

# Strategic Analysis Paper

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## Shifting Sands: Pakistan and the Gulf Co-operation Council

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### Key Points

- In recent years, Pakistan-GCC ties have witnessed a downward trajectory as a result of changing geopolitical dynamics.
- Pakistani Foreign Minister Shah Mehmood Qureshi's criticism of the Organisation of Islamic Co-operation (OIC) led to a further degradation of those ties.
- Apart from the changing dynamics in South Asia, it is also the changing attitudes of the GCC countries towards Israel that are affecting the relationship.
- The deterioration in bilateral ties will likely affect economic ties between Pakistan and the GCC.

### Summary

Ties between Pakistan and some Gulf Co-operation Council (GCC) countries, specifically the Kingdom of Saudi Arabia (KSA) and United Arab Emirates (UAE), have witnessed a steady deterioration over the past year. In the past, there have been convergences on crucial strategic issues (ties to the GCC figured among the most important foreign policy priorities for Pakistan for long), but the changing geopolitical landscape in the Middle East, as well as the GCC's growing relations with India, due to the latter's economic and strategic relevance, has resulted in a souring of ties between Islamabad and Gulf countries – especially Saudi Arabia and the UAE.

## Analysis

### ***Deterioration of ties Between Pakistan and GCC***

The deterioration in the Pakistan-GCC relationship is due to more than one reason.

First, Pakistan has felt that those countries have not been vocal enough on speaking out against the revocation of special status that Indian-administered Kashmir enjoyed from 1947 until the Modi government revoked that special status this year. The GCC's stance is in contrast to their earlier one, wherein they supported Pakistan's stand on Kashmir, that change being due to their growing ties to India, which has become strategically and economically more important in recent years.

Pakistani Foreign Minister Shah Mehmood Qureshi's scathing criticism of the Organisation of Islamic Co-operation (OIC), during which he lashed out at the organisation for not being able to call a meeting of Foreign Ministers on the [Kashmir](#) issue, did not go down well with KSA, the current chair of the OIC. What further angered the Saudis was Qureshi's statement that [Pakistan](#) would explore the possibility of convening a meeting of the foreign ministers of the OIC's member states outside OIC, i.e. beyond the ability of Riyadh to stymie that effort.

It is pertinent to point out that Prime Minister Imran Khan had also criticised the OIC for being unable to convene a meeting over the Kashmir issue. Speaking at a think-tank, [Khan said](#):

'The reason is that we have no voice and there is a total division amongst [us]. We can't even come together as a whole on the OIC meeting on Kashmir.'

It is important to note that as a result of the deterioration of ties between the GCC and Pakistan and the important shifts taking place within the Islamic world, Khan, along with Malaysia and Turkey, has also been open to the possibility of setting up a parallel Islamic grouping, though due to pressure from KSA he refrained from attending the [Kuala Lumpur Summit](#) in December 2019. The leaders of five Islamic countries, Iran, Turkey, Qatar, Indonesia and host Malaysia, attended the Summit.

### ***KSA Expresses its Displeasure at Qureshi's Remarks***

Saudi Arabia displayed its umbrage with Qureshi's remarks, which also drew the ire of many of Pakistan's opposition parties, including the [Pakistan Muslim League-Nawaz](#) (PML-N), which believe that they would damage Islamabad's relations with Riyadh.

During his visit, which was supposed to be a damage control exercise, to Saudi Arabia, Pakistan Army Chief [Qamar Javed Bajwa](#) was unable to meet with Crown prince Mohammed Bin Salman, more popularly known by his initials MBS, and met with his brother and Deputy Defence Minister Khalid bin Salman instead. MBS's refusal to meet with Qureshi was a clear signal to Islamabad that all was not well in the bilateral relationship, despite their traditional closeness, especially in the aftermath of the Pakistani Foreign Minister's remarks.

The rancour in Riyadh against Qureshi's remarks was sufficient for [Khan himself](#) to play down the downward spiral in ties between both countries.

### ***The Israel Factor and External Pressure to Recognise Israel***

The other issue that has resulted in fraying ties are the agreements between the UAE, Bahrain and Sudan to normalise their relationships with Israel, with the tacit approval of Saudi Arabia. Commenting on the agreement between Israel and UAE and Bahrain, also known as the Abraham Agreement, Khan stated that these countries had compromised their principles.

The Pakistan Prime Minister recently remarked that the US was pushing Pakistan to recognise Israel. As [Imran Khan said](#):

‘The pressure is because of Israel's deep impact [influence] in the US. This influence was in fact extraordinary during the [US President Donald] Trump stint.’

He also stated that it remains to be seen whether Joe Biden will continue with the Trump Administration’s policies vis-à-vis Israel or if there will be a change in approach to the issue.

Khan also said that, apart from the US, there were other unnamed countries placing pressure on Pakistan to recognise Israel. According to a Pakistani [journalist](#), the country putting the most pressure on Islamabad to recognise Israel is none other than Saudi Arabia.

It is not just with KSA that the Israel factor is affecting Pakistan’s ties; it also plays an important role in the Pakistan-UAE relationship. The UAE has of late taken strong action against [pro-Palestine Pakistani](#) activists in the UAE.

A number of [analysts](#) in Pakistan have also spoken about the possibility of recognising Israel, while not giving up on support to the Palestinian cause. According to observers, the lobby in favour of adopting a pragmatic approach towards Israel is growing within sections of the army, in order that the latter’s geopolitical options are not reduced.

Interestingly, even former Pakistan President General Pervez Musharraf has repeatedly spoken about establishing links with Israel, having [made efforts](#) to establish some during his tenure. The first public talks between Pakistan and Israel were accordingly held in 2005, during his term in office.

Addressing a press conference in Dubai in 2019, [Musharraf said](#):

‘The Israeli leadership was quick to respond to my offer within 24 hours. I assumed that Israel wanted to create better relations with Pakistan. They still want it.’

Khan and senior officials in his government have, however, stated repeatedly that there is no question of giving unconditional recognition to Israel, given Pakistan’s very clear stance. As he [put it](#), ‘Pakistan can never accept [the] state of Israel until the people of Palestine get rights and state’.

### ***Economic Ties***

While there may be differences over geopolitical issues, GCC-Pakistan economic links remain strong. A strong example is Saudi Arabia's provision of assistance to the tune of [US\\$6.2 billion](#) (approx. \$8.3 billion), US\$3 billion (\$4.1 billion) in cash and US\$3.2 billion (\$4.3 billion) in oil and gas supplies by way of deferred payments, to help Pakistan tide over its financial crisis, while the UAE provided assistance worth US\$2 billion (\$2.7 billion). Pakistan has also sought investments from KSA and the UAE in the CPEC project, especially the Gwadar Port. Riyadh pledged investments to the tune of [US\\$10 billion](#) (approx. \$13.5 billion) in the Gwadar project, while the UAE, too, has evinced interest in the Gwadar Port.

### ***Pakistani Workers in the GCC and Remittances***

The GCC is also important to Pakistan in the context of remittances; around [50 per cent](#) of the foreign remittances that Pakistan receives are from the GCC. According to the available data, of the Pakistani workers who sought jobs abroad, around [87 per cent went to KSA and the UAE](#). Thus, even during the COVID-19 pandemic, Pakistan received over [US\\$5 billion in remittances from KSA and over US\\$4 billion from the UAE](#).

As a result of political strains, nevertheless, the GCC's economic links with Pakistan are being affected. After Qureshi's statement, Saudi Arabia asked Pakistan to return [US\\$1 billion](#) (approx. \$1.35 billion) of the US\$6 billion that it had borrowed, forcing Pakistan to increase its borrowings from China in order to repay that amount. The UAE, for its part, has included Pakistan in a list of countries that are not eligible for [visitor's visas](#). The Pakistani Foreign Office explained that the move was one of several precautionary measures being followed by the UAE.

### ***Islamabad-GCC Ties***

Islamabad has limited economic options overall; ties to the GCC have been important to deal with the country's economic problems and also ensure that it is not totally dependent upon Beijing. Soon after taking over as prime minister, Imran Khan pro-actively reached out to [the GCC](#) for that reason. In order to maintain Pakistan's relevance in the Middle East, Khan has also repeatedly offered to act as an intermediary and reduce tensions between Tehran and Riyadh. In 2019, he travelled to Saudi Arabia and Iran in an effort to reduce tensions between those two capitals and in a media interview stated that Pakistan's efforts had paid off. As he [alleged](#):

'We have done our best to avoid a military confrontation between Iran and Saudi Arabia, and our efforts have succeeded.'

The increasing cracks in Pakistan's relations with GCC countries only add to Islamabad's increasing geo-political challenges and Imran Khan's worries. Due to increasing economic challenges as well as an increasingly united and vocal opposition under the banner of the PDM, his political problems at home have only increased and his political capital is likely to shrink. The opposition which has sensed a sense of growing impatience is likely to cash in on any major foreign policy setbacks to Khan. Commenting on Qureshi's remarks with regard to Saudi Arabia, PML-N supremo [Shehbaz Sharif](#) stated:

‘Qureshi’s statement about brotherly Saudi Arabia is highly unfortunate and irresponsible. It flies in the face of history of our special and trusted relationship with the Kingdom.’

### ***Adapting to a New Middle East***

Islamabad cannot afford to allow its ties with the GCC to deteriorate further but, in a changing geopolitical situation, the GCC is likely to focus on its own strategic and economic interests and is unlikely to view ties to Pakistan through the lens of older perspectives. It remains to be seen what role Beijing plays in the context of Pakistan-GCC ties and whether Pakistan makes significant shifts in its foreign policy with an eye to mending ties with the GCC. Another important factor which will have an impact on equations in the Middle East is Biden’s approach to Iran, the GCC and Israel. While Biden’s policy may not be as skewed vis-à-vis the GCC, as Trump’s, the Israel policy is unlikely to witness any major change. Thus, the real challenge for Pakistan is likely to be adapting to a Middle East in which Israel and the GCC have normal relations. There is increasingly less space for a zero-sum approach and looking at diplomacy in shades of just black and white.

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