



لا إله إلا الله محمد رسول الله



# THE SAUDI-IRAN RAPPROCHEMENT AND ITS IMPLICATIONS FOR PAKISTAN

**Rabia Akhtar**

On March 10, 2023, the two Middle Eastern rivals, Iran and Saudi Arabia, announced the resumption of their diplomatic relations after a hiatus of seven years. This breakthrough was achieved on the back of a dialogue process spearheaded by China, a country that is substantively increasing its economic and diplomatic footprints in the Middle East. While it is too early to assess the impacts and implications of this momentous deal, it is noteworthy that Tehran, Riyadh, and Beijing stand to gain a lot if this rapprochement translates into healthy relations between the two bastions of the region. For Tehran, this deal could help end its isolation and stave off pressure from the West. In addition, Tehran, by committing to the said deal in good faith, could signal its willingness to play a more constructive role in the Middle East. As for Riyadh, both normalisation of ties with Tehran and Beijing's role in enabling that are critical.

Also, Saudi Arabia, it must be stressed, can focus on diversifying and reforming its economy if risks of confrontation with Iran reduce significantly. Also, Beijing's foray in the Middle East can help Riyadh reduce its reliance on the U.S. and modernize its economy through the transfer of technology. As far as China is concerned, midwifing the Saudi-Iran diplomatic embrace speaks to its growing heft in the Middle East. The media glare that China's mediation continues to receive casts a good light on its way of conducting international relations. Moreover, stability in the Persian Gulf will be a strategic win for China given that it will ensure the free flow of oil imports from there. Here, it is important to mention that China's success in reducing tensions between a U.S. ally and adversary means that the latter needs to recalibrate its policy in the Middle East.

So, one could argue that if the deal holds, China, Iran, and Saudi Arabia will be better off. Resultantly, Pakistan, a country that has cordial, religious, and enduring relations with Saudi Arabia and Iran, as well as a strategic bonhomie with China, will certainly be affected by this China-brokered deal. Therefore, it is reasonable to argue that given its relations with the said countries, there will be far-reaching implications of this diplomatic deal on Pakistan. Three among them, however, merit closer attention.

First, if Saudi Arabia and Iran remain committed to making incremental improvements in their relations, Pakistan will no longer be pushed to walk a tightrope in the Middle East. Over the years, Pakistan has tried its best to strike a balance between its relations with Iran and Saudi Arabia. For example, arguing that taking sides is not in its interests, Pakistan abstained from sending its troops to Yemen. Pakistan's Middle East policy was and is rightly guided by both economic and religious concerns, and therefore, at times, it has found it hard to remain fully neutral. The Saudi-Iran animosity has, on many occasions, stifled Pakistan's bid to advance its diplomatic and economic interests in the Middle East and the Muslim world. This is partly evidenced by Pakistan's decision to not partake in the Kuala Lumpur Summit in 2019. Therefore, if Tehran and Riyadh mend fences, Islamabad will be in a better position to not only strengthen bilateral relations with both these Muslim countries but also engage more positively with important actors like Qatar, Turkiye, and Malaysia. This is extremely important for Pakistan, not least because it needs new economic partners with whom it can establish win-win development partnerships. Hence, Pakistan not being expected to choose between Saudi Arabia and Iran will augur well for the country.

Second, China's inroads in Iran, Saudi Arabia, and other parts of the Middle East will provide more geoeconomic cushion to Pakistan, not least because of its location and economic relations with Beijing. Through the China-Pakistan Economic Corridor (CPEC), Pakistan gives China the easiest route to the Indian Ocean and West Asia. Therefore, Pakistan stands to benefit from the centrality of CPEC in China's Belt and Road Initiative (BRI). Further, with Iran and Saudi Arabia willing to start their relations afresh, China's strategic deal with the former, as well as the synergy between the BRI and the latter's Vision 2030, will create new economic opportunities for Pakistan. It could, for instance, help Iran and Pakistan take advantage of the proximity between the Gwadar and Chabahar ports. After all, both are separated only by 72 kilometres. It could also translate Saudi Arabia's promised investments in Gwadar into actual ones.

China, for its part, could steer and push these economic moves for mutual gains. If anything, it has the potential to become a veritable catalyst of stability given its economic and diplomatic heft.

Third, as an oil-importing, energy-deficient country, Pakistan can ill-afford instability in the Persian Gulf. The country's proximity to the ever so vital Strait of Hormuz means that it cannot remain unfazed by any conflict that involves Iran and Saudi Arabia. That most of Pakistan's oil and liquefied natural gas (LNG) passes through the Strait is indicative of its importance. Therefore, any blockade or closure of the Strait will be disastrous for Pakistan. With the country economically in tatters, it should welcome any development that reduces the prospect of a major conflict between Iran and Saudi Arabia. Additionally, millions of Pakistani expatriates work in the Gulf; the remittances they send back home are the country's biggest source of foreign exchange. Hence, an improved security and economic milieu in the Middle East, not least its Gulf part, is good news for Pakistan. These interests, it must be stressed, had driven Pakistan's mediatory initiatives in the past. Here, it is important to also note that any escalation between Saudi Arabia and Iran, especially at a time when Pakistan is grappling with its biggest economic crisis, will wade the country into a deeper quagmire. So, a more stable and peaceful Persian Gulf is a boon for Pakistan.

Overall, it is befitting to say that Pakistan can gain tremendously from better ties between Saudi Arabia and Iran. A semblance of normalcy between the two poles of the Muslim world will mean that Pakistan may not have to make hard choices between the two, something which would open up avenues that are hitherto closed. Moreover, China's pronounced mediatory role in the Saudi-Iran deal has elevated its position and stakes in the region. Therefore, Pakistan, as one of the leading partners in China's BRI, should position itself to take advantage of the economic engagements that may happen after this deal. That said, while the rapprochement is a positive development, it does not guarantee peace and stability in the Middle East. A lot has to still be done from all sides, to make this deal a real success. Pakistan must carefully monitor how things shape up going forward.

*The author is the Director of the Center for Security, Strategy and Policy Research at the University of Lahore.*