



NUST INSTITUTE OF POLICY STUDIES

# SAUDI-IRANIAN RAPPROCHEMENT

Webinar Report

**Report of the Webinar** 

on

## Saudi-Iranian Rapprochement

NUST Institute of Policy Studies (NIPS) NUST | Islamabad

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NUST Institute of Policy Studies

National University of Sciences and Technology (NUST)

H-12, Islamabad

#### www.nips.nust.edu.pk

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## Participants

#### Speakers

- Ambassador Javid Husain (Retd), Former Ambassador of Pakistan to Iran, the Netherlands, and South Korea.
- Professor Ahmet Uysal, Director of Middle Eastern Studies Center (ORSAM), Ankara, Türkiye.

#### Moderator

• Mr. Amir Yaqub, Director, Operations & Collaboration, NIPS.

#### Discussants

- Lieutenant General Muhammad Masud Aslam (Retd), Former Commander 11 Corps.
- Ambassador Fauzia Nasreen (Retd), Former Ambassador of Pakistan to Poland and Nepal.
- Ambassador Masood Khalid (Retd), Former Ambassador of Pakistan to China, South Korea, and Malaysia.
- Ambassador Mian Sanaullah (Retd), Former Ambassador of Pakistan to Portugal.
- Mr. Nasir Ali Shah Bukhari, Chairman, KASB Group.
- Dr. Amir Azam Khan, Principal, NUST School of Chemicals & Materials Engineering (SCME).
- Mr. Solvere Lim Swee Keng, Advisor & Chief of R&D, Asia Center of Technologies, Singapore.
- Mr. Imtiaz Gul, Executive Director, Center for Research and Security Studies (CRSS), Islamabad.

- Syed Habib Ahmed, Former Civil Servant.
- Dr. Atia Ali Kazmi, Director Research, Centre for International Strategic Studies (CISS), Islamabad.
- Syed Amanullah Husaini, Development Economist.
- Dr. Humaira Shafi, Assistant Professor, Centre for International Peace & Stability (CIPS), NUST.
- Dr. Farah Naz, Assistant Professor, School of Social Sciences & Humanities, NUST.
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## About the Speakers

#### Ambassador Javid Husain (Retd)

Ambassador Javid Husain retired as the Ambassador of the Foreign Service of Pakistan in March 2004 after a distinguished diplomatic career spanning about 37 years during which he



served on diplomatic assignments in important capitals including Paris (1969-71), Washington (1974-78), New York (UN Mission – 1982-85), and as Minister/Deputy Head of Mission in Beijing (1985-88). Besides, he served as the Ambassador of Pakistan to the Netherlands (1992-1995), the Republic of Korea (1995-1997) and Iran (1997-2003). During his posting at Tehran, he was also the Pakistan's Permanent Representative to the Economic Cooperation Organization (ECO). His last posting was as the Head of the Foreign Service Academy from 2003 to 2004.

Ambassador Javid Husain also held important assignments at the Ministry of Foreign Affairs. He worked as the Director General for the United Nations and Economic Coordination from 1988 to 1991. From May 1991 to December 1992, he served as the Additional Foreign Secretary. During this period, he supervised the work of the United Nations and Policy Planning Divisions of the Foreign Office besides acting as its Spokesman. In August 1999, Ambassador Javid Husain was promoted to BPS-22, the highest grade in the Pakistan civil service equivalent to a Federal Secretary.

Ambassador Javid Husain was a member of the Pakistan delegations to a large number of UN, OIC, ECO and Non-aligned meetings and Ministerial/Summit Conferences during his diplomatic career. Since his retirement, he has kept himself busy in academic pursuits. He is the author of a number of papers on foreign policy and international issues.

#### **Professor Ahmet Uysal**

Prof. Dr. Ahmet Uysal is a political sociologist. His area of interest is studying Arab Affairs and Turkish-Arab relations. Dr. Uysal graduated from the Middle Technical University's sociology department. He received his masters and doctoral degree in the Southern



Illinois University, USA. Previously, he taught at the Dumlupinar and Marmara Universities. Currently, he is teaching in Istanbul University's International Relations Department. Dr. Uysal lived in Egypt as the AUC research fellow in 2010 and he has recently published a book on *Turkey's Image in Egypt before and after the Revolution* in Turkish.

Dr. Ahmet Uysal has coordinated several Arab-Turkish Congresses of Social Sciences (ATCOSS) since 2010 and wishes to advance academic cooperation among Türkiye and the Arab world. He is the author of another book named *Sociology of Social Movements*. Along with his native Turkish, he speaks English, Arabic, and some French. He writes and comments on Turkish and Middle Eastern affairs for national and international platforms including the Academia and the media outlets such as Aljazeera, BBC and Al-Arabia.

#### 1. Introduction



NUST Institute of Policy Studies (NIPS) organized the webinar on Saudi-Iranian Rapprochement on Wednesday, June 7, 2023. The webinar was moderated by Mr. Amir Yaqub, Director Operations and Collaboration, NIPS, and attended by veteran statesmen, diplomats, academic and think tank experts, researchers, and students.

The first keynote speaker, Ambassador Javid Husain (Retd), former envoy of Pakistan to Iran, discussed that the détente between these two regional powers has the potential to bring about positive changes, countering the negative impacts of competitive and conflict-ridden trends of the Middle Eastern geopolitics. He remarked that the agreement reached between Saudi Arabia and Iran, through Chinese good offices, is a testament to the victory of pragmatism which shows that mutual understanding and cooperation are vital in safeguarding national interests. The veteran diplomat stated that the agreement has further cemented China's status as a key enabler of peace in the current interstate system and will be crucial for regional trade, prosperity, and stability.

The second keynote speaker, Professor Ahmet Uysal, Director of Middle Eastern Studies, Center for Middle Eastern Studies (ORSAM), Ankara, said that the Türkiye emphasizes the importance of maintaining friendly relations with neighbors, as Muslims are people of peace. He stressed that it is essential to have safety and security in neighboring nations for fostering a harmonious and stable Middle East. He highlighted that the vision of Muslim countries ultimately should be to address regional challenges within the region itself, without unnecessary interference. Prof. Uysal commented that by taking ownership of solving their own problems, Muslims can ensure regional autonomy and promote self-determination. He welcomed the recent rapprochement between nations and hoped for the reduction in tensions within the region.

The keynotes were followed by an extensive discussion session in which experts raised cogent points.

Lieutenant. General Masud Aslam (Retd) highlighted the long history of Saudi-Iranian differences and stressed that Pakistan should cleave to realism and prudent management of bilateral relations with Saudi Arabia and Iran. He further considered that the path to progress of this agreement will be fraught with multiple challenges.

Ambassador Masood Khalid (Retd), the former ambassador of Pakistan to China, said that growing China-Persian Gulf interdependence was rapidly changing regional dynamics. He stated that China's non-kinetic approach to conflict resolution founded on masterful diplomacy had helped increase goodwill for China in the region. He pointed out that CGTN Arabic was a powerful means of Chinese soft power projection, winning hearts and minds, but he also mentioned that India's growing influence in the Middle East through initiatives like I2U2 Group could affect regional stability.

Mr. Solvere Lim Swee Keng, a Singaporean S&T and global affairs expert, underscored the need for intra-civilizational and intercivilizational harmony for regional and global peace. He said that trade and connectivity have proven to be reliable vehicles for harmony promotion within and across regions.

Ambassador Fauzia Nasreen (Retd), former Higher Commissioner of Pakistan to Australia, highlighted that the evolving relations between Arab countries and Israel represent a significant turning point and a departure from the dynamics seen during the Arab Spring in 2011. She considered, however, that it was too soon to extrapolate from Israel-Arab rapprochement the normalization of Iran-Israel relations.

Mr. Nasir Ali Shah Bukhari, Chairman KASB Group, emphasized the importance of exploring trade prospects following the Saudi-Iranian rapprochement. He discussed that this recent rapprochement has paved the way for a tremendous surge in trade opportunities, which can be carried out under the banner of the Organization of Islamic Cooperation (OIC). With the stage set for enhanced cooperation, Pakistan must also seize this opportunity and foster flourishing trade relationships across the region.

The following recommendations emerged from the discussion during the webinar:

1. Pragmatism should be the driving factor in the conduct of diplomacy, to be prioritized above ideological or sectarian factors.

- 2. The developing world should benefit maximally from the development capabilities and diplomatic resources of China. In this regard, the South should demonstrate development readiness to ensure maximum fruits of cooperation with China.
- 3. Developing countries should carefully monitor Eurasian geopolitics as well as the ongoing shift of global power so as not to be on the receiving end of those policies that tie them to the hubris of great powers.
- 4. Pakistan needs to leverage its positive relations with Iran and Saudi Arabia to harvest the good fruits of the Saudi-Iranian rapprochement. In this regard, Pakistan should actively promote trade in goods, services, commodities, technology, energy, and creative goods, etc., with key Muslim countries in the Middle East, West Asia, and Central Asia.
- 5. Muslim countries should cultivate a multidimensional understanding of the drivers of conflict in the region to be able to formulate a solid, durable strategy of peace immune to external manipulation and regional influences inimical to peace, stability, and development. In this regard, developing a multi-causal typology of regional conflict will be instructive.<sup>1</sup>
- 6. Saudi-Iranian rapprochement should be supplemented by increased efforts on the part of Muslim countries to promote Inter-Islamic multilateral coordination and enhancement of complementarities. In other words, Inter-Islamic coordination and cooperation should be based on the categorical renunciation of power politics and zero-

<sup>&</sup>lt;sup>1</sup> Please see the report, titled, "Building Peace, Shared Development and Mutual Cooperation," of the NIPS-ORSAM Webinar on the "Normalization in the Gulf Region: Significance for Turkey and Pakistan," held on February 9, 2021, that contains an original typology of conflict in the Middle East.

sum self-aggrandizement, so that the trend of normalization in the region can lead to the peaceful resolution of differences among all Muslim countries in the region. This requires patient multi-faceted cooperation of the major regional powers so that external factors and negative regional drivers cannot derail the trend of Inter-Islamic normalization in the region. Moreover, the instrument of free trade agreements (FTAs) should be leveraged to promote intra-regional and intra-OIC trade.

- 7. All regional countries, especially all the Muslim countries, in the region exercise enough caution, foresight, and resolve not to become instruments for the achievement of the geopolitical aspirations of other states. In this regard, national self-reliance should be developed as the first guarantee of securing countries against the geostrategic and diplomatic manipulation of other states.
- 8. Pakistan should closely monitor the evolving pattern of new geostrategic groupings like the Quad and I2U2 Group that are taking shape in different regions to understand the medium and long-term impact of such initiatives and their likely impact on the pursuit of peace and progress in Asia Pacific and West Asia. The tendency of weaponized geoeconomics and interdependence should be carefully understood and observed for smart policies in the future.
- **9.** Pakistan should closely study the Saudi-Iranian rapprochement so that different interstates normalization pathways could be modelled that could come in handy as and when required.
- **10.** Regional countries should come together to shun weaponized interdependence in all its forms.

## 2. Saudi-Iran Rapprochement



#### 2.1. Ambassador Javid Husain (Retd)

China's Role in Brokering the Saudi-Iran Rapprochement

The rapprochement between the Kingdom of Saudi Arabia (KSA) and the Islamic Republic of Iran, brokered by the People's Republic of China, declared on March 10, 2023, following extensive negotiations in Beijing, entails a momentous advancement that will leave lasting impact on bilateral relations of both states along with the regional and the global economy and security.

The signing of the agreement took place in the presence of highranking officials, namely Ali Shamkhani, the former top security official of Iran, and Musaad bin Mohammed Al Aiban, Saudi Arabia's National Security Adviser, along with the presence of China's prominent diplomat, Wang Yi. This détente between the two prominent regional powers holds the potential to diffuse tensions within their bilateral relationship and drive it towards a positive trajectory, subsequently exerting a stabilizing impact on the Middle Eastern Region. Moreover, it serves as a notable testament to China's burgeoning political and diplomatic influence not only in the Middle East but also at the global scale.

The reconciliation between KSA and Iran represents the culmination of a diplomatic process initiated by President Xi Jinping's discussions with Crown Prince Mohammed bin Salman during his visit to Riyadh in December 2022.

This agreement exhibits that cooperation among regional nations is not only vital for their own prosperity but also an essential requirement for regional security and economic progress. Notably, the resumption of formal relations between the UAE and Iran in the previous year also indicates the significance of such cooperation in the region.

## Severing Ties: The Breakdown of Relations Between Saudi Arabia and Iran

Riyadh took the decision to sever diplomatic ties with Iran in 2016 in the aftermath of the execution of the Shia cleric Nimr al-Nimr by Saudi Arabia. This action subsequently led to Iranian protesters launching attacks on Saudi missions in Tehran and Mashhad.

Though the bilateral tensions between these two countries have remained strained since the Islamic Revolution in Iran in 1979, several other factors contributed to the deterioration of their relationship, including the Iran-Iraq war, the ongoing conflict in Syria, and the civil war in Yemen, which has pitted pro-Iranian Houthis against the Saudiallied government, and the competition for influence in the region, especially in Lebanon and Bahrain.

#### **Regional and Global Response to the Rapprochement**

The reaction of both states remained positive towards the rapprochement as Iran's Foreign Minister Hossein Amir-Abdollahian expressed a warm welcome to the reconciliation with Saudi Arabia and affirmed Tehran's commitment to actively prepare additional regional initiatives. He emphasized that the restoration of normal relations between Tehran and Riyadh presents significant opportunities for both countries, the region, and the Muslim world as a whole.

Similarly, Saudi Arabia's Foreign Minister, Prince Faisal bin Farhan Al-Saud, stated that the agreement reflects the kingdom's preference for political solutions and dialogue. Saudi Arabia aims to establish this approach as a norm within the region, signaling its commitment to peaceful resolutions and constructive engagement.

Other regional countries like Iraq, the UAE, and Qatar hailed the reconciliation as a positive development. Hassan Nasrallah, the leader of Lebanon's Hezbollah, also welcomed the agreement, noting that it has the potential to open new avenues in the region. Pakistan joined in welcoming the resumption of diplomatic relations between Saudi Arabia and Iran, facilitated by China.

In a statement issued on March 10, Pakistan's Foreign Office emphasized the significance of this milestone, emphasizing that it would contribute to peace and stability not only in the region but also beyond. Furthermore, Pakistan commended the positive role played by China's leadership in facilitating this historic agreement.

The White House also welcomed the deal but expressed caution, stating that it remained to be seen whether Iran would fulfill its obligations.

#### **Dividends of the Rapprochement**

The agreement concluded between Saudi Arabia and Iran implies the accomplishment of pragmatism over ideological or sectarian factors. It reflects the realization on the part of both states that the resumption of diplomatic relations and the facilitation of official channels of communication offer a more effective approach to safeguard and advance the national interests of both states, as opposed to shutting the door on dialogue, mutual understanding, and bilateral cooperation.

The agreement stipulates the restoration of diplomatic relations and the reopening of embassies and missions between Iran and Saudi Arabia. Notably, Iran has already made public its plans to reopen its Embassy in Riyadh, its Consulate in Jeddah, and its representative office to the Organisation of Islamic Cooperation (OIC) on June 6 and 7. However, an official announcement from Saudi Arabia regarding the reopening of its Missions in Iran is yet awaited.

Furthermore, the agreement signed on March 10 encompasses the reactivation of a 2001 security cooperation accord, as well as an earlier agreement on trade, economy, and investment signed in 1998. Importantly, it reaffirms the commitment of both parties to respect the sovereignty of states and non-interference in their internal affairs.

Another development that buttresses regional cooperation is the recent announcement by Iran's naval commander, Rear Admiral Shahram Irani, on June 3, in which he stated that Iran, Saudi Arabia, the UAE, Bahrain, Qatar, Iraq, Pakistan, and India have shown interest in collective naval cooperation to enhance regional security, though the details of this naval cooperation are yet to be determined including which states will ultimately be participating in the process. Certainly, the move of cooperation among Persian Gulf states is welcoming as opposed to the element of confrontation among regional states. This will help in stabilizing regional security and economic development. Moreover, it will help in the resolution of hostilities in Yemen and the reintegration of Syria into the Arab League, paving a way for cooperation in the whole region and replacing the environment of confrontation and rivalry.

## Navigating Global Realignment: Objectives of China's Mediation in the Persian Gulf and the United States

The involvement of China in brokering the Saudi-Iranian rapprochement reflects her growing influence in the world and indicates the significance that China holds across political, economic, and diplomatic domains. China is keen about peace and stability of the Persian Gulf region due to her heavy reliance on energy imports from the region. Similarly, China is crucial for both Iran and Saudi Arabia as a huge market of energy products. This interdependence provides China room to offer her good offices to play a mediatory role between both states for the promotion of peace and harmony in the region.

The success of China in crafting the peace deal between Iran and KSA is contrary to the position of the United States, which has become increasingly alienated from Iran due to the economic sanctions, threats, and a contemptuous attitude toward the concerns of regional countries, particularly on the Palestine issue. The strong alignment of the United States with Israel on regional matters has affected her influence in the Arab world. If this trend continues, it will cause the gradual decline of the American influence in the region, benefitting China, which pursues a more balanced approach in regional affairs as it refrains from threats and sanctions against regional countries that has been a common practice of the U.S. policymakers.

The United States is still the most powerful nation economically and militarily. However, the rapid rise of China over the past few decades has posed a serious challenge to its global supremacy. The Iranian-Saudi agreement, brokered by China, is a challenger to the U.S. position where the rising China is in the position to assume the role previously held by the United States. Currently, there is a mismatch between the power and strategic objectives of the United States. Its desire to dominate all the regions simultaneously and its tendency to dictate the events in accordance with her national goals is increasingly going beyond her power. The United States will, therefore, be forced to curtail its global ambitions gradually, allowing emerging powers like China to play increasingly important role in various regions like in the Persian Gulf or on issues like climate change, where China's cooperation is significant for making any headway.

#### Pakistan's Strategic Gains

Pakistan, situated at the mouth of the Persian Gulf, is keenly interested in the stability and prosperity of the region and offers a vital role to play in fostering mutual understanding and cooperation among the countries of the Persian Gulf. The recent détente between Iran and Saudi Arabia is significant for Pakistan's security and economic prosperity. By actively engaging with the countries of the Persian Gulf region, Pakistan can promote dialogue, cooperation, and the pursuit of shared objectives across various domains.

In short, the classic approach of divide and rule adopted by dominant powers like the United States is manifested in the Middle East and Persian Gulf region. This policy of divide and rule is not meant for promoting regional interests; rather, its primary objective is to consolidate the domination of global powers, whether they are the United States or other Western states. Therefore, it is essential for regional countries, particularly major powers like Iran and Saudi Arabia, to avoid falling victim to this divisive strategy employed by dominant global powers. Instead, they should prioritize bilateral and regional cooperation to enhance security and foster economic, commercial, and technical collaborations that can contribute to their collective prosperity.



#### 2.2. Professor Ahmet Uysal

#### Pakistan-Türkiye Friendship

Pakistan and Türkiye share a strong historical bond based on mutual trust, reciprocity, and brotherhood. Both countries have always respected and supported each other's core interests. Their bilateral relations are characterized by a deep understanding of the major geopolitical drivers operative in Eurasia. The current stage of their relationship demands resolve, foresight, and meticulous planning to ensure positive outcomes and beneficial results. An important part of this prudent bilateral management is their skill in dealing with various types of regional challenges and maximizing different types of opportunities for regional connectivity, cooperation, and stability.

#### Saudi-Iran Rapprochement and Türkiye's Foreign Policy

Türkiye has always supported Afro-Asian and Inter-Islamic cooperation for growth and development. Türkiye's preference for peaceful relations among all countries is in line with the sublime ideals of Islam, which enjoins people, especially Muslims, to prioritize peace over conflict.

Despite misbegotten mischaracterizations born out of poor intentions, Muslims were, are, and will be the people of peace who wish peace to all of humankind. Türkiye's relations with the East and West as well as the South and the North have been consistently guided by its singleminded focus on and pursuit of peace in its neighborhood. Türkiye considers the Saudi-Iranian rapprochement is a step in the right direction as part of the regional trend of normalization.

There is a need on the part of regional countries to cultivate a multidimensional comprehension of the causes of conflict and strife in the region. All sources and channels of external influence and extraneous manipulation that disrupt peace and foment conflict should be clearly identified and collectively discouraged so that purveyors of disharmony in the region would not find fertile ground to sow the seeds of discord thwarting the progress of peoples and societies in the region.

A general region-wide understanding of the geopolitical compulsions and challenges of various states would allow policymakers to navigate regional interstate relations prudently avoiding moments, actions, and maneuvers that could aggravate differences and initiate conflict. It is essential for Muslim countries to emphasize inter-Islamic coordination and dialogue mechanisms to resolve difference quickly and peacefully. Existing multilateral channels in the Muslim world should be maximally leveraged for the said coordination together with the promotion of bilateral coordination. The goal should be to seek complementarities and alignment between multilateral and bilateral coordination in the region. All external or internal ploys aimed at conflict or crisis prolongation should be resolutely countered collectively so that the collective attention of the regional states stays focused on domestic and regional peace and development.

#### Bridging the Region and Beyond

The most pressing task before regional states is to outgrow anachronistic traditions of competition that continue to inflect the worldviews of regional powers. The path dependence of these competitive tendencies can be traced to the dominant style of geopolitics in the nineteenth and twentieth centuries. As a result, mutual trust and confidence will have to be built patiently through a long series of cooperative actions between states that are not weaponized against any other state.

All countries will have to commit to the fact that the domestic development of each country taking place in a regional environment of goodwill and positive-sum policies will be a better and a stronger guarantee of regional development than the hackneyed and ill-fated zero-gum game of self-aggrandizement that has only led to world wars, cold wars, regional conflicts, and animosity between countries.

Countries in the region need to transcend their ingrained misgivings and suspicions toward each other to help embrace the positive drivers of regional transformation. The challenge before regional states is to safeguard the positive heritage of the modern interstate system, such as the uncompromising respect for national sovereignty and territorial integrity of states, and overcome the anarchic struggle for power, war, and conflict that continues to periodically disrupt peace in the contemporary international system. It must be mentioned that the Astana Process represents a good precedent in which the path to deescalation, engagement, and peace can be laid piecemeal in multi-party regional conflicts. A comprehensive, consistent, consultative, and dialogue-based multilateral approach needs to be adopted to address all regional flashpoints.

Major regional powers should collaborate to ensure that external influences cannot derail the trend of normalization in major zones of the region. In this case, the role of Türkiye in ensuring peace in its regional neighborhood has stood the test of time. Türkiye strongly opposes the forces of national disruption and fragmentation, and resolutely supports the drivers of regional connectivity. Türkiye is also especially opposed to regime change and the subversion of the popular aspirations in the region. Democracy tends to be messy when attempts are made to impose it from the outside. What is important is that people's aspirations for peace and progress should be accorded preference.

It is but natural that no two countries would always see eye to eye on major issues. This fundamental difference and independence of positions should be accepted and appreciated as a natural state of things. From this irreducible state of policy and position variance, the objective before countries should be to reach a state that responds favorably to the key aspects of their national development visions without creating as few negative externalities as possible. The overriding concern of each country in the region should be not to become, wittingly or unwittingly, a pliant instrument of the geopolitical aspirations of other states. Such a condition has vitiated many a country and people in the past and the present. All regional countries should be on the lookout for the tripwires of misunderstanding, confusion, sudden course changes, unexpected happenstances, and other species of legerdemain on the part of forces that have historically profited by a disturbed and distracted region. National self-reliance would serve as the first bastion of conflictproofing countries. This would prevent countries from becoming pawns or proxies.

In line with its foreign policy, Türkiye welcomes regional normalization and peace. It will continue to play a positive role in supporting the efforts at de-escalating, mitigating, and mediating conflict. The regional realization that only countries in the region are ultimately responsible for peace in the region is expected to produce positive outcomes in the future. It is but natural that this realization will not dawn on all players equally and uniformly. Some countries will realize this sooner than others. But all countries in the region should arrive at this realization eventually.

An unrelenting focus on domestic development, perseverance of the policy of peace, preference for bilateral and multilateral coordination, timely satisfaction of popular aspirations, and positive-sum cooperation will ensure growth, development, and prosperity in the region.

















#### 3. Discussion Session

#### 3.1. Lieutenant General Muhammad Masud Aslam (Retd)

Saudi-Iranian relations have a long history predating the modern interstate system. Understanding it requires not a decadal or centennial but at least a millennial perspective. With aspects that are intertwined with the very fabric of the evolution of the Islamic civilization itself and that run to the very heart of Saudi-Iranian relations, this rapprochement is a momentous development in the region.

This rapprochement is a big credit for the Chinese way of conducting interstate relations. China is providing a different model of global collaboration and leadership that enables substantive domestic development with zero interference and intervention in domestic affairs of the states. The rate, scope, and extent of China-supported development may vary in different regions and different zones of the same region due to differences in domestic or regional conditions, development readiness, and development management.

However, the trend of promoting non-conflict-oriented domestic development and regional connectivity as the preferred Chinese way of promoting bilateral, multilateral, regional, and global cooperation is unmistakable and sizeable enough to be considered one of the leading methodologies of domestic, regional, and global development.

It is heartening to note that major regional powers like Saudi Arabia and Iran have demonstrated strong pragmatism in their bilateral relations and have realized the importance of preparing the ground in the region where China's significant development methodology can be put into action to benefit all parties. Both Saudi Arabia and Iran are seeking to transition to the advanced growth model based on sciencebased regional development, technological development, high-tech industrialization, high-end human capital formation, and climate innovation. China, with its massive lead in these domains, can respond to the developmental needs of both the countries.

China's role in the region may also offset the specific aspects of the respective relations of Saudi Arabia and Iran with the United States. Saudi Arabia and Iran will meet all the characteristic challenge that wait on normalization between countries which have been bitter rivals. Some of these challenges are their relations to traditional great powers in the system, major powers in the region, and small powers in the region.

The changes taking place in the global balance of power add yet another complex dimension to this rapprochement. Major regional powers will have to contend with their own tendencies for competition among themselves. Their differing relations with this or that small power or great power will affect their relations with each other. In sum, quick fixes in the bilateral relations between Iran and Saudi-Arabia should not be expected, even if the historic opportunity for normalization provides grounds for optimism.

#### 3.2. Ambassador Masood Khalid (Retd)

While Saudi Arabia remains the strategic partner of the United States, it has taken steps to deepen its relations with China. China is the largest importer of Saudi oil and is also emerging as a major partner in the Middle Eastern infrastructure and energy development. China's massive development capabilities, especially in the economic and technological domains, can contribute substantially to Mohammed bin Salman's vision for the transformation of Saudi Arabia into a Middle Eastern great power and major economy. Compared to the United States, China's greater willingness to share advanced ICTs like 5G and AI with the rest of the world make it a partner of choice to Saudi Arabia and Iran.

Overall, the Arabs view China favorably, mainly due to its policy of non-interference. During the last decade, Chinese-Arab economic and trade cooperation has scaled new heights. For example, in 2021, Chinese investment in Arab countries was about USD 23 billion and the trade volume was USD 330 billion. This interdependence is set to grow in the next decade.

China's reputation for seeking win-win outcomes as opposed to conventional great-power behavior has enhanced its standing in the developing world. Further, China's role in the Saudi-Iranian rapprochement and its offer of mediation in the Israeli-Palestinian conflict will further improve its image in the world as a credible, balanced mediator and facilitator.

On the other hand, the position of the United States as a strong ally of Israel runs counter to the responsibilities and demands of being an impartial broker. Abraham Accords have shifted the regional perceptions in favor of Israel. This non-Palestinian Arab-Israeli peace will allow Israel to market itself as part of the solution rather than the problem.

However, the full implications of this peace will unfold over time. It is also probable that this peace will facilitate the expansion of the Indian game in the region, allowing India to utilize I2U2 Group for its advantage. India will certainly explore and exploit all opportunities to use its expanding role in the regions in ways not beneficial to China-Arab interdependence.

#### 3.3. Dr. Amir Azam Khan

A close study of human history reveals that states have always striven for primacy and influence among themselves. This perpetual struggle has conditioned humankind's sociopolitical existence since time immemorial. There has hardly been a period of unbroken peace in history. The pattern of historical development seems to be dominated by long periods of conflict and struggle interspersed by brief periods of peace. The establishment and preservation of empires, kingdoms, and states has always been a sanguinary and a violent process. The current period of human history will not be an exception to this dominant historical trend.

Speaking of the Saudi-Iranian rapprochement, the aftermath of normalization will prove to be more challenging for Saudi Arabia than Iran, considering the multidirectional nature of the former's foreign policy.

## 3.4. Ambassador Fauzia Nasreen (Retd)

It is the general rule of the struggle among nations that competing nations take their contention with them wherever they go, limited only by their power projection capabilities. The United States is busy raising a new architecture of great-power projection, competition, and containment in different regions depending on the varying array of regional dynamics, as evidenced by Quad, AUKUS, and the I2U2 Group.

The tendency of weaponized geoeconomics, interdependence, trade, energy, and technological cooperation. will become more salient with

the passage of time around the world. While Saudi-Iranian rapprochement is certainly a positive development, yet its potential to control the ongoing regional reconfiguration and adjustment to the realities of new great-power competition will be limited at best. It is worth remembering that interdependence, trade, economic cooperation, and connectivity can be as readily used as instruments of peace as weapons of conflict.

#### 3.5. Nasir Ali Shah Bukhari

Saudi-Iranian rapprochement is a golden opportunity to enhance bilateral and regional trade connecting the Muslim states under the banner of OIC. Trade among Muslim countries has been historically low. Regional connectivity in the Middle East and West Asia could never flourish due to adversarial Saudi-Iranian relations. There is a need now to incrementally build upon the initial success of the rapprochement toward greater regional integration that brings Central Asia, Middle East, South Asia, and West Asia closer. There is a need to explore different possibilities of greater trade and connectivity among Muslim countries.

Pakistan's proposal of barter trade with Afghanistan and Iran can be extended to the level of OIC, where there is a need to think, explore, and create viable platforms for payment and exchange of goods and services. China's Cross-Border Interbank Payment System (CIPS) could act as a useful model in this attempt to promote Inter-Islamic economic and trade cooperation.

#### 3.6. Imtiaz Gul

Saudi-Iranian rapprochement should be carefully studied by Pakistan for the strategic modelling of normalization pathways with specific countries so that its progress in the world will not be restricted. Moreover, regional politics is shifting rapidly which calls for alert and careful diplomacy on the part of Pakistan to avoid falling behind the geopolitical curve in the region.

## 3.7. Solvere Lim Swee Keng

Peace in the Middle East in the comprehensive sense of the world will usher in a new era of regional stability and prosperity. Fighting among brothers may be intense from time to time but common roots may provide the basis and the roadmap for peace and reconciliation.

#### 3.8. Dr. Farah Naz

The effects of the recent rapprochement between Iran and Saudi Arabia constitute a critical development for regional and global politics. After decades of intense rivalry, these two nations have agreed to iron out their differences by means of China's facilitation. This rapprochement is expected to reduce at least some security concerns in the Persian Gulf.

There have been reports of state summit between the two countries and the expression of the Saudi interest in investing in Iran. Delegations from both sides have also met to make the necessary arrangements prior to the reopening of their embassies. All such steps will double as confidence-building measures encouraging further constructive engagement.

However, it remains to be seen how other parties that may not be all too pleased with this turn of events will respond. In this regard, two approaches may emerge. The first approach, seen repeatedly in the international system, is characterized by coercion of a weaker power by a stronger power to compel the former to do its bidding. This approach has been the preferred mode of interstate interaction of the dominant powers in the contemporary interstate system.

The second approach, characterized by peaceful coexistence and shared development, has been the preferred method of China of conducting interstate relations. This new approach, if it becomes the dominant norm in the international system, may usher in a long peaceful era in international relations, thereby significantly altering the conventional power dynamics of the relations among nations. Which approach will emerge successful is far from certain at this point in time.

What is certain is that the two approaches will find it increasingly difficult to coexist peacefully in the system, if only because of the predilection for conflict of the first approach. This approach may have recourse to the manipulation and aggravation of the numerous flashpoints in the region.

The path dependence of the first approach will harden its responses and making it virtually incapable of course correction. Its coercive capabilities will drive its response to the world, making it progressively less attractive. The second approach will be more attractive to countries desirous of seeking partnerships without extensive alliances that have the potential to constrict choices and lock countries into the blind alley of the strategic preferences of coercive worldviews. While it is too soon to say which approach will prevail, peaceful development appears in the meantime to be a promising way to address global challenges going forward.

#### 3.9. Syed Habib Ahmed

Saudi-Iranian rapprochement is a momentous event in regional politics. To gain optimal results, Pakistan should engage with Iran and Saudi-Arabia to further support their bilateral normalization. Pakistan

should seek the possibility of promoting bilateral (Pakistan-Iran, Pakistan-Saudi Arabia), trilateral (Pakistan, Iran, and Saudi Arabia), quadrilateral (China, Pakistan, Iran, and Saudi Arabia), and multilateral platforms and means to encourage the positive trend of normalization in the region. Türkiye is also vigorously promoting trade relations among regional countries and intra-OIC trade. The mechanism of free trade agreements (FTAs) should be leveraged for this intra-regional and Intra-OIC trade promotion.



#### 4. Recommendations

The following recommendations emerged from the discussion during the webinar:

- 1. Pragmatism should be the driving factor in the conduct of diplomacy, to be prioritized above ideological or sectarian factors.
- 2. The developing world should benefit maximally from the development capabilities and diplomatic resources of China. In this regard, the South should demonstrate development readiness to ensure maximum fruits of cooperation with China.
- 3. Developing countries should carefully monitor Eurasian geopolitics as well as the shift of global power so as not to be on the receiving end of the policies that tie them to the hubris of great powers.
- 4. Pakistan needs to leverage its positive relations with Iran and Saudi Arabia to harvest the good fruits of the Saudi-Iranian rapprochement. In this regard, Pakistan should actively promote trade in goods, services, commodities, technology, energy, creative goods, etc., with key Muslim countries in the Middle East, West Asia, and Central Asia.
- 5. Muslim countries should cultivate a multidimensional understanding of the drivers of conflict in the region to be able to formulate a solid, durable strategy of peace immune to external manipulation and regional influences inimical to peace, stability, and development. In this regard, developing a multi-causal typology of regional conflict will be instructive.<sup>2</sup>

<sup>&</sup>lt;sup>2</sup> Please see the report, titled, "Building Peace, Shared Development and Mutual Cooperation," of the NIPS-ORSAM Webinar on the "Normalization in the Gulf Region: Significance for Turkey and Pakistan," held on February 9, 2021, that contains an original typology of conflict in the Middle East.

- 6. Saudi-Iranian rapprochement should be supplemented by increased efforts on the part of Muslim countries to promote Inter-Islamic multilateral coordination and enhancement of complementarities. In other words, Inter-Islamic coordination and cooperation should be based on the categorical renunciation of power politics and zero-sum self-aggrandizement, so that the trend of normalization in the region can lead to the peaceful resolution of differences among all Muslim countries in the region. This requires patient multi-faceted cooperation of the major regional powers so that external factors and negative regional drivers cannot derail the trend of Inter-Islamic normalization in the region. Moreover, the instrument of free trade agreements (FTAs) should be leveraged to promote intra-regional and intra-OIC trade.
- 7. All regional countries, especially all the Muslim countries, in the region exercise enough caution, foresight, and resolve not to become instruments for the achievement of the geopolitical aspirations of other states. In this regard, national self-reliance should be developed as the first guarantee of securing countries against the geostrategic and diplomatic manipulation of other states.
- 8. Pakistan should closely monitor the evolving pattern of new geostrategic groupings like the Quad and I2U2 Group that are taking shape in different regions to understand the medium- and long-term impact of such initiatives and their likely impact on the pursuit of peace and progress in Asia Pacific and West Asia. The tendency of weaponized geoeconomics and interdependence should be carefully understood and observed for smart policies in the future.

- **9.** Pakistan should closely study the Saudi-Iranian rapprochement so that different interstates normalization pathways could be modelled that could come in handy as and when required.
- **10.** Regional countries should come together to shun weaponized interdependence in all its forms.



#### 5. Concluding Remarks

Mr. Amir Yaqub, Director Operations and Collaboration, NIPS, stressed the need for active cooperation among nations of the South, if they were to occupy their rightful place in history. Mr. Yaqub underscored that South-South cooperation is essential for the developing world to secure itself against the spillovers of the Russia-Ukraine War, which will undermine the progress of all states that are still enthralled to the model of zero-sum domination. He was of the view that the biggest challenge to Saudi-Iranian rapprochement will come from the forces and behaviors entrenched in the habits of conflict promotion. He added that hierarchies and relationships that benefit from conflict will also try to impede the progress toward Saudi-Iranian normalization. He considered that a world dominated by promoters of conflict will be an unenviable place. He remarked that it is, therefore, imperative that the trends of peace, cooperation, and non-weaponized interdependence should become the prevalent norms of our world.



## Saudi-Iranian Rapprochement

## Webinar Report

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