

Three Iterations, One Decade: Revisiting Saudi Arabia's Vision 2030

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A decade after its launch, Vision 2030 remains the defining framework for Saudi Arabia's political and economic transformation under Crown Prince Mohammed bin Salman. While the initiative has delivered significant social change and political centralization, its economic achievements remain mixed, and the kingdom continues to rely heavily on oil revenues. The recent regional war with Iran further complicates the project, forcing Riyadh to divert resources toward security and risk management while undermining investor confidence. As a result, Vision 2030 is likely to enter a new phase—one shaped less by ambitious mega-projects and more by strategic adaptation to regional instability. The initiative is therefore unlikely to collapse, but it will fall short of its original ambitions, reflecting both the achievements and the structural limits of Saudi Arabia's top-down model of transformation.

Since its unveiling in April 2016, Vision 2030 has served as the umbrella brand of Saudi Arabia's national transformation. A legacy-defining gambit of Crown Prince Mohammad bin Salman, the reform plan seeks to rearchitect an oil-dependent economy while future-proofing an absolutist monarchical system. Nearly a decade into implementation, and with its formal deadline approaching, Vision 2030 has yielded stuttering economic gains alongside political and social achievements. In recent years, the project itself underwent significant reorganization. And now, with the shockwaves of regional war reverberating throughout the region, Vision 2030 appears set to enter its third iteration.

The brainchild of bin Salman, Vision 2030 aimed to revolutionize an economy facing unprecedented threat. Despite talk of reform dating back to the 1970s, Saudi Arabia entered the 2010s overwhelmingly reliant on oil revenues. Under the mounting strains of population growth, accelerating energy transition, and volatile energy prices, economic diversification transformed into a paramount—indeed existential—policy priority. To prepare for a future of reduced oil wealth, Vision 2030 emphasized fiscal

reforms and the growth of new sectors from tourism to advanced manufacturing, overhauling a model of bloated public employment and generous subsidies. Yet from the outset, Vision 2030 was unmistakably political, with the plan's diversification agenda conditioned on the centralization of power.

During the second half of the 2010s, bin Salman dismantled rival power centers within Saudi Arabia's royal family, subordinated the religious establishment, and purged key state institutions. Having seized unprecedented political might by the decade's final years, the crown prince set upon reformulating the kingdom's ultraconservative social order. The wisdom of incremental social reform that guided Saudi leaders before him—informed by a history of fierce grassroots and institutional backlash to relaxed social strictures—was discarded in favor of sweeping change. Saudis woke to a transformed society: restaurants and shops began operating during the call to prayer; young men and women flocked to newly established entertainment venues; women took to the roads for the first time, and then to the labor market; and now, the government is [reportedly](#) experimenting with legal access to alcohol. To bin Salman, these expanded freedoms were necessary for both reclaiming legitimacy among younger Saudis and for redefining the kingdom's global image—an essential component of achieving the scale of international buy-in required for Vision 2030's success.

For all of the reform plan's political and social advances, however, oil remains the unambiguous backbone of the Saudi economy. In 2025, hydrocarbons accounted for roughly 45 percent of GDP. Non-oil growth [appears](#) driven primarily by oil market dynamics rather than Vision diversification efforts, with sectoral increases accumulating at a [slower rate](#) than pre-Vision years, when oil prices were higher. Stalling productivity has demanded heavier government spending to fuel non-oil revenue gains, [producing](#) a persistent budget deficit since 2022.

Key to understanding its achievements and shortcomings, Vision 2030's evolution falls into three chapters marked by distinct development priorities.

A Vision Revised

In the plan's first iteration, from 2016 to 2023, a collection of massive infrastructure works, called mega-projects, were intended as its centerpiece. These colossal development schemes were meant to herald a kind of epochal leap for the kingdom, showcasing its evolution away from a model of fossil-fuel reliance and social puritanism—widely seen as anachronistic—toward an agenda of cutting-edge modern development, creating new tourism and investment opportunities in the process. However, despite being designed to most visibly embody Riyadh's grand ambitions, Vision 2030's mega-projects were quickly beset by setbacks.

The arc of the futuristic linear city, “the Line,” exposes several of the difficulties confronted. Situated in the NEOM region at the Red Sea's northern tip, the Line was planned as a 170-kilometer-long pair of parallel wall-like towers. From its unveiling in 2021 to 2025, cost estimates skyrocketed by billions of dollars; hopes for foreign backing fizzled, and [at least](#) \$50 billion spent on excavation, transportation, and building resulted in missed development targets. Softening oil prices tightened fiscal pressures, helping force a reckoning among Saudi leadership over its approach to the Line, and mega-projects generally. In 2023, the linear city underwent considerable downsizing. Its first phase, slated for 2030, is now expected to mark the completion of 2 kilometers of the project rather than the original 16 kilometers planned.

Other mega-projects traced a similar trajectory. In the NEOM region, the anticipated cost of three out of five major mega-projects more than doubled. Key development milestones slipped, seen recently in Saudi Arabia's decision to [forfeit](#) its hosting of the 2029 Asian Winter Games after slowed construction progress at the \$38 billion Trojena ski resort. Outside of NEOM, the prospects of at least one mega-project continue to be [viewed](#) favorably—the \$63 billion renovation of the ancient city of Diriyah. Yet even Diriyah's relative promise risks being overshadowed by continued delays. By 2023, amid these growing challenges, the value of contracts awarded for mega-project development [began](#) to sink rapidly. This shift signaled a deep reckoning over Vision 2030's future, one which would propel the project into its second iteration.

As flagship mega-projects receded into the background, sectors representing greater potential for near-term gain raced ahead. In 2024, bin Salman [announced](#) the creation of Alat, an advanced manufacturing company that [pledged](#) \$100 billion in investments by 2030. Later that year, Riyadh [unveiled](#) a \$100 billion AI investment fund [matched](#) shortly after by a \$100 billion critical minerals investment plan. And while spending lagged on previously announced mega-projects, the crown prince [introduced](#) a new massive development scheme to cater to religious pilgrims in Mecca.

Two weeks prior to this year's Israel-US military campaign against Iran, the kingdom's finance minister [confirmed](#) Vision 2030's priorities had indeed shifted, with resources redirected from mega-projects toward tourism, manufacturing, logistics, and technology. Yet after absorbing at least 916 Iranian missile and drone attacks, Saudi Arabia's Vision 2030 now looks poised to enter its third incarnation.

Drawn into the center of an expanding regional conflagration, Riyadh can no longer float above the region's waves. Since 2019 when Iranian drones targeted Saudi oil facilities and temporarily halved the kingdom's energy output, bin Salman has sought to avoid regional escalation, both to attract foreign investment and to ensure steady oil flows for his resource-intensive Vision program.

However, the kingdom now has little choice but to harden its defenses, rebuild destroyed infrastructure, invest in contingency-planning and do its utmost to restore investor confidence. Allocating greater sums to these causes will undoubtedly require pushing an assortment of Vision initiatives to the backburner: Riyadh was [already](#) experiencing its widest budget deficit in five years upon the war's outbreak, even before these added fiscal pressures emerged. Meanwhile, relief in the form of foreign [investment](#) and private funding, which Saudi officials had [hoped](#) would help vitalize newly prioritized industries, now appears less likely to materialize.

These challenges, however, are unlikely to spell an end to the mission of economic diversification. Indeed, the incentives for a pivot away from oil remain the same—if anything they are underscored by Saudi Arabia's vulnerability as war-related oil price hikes [risk sliding](#) into reduced consumer demand. Yet as Riyadh surges resources to address new exigencies, its spending on economic reform is likely to decline. Overall, this will draw out the timeline for Vision 2030's diversification goals.

Certain economic initiatives, however, may receive tailwind from the ongoing regional upheaval. As markets search for alternative supply routes, Riyadh may make progress toward its goal of becoming a global logistics hub. In 2025, a large port under construction in NEOM [processed](#) its first pilot shipment, cutting transit times between Egypt and Iraq by half, while avoiding the Houthi-threatened Bab el-

Mandeb Red Sea chokepoint. [Across](#) the Gulf, the development of several large-scale logistics projects has been spurred by Iran's blockade of the Straits of Hormuz. If momentum is maintained and channeled judiciously, these infrastructure developments may prove profitable investments.

Amid surrounding instability, a second silver lining for Saudi Arabia and Vision 2030 plan concerns its strategic competition with the United Arab Emirates. With its own collection of economic reform plans, the UAE is pursuing a similar transition away from oil. Abu Dhabi's diversification plans [prioritize](#) many of the same sectors Saudi Arabia seeks to champion, including artificial intelligence and manufacturing. But while the Gulf emirate holds many competitive advantages over Riyadh—including a dense ecosystem of skilled expatriates and a long history of global integration—its security environment appears more precarious. Since February 28, the UAE has been [targeted](#) by Iranian attacks over two and a half times more than Saudi Arabia. While Abu Dhabi will likely seek to reduce its exposure to Iranian assaults through expanded defense investments, its poor geographic fortune relative to Saudi Arabia may drive global investment toward Riyadh.

Vision 2030 and the aftermath of the war

Saudi Arabia's dedication to Vision 2030, through its various iterations, helps explain Riyadh's behavior during the recent US-Israeli war with Iran. Despite its vast economic resources and rhetoric of regional leadership, Saudi Arabia avoided taking an active role or defining a clear position during the conflict – its military actions against Iran remained limited and tacit, by design. Its policy consisted mainly of public statements emphasizing the need for stability, alongside repeated denials that it had supported the war in the first place—even as reports suggested that bin Salman had encouraged Washington to adopt a tougher line toward Tehran. The result has been a cautious, even hesitant posture, aimed at avoiding direct confrontation with Iran while also not distancing itself too far from its strategic partnership with the United States.

This apparent weakness, however, is not merely the product of political hesitation but also of cold strategic calculation. The Saudi leadership has invested the bulk of its resources in Vision 2030, and therefore a wide regional war is perceived as a direct threat to the kingdom's future. Given these constraints, Riyadh has opted for a policy of delicate balancing: avoiding direct participation in the conflict, maintaining channels of communication with Tehran, while continuing to rely on the deterrence provided by its alliance with Washington. Although this policy may appear weak from the outside, from the Saudi perspective it reflects an effort to navigate an unpredictable regional environment while safeguarding the kingdom's core economic and political interests.

Taken together, these dynamics suggest that Vision 2030 should be judged neither by its bold rhetoric nor by isolated successes. It is, above all, a project of partial transformation. Politically and symbolically, it has been remarkably effective, consolidating power and reshaping Saudi Arabia's global image. Economically, it has achieved progress in select areas but fallen short of a decisive break from oil dependence. Socially, it has expanded personal freedoms in controlled ways while narrowing the space for collective participation and accountability.

The most probable outcome, therefore, is not collapse but underperformance relative to ambition. Vision 2030 has demonstrated what centralized authority can accomplish in a short time, but it has also revealed the limits of top-down development in the absence of institutionalized feedback and human capital depth. Whether Saudi Arabia can move beyond these limits will depend less on mega-projects or

branding campaigns and more on its willingness to invest in people, institutions, and adaptive governance beyond the symbolic horizon of 2030.

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