the sporting initiatives of Saudi Arabia and its partners limit football's promotion of universal values and human rights, as has been the case to date. This may be borne out by footballers' avoidance of taking stances when moving to the Saudi league, such as criticism of mass executions, the treatment of the LGBTQ+ community, the imprisonment of dissidents, or the high-profile murder of journalist [Jamal Khashoggi](#). Criticism of the Saudi authorities' actions is also hampered by a clause in players' contracts that commands them to respect the state's rules.

Conclusions and Perspectives. Sport is one of the instruments Saudi Crown Prince Muhammad bin Salman uses to promote the effectiveness of his rule to consolidate his position in the state. At the same time, the prince's decisive role in sporting projects contributes to maintaining a centralised management model for the development of football clubs in the state. This may limit their flexibility in the future, negatively affecting their achievements and thus the role of sport in the state's economic diversification. The strong link between Saudi sports initiatives and state institutions furthermore makes them dependent on oil revenues, which may also hamper their sustainability, especially in light of their high costs.

Hosting major international sporting events, on the other hand, is supposed to normalise high-profile cooperation between Western countries and the conservative absolute monarchy. Organising global events promotes the Vision 2030 programme and is intended to lend credibility to Saudi Arabia's development process in the eyes of foreign investors. Increasingly strong international links to the profitable sports industry are therefore intended to limit the risk of negative decisions by Western politicians for the monarchy. At the same time, the acquisition of Western sports institutions such as the PGA Tour or the joint implementation of large-scale sporting ventures will be another area of Saudi lobbying as a tool to put pressure on European or American governments. The positive perception of Saudi activities in the sports industry so far indicates that democratic states have increasingly fewer soft power tools to influence the Saudi authorities to soften their stance towards dissidents. This has a negative impact on these states' role as a normative force, particularly in light of the Saudi message emphasising the effectiveness of its system of governance, which politicians and part of the public in developing countries endorse.