

Saudi-Iran

Reapprochement

INTRODUCTION:

In the complex geopolitical landscape of middle East, where tensions and conflicts overshadow diplomatic relations, the prospects of a reapprochement between Saudi Arabia and Iran emerges as a beacon of hope. Such a reconciliation not only hold the promise of fostering stability in region but also carries potential to reshape the power dynamics. As nations in middle East cautiously navigate their paths towards cooperation, the implications are vast reaching beyond the regional boundaries. This can not only alleviate tension but also pave the way for collaborative solution to long standing issue. Similarly, with this diplomatic development one cannot overlook the impact of this development on Pakistan which is intricately intertwined with middle East based upon Islamic Brotherhood.

Regional Implication

1- BURGEONING ROLE OF CHINA IN MIDDLE EAST

China's prestigious accomplishment vaults into a new league diplomatically and outshines anything the US has been able to achieve in the region since Biden came into office. Saudi-Iran Reapproachment stand as a success for China, who is now emerging as a power player.

“The Chinese, who for years played only a secondary role in the region, have suddenly transformed themselves into a new power player.”

Peter Baker

2- DECLINING ROLE OF US IN MIDDLE EAST

The American who have been the central actors in the Middle East for the past 3 quarters of a century, almost always the ones in the room where it happened, now find themselves on the sidelines. During a moment of significant change.

“It is direct threat to the United States? That is debateable. But the regional order is changing.”

Peter Baker

3. ERIDICATE ISRAEL'S HOPE FOR FRAMING NEXUS WITH SAUDIA AGAINST IRAN:

Israel finds its hope for an anti Iranian coalition with Saudi Arabia evidently dashed. Israelis, who have been courting the Saudis against their mutual adversaries in Tehran, now wonder where it leaves them. US wanted a deal between Israel and Saudi Arabia. For opening a formal ties the Saudi government asked for security guarantees, help developing a civilian nuclear program and fewer restriction on US arms sales. Therefore, on the rapprochement the Israeli PM remarked that:

“it is a serious and dangerous development for Israel, a political victory for Iran and a fatal blow to the efforts to built a regional coalition against Iran”

4. END OF PROXY WAR IN THE REGION:

The rapprochement would shift the focus from supporting proxies engaged in conflicts in Yemen

Syria, Iraq and Lebanon to diplomatic solutions. Both nations could engage in dialogue and negotiations resolving disputes through peaceful means rather than relying on the proxy groups.

5- A DECISIVE END TO THE YEMEN WAR:

The major players in the Yemen war were Iran and Saudi. Now with this development joint efforts need to be made to stabilize the nation by stopping the proxies in the region like the Houthi Rebels. Also the two nations should redirect resources and efforts towards addressing the humanitarian needs, rebuilding the affected areas, and fostering development.

6- ELIMINATION OF SECTARIANISM AND POLITICAL CONSOLIDATION OF UMMAH

Saudi-Iran conflict was viewed as representing the Suni and Shia branches of Islam respectively. The rivalry between them exacerbated sectarian tensions in the region, contributing to the recruitment and support of proxy groups based on religious affiliations. Improved relations will help mitigate these tensions.

7) BRIGHTER PROSPECTS OF THE REGIONAL DEVELOPMENT EP ECONOMIC DEVELOPMENT

Both Saudi and Iran possess significant economic potential. With rapprochement between the nations, the economic cooperation in investment, trade can be increased manifold. As we see this potential in their ~~of~~ ^{increased} energy security if they collaborate together. Along with this, reconciled relationship could pave way for joint leadership initiative in addressing regional issues.

Implications for Pakistan:

1. HELP PAKISTAN PROMOTES ITS POLICY OF GEO ECONOMICS

The geo-economics policy can be promoted by regional connectivity: INSTC, IMEC, middle east and Central Asian countries. As Ambassador Talib Abbas Jilani (Caretaker FM) said:

“Saudi Iran Rapprochement will open new horizons for regional connectivity in Pakistan”

2- PAKISTAN CAN SECURE INVESTMENTS FROM IRAN AND SAUDI ARABIA IN CPEC

The importance of CPEC and its prospects are not hidden from anyone. So Pakistan took the full advantage of this diplomatic development and Saudi Arabia is ready to Invest 10 Billion dollars in building the largest oil refinery in Gawader. According to the Ministry of planning and Development in Pakistan, Pakistan and Iran have agreed to collaborate in CPEC. Investments would be made in the special economic zones.

3- ROLE IN EASING TENSION

Both Saudi Arabia and Iran enjoy cordial relations with Pakistan and India and they could use their influence to ease between the two South Asian countries to improve the process of regional integration. This can be done via SCO where India, Iran, Pakistan and Saudi Arab could be made dialogue partners.

4. ELIMINATION OF SECTARIAN WARS IN PAKISTAN

Sectarianism is a burning issue in Pakistan that turns the country into a battle ground. Saudi Arabia and Iran belonging to the opposite sects can play a role in harmonizing relationship between different sects especially Shia and Sunni in Pakistan.

5. PAKISTAN EMBARKMENT ON NEW PATH OF DIPLOMACY AND COOPERATION

Pakistan was under severe diplomatic constraints during the Saudi - Iran cold war era. Pakistan used to find itself in dilemma on how to balance between the two. Now with the issue sorted, Pakistan can enhance the cooperations between ^{with} both the countries without any fear.

6. TRI LATERAL PARTNERSHIP IN COUNTERING TERRORISM.

By sharing the intelligence information between the 3 countries they can work together to eliminate ISIS and Al Qaeda in the region and bring peace and stability.

7- CONTRIBUTION IN ENERGY SECTOR

Both the countries are global major players in the energy sector so help can be taken from them as in Pakistan the energy sector is in deep crisis that is undermining the country economic development too.

Conclusion:-

Saudi Iran Rapprochement is a v. big development in the decade that has the potential for sorting out not only the regional crisis but also can have a strong and powerful impact on other countries like Pakistan that have a strong relation with both the countries. Hence, the true potential of this development can be far more than mere normalization of relations.

Success and Failures of CPEC

INTRODUCTION:

The China Pakistan Economic Corridor (CPEC) is a significant infrastructure development project that aims to connect Gwadar Port in Southern west of Pakistan to China's North western region of Xinjiang. The project launched in 2013, is a part of China BRI flagship project. In the first phase, the CPEC has helped us develop major infrastructure and address our essential energy needs along with facing challenges.

Successes:

Following are some of the major gains of Pakistan in the first decade of CPEC

1. INFRASTRUCTURE DEVELOPMENT

CPEC has led to the construction and development of critical infrastructure, including roads, energy projects and the Gwadar port.

For e.g.

→ Energy project already completed include ① 1320 mega watt (MW) capacity coal fired power plant in Sahiwal (Punjab), Port Qasim (Karachi) and Hub Balochistan

② 660 MV Engro Thal power project

③ 1000 MV Qaid e Azam Solar Park in Bahawalpur (out of which 400 MV completed and rest under work)

→ Drawing of Transmission lines, A mega 878 km long Matiari to Lahore ± 660 kV HVDC transmission lines completed which can carry 4000 MW electricity

→ Upgradation of Pakistan's national & international highway network to provide more reliable Pakistan China connectivity across the Karakoram.

2) JOB CREATION:

The project has contributed to job creation by its spin off effects. i.e both directly through the construction phase and indirectly through the anticipated economic growth resulting from improved

infrastructure. According to Chinese Embassy in Pakistan

“Till the end of 2022, CPEC has generated a total of 236,000 jobs in Pakistan.”

3) STRATEGIC IMPORTANCE:

CPEC enhances the strategic and economic importance of the Gawader port. On one hand it provide China with a shorter and secure route and on the other hand has a huge potential to attract foreign investments that will further the economic development in the country. Saudi Arabia, UAE and Germany are those that have taken moves into ^{cooperation with} Pakistan via flagship project.

→ UAE: leading liquid gas service providers are set to invest worth 15 million dollars in the CPEC Faisalabad economic zone

→ Saudi Arabia to set 10 billion dollars oil refinery in Pakistan, the largest in the region

CPEC has brought Pakistan direct investment totalling 25.4 billion dollars over the past eight years.

Failure and Challenges:

1) SECURITY CONCERNS

CPEC has faced security challenges, particularly in the Balochistan province, where there have been incidents of violence and attacks on infrastructure projects. These security concerns have raised questions about the overall feasibility and the sustainability of the project.

2) DEBT SUSTAINABILITY:

Critics argue that the CPEC projects have significantly increased Pakistan's debt burden. There are concerns about the long-term financial implications and the ability of Pakistan to manage and repay the debt associated with these projects. According to Pakistan's finance ministry,

“Pakistan's total public and publicly guaranteed external debt stood at \$44.35 billion in June 2013, just 9.3% was owed to China. By April 2021, this external debt ballooned to \$90.12 billion with Pakistan owing 27.4% - 24.7% billion - of its total external debt to China”

Source: IMF

That's why referred to as “China's Debt Trap”

3) LOCAL OPPOSITION

Some local communities have raised concerns about the environmental impacts of certain CPEC projects particularly those related to mining and energy generation. According to sources, this pollution has also caused an increase in annual hospital admission in the most affected provinces. Also there is a cut down of trees on large scale for the purpose of constructing various roads.

5- UNEQUAL DISTRIBUTION OF BENEFITS:

There are concerns about the unequal distribution of benefits from CPEC projects, with some regions and communities feeling marginalized or excluded for ^{the economic gains} especially Balochistan.

Conclusion:-

To Sum up, while CPEC has brought about significant infrastructure development and economic opportunities, it has also faced challenges. The long term success of the project would depend on addressing these challenges.