



CARPO

Center for Applied Research
in Partnership with the Orient

PULSE

08.07.2026

12

From 2026 to 2034 – Saudi Arabia's Shifting Sport Politics in Light of Regional Uncertainty

by Sebastian Sons

At the FIFA World Cup hosted by Mexico, Canada, and the United States Saudi Arabia's presence extends well beyond its national team's participation on the pitch – even after the "Three Falcons" did not manage to enter the round of 32 after draws against Cabo Verde and Uruguay and a loss against Spain. Across stadiums and other tournament venues, Saudi energy giant Aramco features prominently as a strategic sponsor of FIFA. The visibility of Saudi brands during the world's largest sporting event illustrates the extent to which the kingdom has consolidated its position as a leading global sports power over the past decade – at least beyond the pitch. However, in light of regional escalation and growing socio-economic challenges, the kingdom is undergoing a substantial shift in its sport strategy in terms of investments, recalibration and adaptation.

Why does it matter?

As the kingdom prepares to host the FIFA World Cup in 2034, sport investments have become a strategic instrument for economic diversification, international engagement, and geopolitical influence. Within this framework, Saudi Arabia seeks to position itself as a global hub for sports excellence, investment, innovation, and international collaboration. This approach is indicated by ambitious investments in global and national sport in recent years: Between 2021 and 2023, Saudi Arabia invested more than USD 6 billion in international sports, with a particular focus on football, motorsport, boxing, mixed martial arts (MMA), and esports. By the end of 2024, Saudi organizations had concluded more than 350 sponsorship and partnership agreements across the global sports sector. Between 2019 and 2024, Saudi Arabia hosted more than 100 international sport events. It has further been estimated that the value of Saudi Arabia's sports event industry has been growing by 8% per year, rising from USD 2.1 billion in 2018 to an estimated USD 3.3 billion by 2024.

However, Saudi Arabia's sports strategy is facing serious challenges and is currently undergoing a significant recalibration in response to mounting geoeconomic and geopolitical constraints. In particular, the US-Israel war on Iran, which started in February 2026, put additional pressure on the kingdom's long-term sport ambitions. For example, the Formula One Grand Prix in Saudi Arabia had to be cancelled following the escalation of tensions in the Gulf. Furthermore, the Esports World Championships have been moved to Paris due to the tensions in the region.

Even before the outbreak of the war, the government had already started to reorient its broader investment agenda, including sport, with a focus on domestic projects. In this context, reports suggest a potential scaling back of certain high-cost international sports initiatives such as the LIV Golf project. LIV Golf League was established by Saudi Arabia's powerful Public Investment Fund (PIF) in 2022 to challenge the dominance of the US-

based PGA Tour and to strengthen ties with golf enthusiast Donald Trump. In 2026, the league was set to distribute a total of USD 470 million in prize money to attract the world's leading male golfers. However, the expected returns have yet to materialize, with cumulative losses estimated at approximately USD 1.1 billion.

Fiscal constraints are also affecting other sports initiatives in the kingdom. For example, the 2029 Asian Winter Games have reportedly been relocated to Kazakhstan after infrastructure development proved more costly than anticipated and could not be completed within the required timeframe. Within Saudi Arabia's domestic football league, the Saudi Pro League (SPL), high-profile player acquisitions have become less frequent, reflecting a more restrained approach to sports spending. From season 2023/2024 to 2024/2025, transfer expenses declined from EUR 973.6 million to EUR 612.3 million or from EUR 54 million to EUR 34 million per club.

Furthermore, state revenues are spent more carefully. To generate long-term return on investment, Saudi Arabia is accelerating the privatization of its football clubs. For instance, US investor Ben Harburg, through the Harburg Group, acquired the provincial club Al-Khoolod, while Saudi businessman Prince al-Waleed bin Talal purchased the PIF's stake in Al-Hilal for approximately USD 373 million. Through this increased private-sector participation and commercial expansion, league revenues are projected to quadruple to approximately USD 480 million annually by 2030.

What is the big picture?

In light of regional tensions and growing security concerns combined with structural socioeconomic challenges, the Saudi government faces a complex balancing act in its sports policy. On the one hand, sport remains a strategic priority for building international networks, expanding market access, and enhancing political influence. Here, the World

Cup 2034 serves as a tactical milestone for Saudi Arabia's global sport ambitions as a center for beauty, benignity, and brilliance. On the other hand, tighter fiscal constraints require a more selective and efficient allocation of resources. Maintaining the credibility and effectiveness of the kingdom's sports strategy will therefore depend on its ability to prioritize investments while continuing to generate tangible economic and geopolitical returns. Against this backdrop, Saudi sport policy is increasingly prioritizing the development of a domestic sports ecosystem: Under the Quality of Life (QoL) program, a key initiative of 'Vision 2030', the Ministry of Sports has articulated a strategic framework aimed at fostering a physically active society. Traditionally, levels of physical activity have been low; in 2019, 78% of Saudi nationals were still classified as physically inactive. Furthermore, Saudi society faces a high prevalence of non-communicable diseases, particularly obesity and diabetes, both of which had a prevalence rate of 23.1% in 2024.

Hence, 'Vision 2030' aims to increase the proportion of the population engaging in regular physical exercise by 40% by 2030. Progress toward this goal has already shown promising results: In 2025, 59.1% of adults engaged in at least 150 minutes of physical activity per week, surpassing the national target originally set for 2027. In the first half of 2025, community sports participation further grew with more than 234,000 individuals engaging in events across 62 cities and governorates. Data by the Ministry of Sports indicate that 70 clubs organized 314 programs and events, with running emerging as the most popular activity and attracting more than 90,000 participants. The Riyadh Marathon alone accounted for 40,000 participants, representing a significant increase from 10,000 participants in its first edition in 2022 and 20,000 in 2024. In terms of urban development, infrastructure projects such as the Riyadh Sport Boulevard aim to expand public access to sports facilities and enhance livability, accessibility and affordability of sport for broad segments of Riyadh's population. By investing in urban green spaces such as the King Salman Park, additional recreational areas are being created that also provide opportunities for physical activity and sport.

In parallel, the rapid expansion of a local commercial fitness sector, which is projected to reach a value of EUR 2.3 billion by 2029, reflects the increasing normalization of sport and physical activity as integral components of everyday lifestyle practices in Saudi society. Institutionally, the establishment of the Sports for All Federation (SFA) in 2018 represents a further effort to centralize, expand, and regulate community sport participation across the country.

What comes next?

For the government, leveraging this shift remains crucial to building a domestic sports industry capable of generating broader economic spillovers. This includes creating employment opportunities in areas such as infrastructure development, facility management, sports services, and related value chains. From a policy perspective, the expansion of the sports sector is also framed as a means of enhancing labor market absorption and further reducing youth unemployment, which stood at 11.3% in 2025. For instance, the promotion of a domestic sport industry is expected to generate jobs in a wide range of sectors, including fitness and mental health services, tourism, entertainment, hospitality, sports fashion and design, media and broadcasting, artificial intelligence (AI)-driven sports technologies, training and education, and event management. In particular, football has emerged as a strategic instrument of Saudi statecraft, combining investment, human development, and diplomatic engagement.

However, recent regional tensions and broader shifts in Saudi Arabia's geoeconomic strategy may constrain the global reach of its sports engagement. Rather than pursuing expansion across a wide range of sporting disciplines, the kingdom is likely to focus on strategically significant sports, such as football, mixed martial arts, and motorsports, while prioritizing selected mega-events such as the 2034 FIFA World Cup and the 2027 AFC Asian Cup. At the same time, policymakers are expected to place greater emphasis

on developing a domestic sports industry capable of generating employment in non-oil sectors and strengthening social cohesion. In this context, sport is increasingly being positioned not only as an economic asset but also as a vehicle for social integration and national identity building.

About the author

Dr. Sebastian Sons is a senior researcher at CARPO, focusing on the Gulf monarchies. As a political analyst, he advises international political and research institutions and regularly provides expert commentary to international media outlets. Additionally, he engages in Track 2 dialogue projects and initiatives and has published extensively on the socio-economic transformation of the Gulf states, their development cooperation, foreign and security policies as well as Gulf sports diplomacy and investments. He is author of the book *Human Rights Are Not for Sale: Why the World Cup in Qatar Must Also Lead to a New Policy in Germany* and co-hosts the podcast series "The Gulf Game", which analyzes current developments in Gulf states' sport strategies (both in German). Previously, he worked as a sports journalist for a German TV broadcaster.

Contact: sons@carpo-bonn.org