Pakistan’s Evolving Relations with Saudi Arabia: Emerging Dynamics and Challenges

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Abstract

Historically, based on shared values of culture and religion, Pakistan’s relations with Saudi Arabia have become increasingly complex over time. This has occurred in the backdrop of important geopolitical and economic shifts in the region, leading to a new dynamic equilibrium in the Pak-Saudi bilateral ties. Strong relations with Riyadh have become a crucial element of Pakistan’s overall foreign policy, given the latter’s intermittent economic support by the former, which underscores the significance of the Kingdom; however, deepening Indo-Saudi ties can also not be overlooked or underestimated. This paper gives an overview of ever-evolving Pak-Saudi ties, while taking into consideration current dynamics of the Kingdom’s role in the Middle East and Gulf Cooperation Council (GCC) countries as well as in the South Asian region.

Keywords: Pak-Saudi Relations, Indo-Saudi Relations, Pak-Iran Relations, Foreign Policy, Islamic Military Counter Terrorism Coalition (ICTMC).

Introduction

Pakistan is situated on the crossroads of Asia, which uniquely positions the country at the confluence of multiple regions of Asia, i.e., the Middle East, Central Asia, and East Asia as well as the South Asian region. This interregional integration has led to the development of a multiregional outlook in Pakistan’s foreign policy that has gradually become more complex. This makes Pakistan’s foreign policy calculations more dynamic but also stressful as it looks to maintain a fair balance in its relationship with different Middle East countries, especially Saudi Arabia and Iran, while equally striving to protect its economic, regional and national interests.

This has been particularly true in Pakistan’s interactions with Saudi Arabia, a Middle East country, with which Pakistan shares deep historical, religious and cultural ties. Pakistan’s relations with Saudi Arabia have evolved over time into multidimensional ties that are faced

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with numerous challenges as well. This article takes a historical look at this important relationship in order to understand its emerging dynamics and challenges that Islamabad faces in managing its increasingly complex relationship with Riyadh.

The Beginning

Soon after its creation, Pakistan looked towards the Middle East countries, particularly Saudi Arabia, as a special area of interest because of historical, cultural and religious factors. However, Pakistan’s relations with Saudi Arabia did not begin in a promising regional and international setting as Pakistan was looking for more powerful allies in order to manage the existential security threats emanating from much larger regional rival—India. In this regard, it was argued that Saudi Arabia along with other Muslim countries of the Middle East had very little to add to Pakistan’s ‘prestige in the international field’ as they were ‘economically and otherwise in a far less stable position than Pakistan itself.’

Thus, soon after its independence Pakistan’s foreign policy outlook gave primacy to its relations with the US-led West. To this end, Pakistan’s membership of the US-backed military alliances, particularly Central Treaty Organization (CENTO) was viewed with suspicion by Saudi Arabia and the larger Arab world which had strong anti-West feelings due to the US position on the Arab-Israel conflict. Riyadh was unable to appreciate Pakistan’s unique security milieu and the two main pillars of the Arab political landscape of the time, i.e. Nasser’s Egypt and Saudi Arabia, both disapproved of Pakistan’s Western leanings. Riyadh took a special note of that and urged Pakistan to ‘return to the right path’ describing Islamabad’s tilt towards West as ‘a stab in the heart of Arab and Muslim world.’

The situation was also complicated by the pro-India tilt in Saudi foreign policy during the early years. Crown Prince Faisal, who was Prime Minister as well as Foreign Minister of Saudi Arabia, visited New Delhi in May 1955. After that, King Saud personally visited New Delhi during

1 For a detailed discussion on Pakistan’s efforts to seek close ties with the Muslim world see Agha Shahi, “The Concept of Ummah and Its Influence on Pakistan’s Foreign Policy,” in Pakistan’s Security and Foreign Policy (Lahore: Progressive Publishers, 1988), 297-324.
3 S. M. Burke and Lawrence Ziring, Pakistan’s Foreign Policy: An Historical Analysis, 2nd ed. (Karachi: Oxford University Press, 1990), 204.
4 Ibid.
5 Muddassir Quamar, “Indo-Saudi Relations: Emerging Strategic Dimensions” (paper 32, King Fahd Center for Research and Islamic Studies, Riyadh, 2018), 9.
November-December 1955 for about two weeks, where he encouraged India to play a leading role at the international level. Moreover, the King appreciated Prime Minister Nehru and his government for their accommodative and generous attitude towards the Muslims of India and proclaimed that ‘the fate of Indian Muslims is in safe hands.’

Towards Convergence

Pak-Saudi relations, however, started improving during early 1960s as the perceptions on both sides changed. From the Pakistani side, this was a welcome change in the wake of its increasing disillusionment with its Western allies. As Washington started courting New Delhi in the late 1950s as a counterbalance to the rising China, Pakistan looked up to Saudi Arabia as a potential ally. It also emerged as a logical option because of the gradual rise in its stature at the international level, as a result of its booming oil industry. Thus, Pakistan now looked more positively towards Saudi Arabia and then Pakistan’s President Mohammad Ayub Khan visited Riyadh in 1960 seeking closer bilateral ties.

Moreover, Saudi Arabia was also not unaware of Pakistan’s strategic value in the regional power politics. Pakistan’s relatively well-trained armed forces and military capabilities were viewed as significant by Riyadh in the wake of its growing competition with Cairo for dominance in the region. Starting with the assistance in training Saudi air force in 1961, Pakistan became particularly important for Riyadh during Saudi and Egyptian involvement in the Yemeni Civil War of 1962-70. This was highlighted in January 1963 when Egypt’s President Nasser openly accused Pakistan of supporting the Saudis and the Yemeni royalists with planes and daily shipments of 500 guns to the Ta’if airport. Pakistani sources also confirm that Pakistan Air Force personnel based at Khamis Mushait participated in various battles during the Saudi-Yemen conflict of 1969.

This growing strategic convergence was bolstered by economic factors when Pakistani skilled and unskilled labor force also started moving to Saudi Arabia to avail employment opportunities in the growing oil-based Saudi economy. Saudi Arabia, thus became increasingly

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6 Ibid.
7 Burke and Ziring, Pakistan’s Foreign Policy: An Historical Analysis, 205.
lucrative for Pakistan due to economic reasons as well, while remittances being sent home by these workers improved Pakistan’s foreign currency reserves as well as its balance of payment issues. The situation thus exhibited an economic synergy between the two countries where Pakistani labor force found employment opportunities in a rapidly growing market of the Kingdom, which also needed increased workforce.¹⁰

Meanwhile, Saudi Arabia also provided important support to Pakistan on many of its key strategic issues at various times. For instance, Riyadh supported Pakistan during its war with India in 1965 and King Faisal visited Pakistan in 1966 endorsing its position on Kashmir. Similarly, Saudi Arabia also provided strong ‘moral’ support to Islamabad during its 1971 war with India.¹¹ Riyadh also did not give any official recognition to the newly formed state of Bangladesh immediately, keeping in view Pakistan’s on the dismemberment of its eastern wing during the war. It was only in the wake of the Islamic Summit Conference (February 1974) with the active support of Saudi Arabia that both Islamabad and Riyadh simultaneously recognized Bangladesh as an independent state.

With Bhutto as Pakistan’s Prime Minister, Islamabad looked even more positively towards Saudi Arabia as Pakistan’s new center of gravity was now tilted more in favor of the Middle East as a result of changes in its geography with the separation of its eastern wing. Meanwhile, the left-leaning Bhutto was also seeking to develop a new balance in Pakistan’s foreign policy by pulling it away from the United States. In this context, Saudi Arabia attained increased importance for Pakistan as a source of international support because of Riyadh’s enhanced clout on the world stage in the wake of the 1973 oil embargo that had led to tremendous hike in the international oil prices, thus strengthening Riyadh’s position. As a result, Pakistan sought more financial support from Saudi Arabia and Prime Minister Bhutto visited the Kingdom multiple times in this regard.¹² For instance, during Bhutto’s 1972 visit, Riyadh agreed to convert the earlier US$20 million loan to a grant. Similarly, in 1974 Saudi Arabia extended Pakistan an interest-free loan of US$100 million. In 1975 it again gave Islamabad a grant of US$30 million to help settle the balance of payments following Bhutto’s visit to the Kingdom.

¹¹ Ibid.
Developments during the late 1970s and 80s created new avenues of convergence between the two countries. Riyadh’s security concerns in the region were deepened during the period following the Iranian revolution in 1979 and the subsequent Iran-Iraq war. Saudi Arabia was now greatly concerned about the growing influence of the Iranian revolutionary regime in the region. Iran replaced Egypt in the new rivalry between Tehran and Riyadh for regional influence and in this regard the latter again looked towards Pakistan to maintain regional equilibrium. There were also new domestic challenges to the Saudi regime as highlighted by the events of Grand Mosque Seizure in 1979 and support from the Pakistani armed forces was deemed quite important by Riyadh in managing growing domestic woes.\textsuperscript{13}

Pakistan thus became increasingly important for Riyadh in the changing regional environment and there was now growing pressure on Islamabad for playing a pro-Saudi role in the region. As a result, the two countries signed an agreement in 1982 to station some 15,000 Pakistani troops in Saudi Arabia to boost its domestic and external security.\textsuperscript{14} In the face of instability of the region that was now highlighted by Saddam’s (mis)adventure in Kuwait, the Kingdom again sought active Pakistani support during the Gulf War of 1990.\textsuperscript{15} As a result, Pakistan dispatched a mechanized brigade of about 6000 men to Saudi Arabia only in a defensive posture under the 1982 agreement.\textsuperscript{16}

Meanwhile, Soviet invasion Afghanistan in late 1979 led to further strengthening of Pak-Saudi security cooperation. Pakistan emerged as the frontline state against the expanding red revolution in Asia and the arrival of Soviet forces in the backyard of Pakistan strengthened the argument that the country should foster closer relationship with the Muslim world, particularly with Saudi Arabia. Riyadh also looked at Moscow’s intervention in Afghanistan as a destabilizing factor. Therefore, the US, Saudi Arabia, and Pakistan supported Afghan Mujahideen against the Soviets in 1980s.\textsuperscript{17}

\textsuperscript{14} Ibid., 311.
\textsuperscript{15} For a detailed analysis of Pakistan’s decision-making processes during the crisis see, Ayesha Siddiqa, \textit{Development of Pakistan’s Foreign Policy: Case Study of the Gulf Crisis-1990}, report (Lahore: Pakistan Institute of Legislative Development and Transparency, 2004).
While the US lost its interest in Afghanistan after the departure of Soviet forces, Riyadh, however, maintained its interest in the post-Soviet political settlement of Afghanistan primarily out of its desire to contain Iranian influence in the region. Islamabad, which was also looking for a friendly regime in Kabul welcomed Saudi support in this regard. Pakistan desired a friendly regime in Afghanistan, for which support from Riyadh was welcomed for ensuring a stable government in Kabul in 1990s, one without any external influence especially that of India.\textsuperscript{18} Both Saudi Arabia and Pakistan also emerged as the main international supporters of the post-Mujahideen revolutionary Taliban regime along with the United Arab Emirates (UAE) by giving diplomatic recognition to the Afghanistan.

Saudi Arabia also provided financial support to Pakistan during the economic crisis that it faced as a result of international sanctions following its nuclear tests in 1998.\textsuperscript{19} Crown Prince Abdullah also visited Pakistan in October 1998 which helped ease Pakistan's international diplomatic isolation following the nuclear tests. As a gesture of diplomatic support to Pakistan's nuclear status, Saudi Defense Minister Prince Sultan visited Dr. A. Q. Khan laboratories in May 1999 and then in 2002.\textsuperscript{20} These visits also generated wild speculations about the Saudi interest in the procurement of Pakistan's nuclear weapons.\textsuperscript{21}

Emerging Dynamics

While Pak-Saudi relations have generally remained on a positive trajectory in the post-9/11 period, they are faced with new complexities in recent years in the backdrop of important transformations in the region. An important development in this regard has been the popular uprisings in various Arab countries, a phenomenon described as 'Arab Spring,' that has shaken up the autocratic political structure of the region unleashing new forces of instability. This led to tremendous political strife


in many Arab countries of the region, including Tunisia, Egypt, Syria, Bahrain, Libya and Yemen.

Amidst such developments, the Kingdom is faced with numerous challenges vis-à-vis its leadership role among the Arab countries along with various internal and external security threats. Riyadh has adopted different strategies on various fronts in order to meet these challenges. In this regard, Saudi Arabia has avoided any direct interference in Syria, but tried to manage the challenge it faced from Egypt by aligning itself closely with the Abdel Fattah el-Sisi regime by providing much needed financial support to Egypt. Riyadh, however has tried to deal with the challenge arising out of the situation in Yemen through a direct military interference in the civil war where the Yemeni government is facing armed resistance from the Houthi ethnic group. In this regard, Riyadh has faced stiff resistance from the Houthi opposition that has led to a long-stretched war in that country by Saudi Arabia and its allies. Riyadh similarly intervened in the Bahraini civil strife where the majority Shia population is demanding new political settlement in the Kingdom, where unlike Yemen it was able to bring calm.

On the internal front, terrorist groups like Al-Qaeda and Daesh have also emerged as a challenge to the Saudi regime because of the presence of their sympathizers amongst the Saudi population. According to a 2014 Western estimate, about 2,500 militants of Saudi origin went to Syria to join Daesh. On the other hand, Daesh leadership has also directly targeted Riyadh. In his message on August 22, 2018, Daesh leader Abu Bakr al Baghdadi attacked Saudi domestic reforms by saying that the Kingdom ‘is trying to secularize its inhabitants and ultimately destroy Islam.’ He urged the citizens of Saudi Arabia to overthrow their government.

Similarly, in May 2018, Al-Qaeda published a bulletin that described ongoing religious reforms in Saudi Arabia as ‘heretical,’ and urged the Saudi religious establishment to rise against ‘moderate, open Islam, which all onlookers know is American Islam.’ Since the 2003 terrorist attacks in Saudi Arabia, carried out by Al-Qaeda, there have

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24 Ibid.
been numerous terrorist attacks in the Kingdom. In July 2018, Daesh struck a security checkpoint in Buraidah, a city in Qasim Province, killing a Saudi security officer and a foreign resident. Although Daesh is now on the wane, development of new hybrid terrorist threats, bringing new challenges for the regional order, cannot be ruled out.

On the Saudi external front, an important implication of the regional instabilities emanating from ‘Arab Spring’ has been the worsening rivalry between Riyadh and Tehran in the recent years. This has been due to the competing strategies of the two countries for dominance in the region which have sectarian dimension. Another complicating development on the Saudi external front in recent years has been the rifts within the GCC. Particularly important in this regard, has been development of a rift with Qatar on account of Doha’s links with the Muslim Brotherhood movement of the Arab world which once enjoyed close ties with Riyadh but has now lost favor of the Saudi monarchy following its role in the uprisings of ‘Arab Spring.’

Among such Saudi concerns, Pakistan has faced greater pressures from Riyadh in the recent years for a more proactive role in assisting the Kingdom on internal and external security matters leading to new challenges for Islamabad regarding its general posture in the region. Hence Pakistan faces this dilemma in managing its relationship with Iran and Saudi Arabia in the emerging political order of the region. Iran is a neighbor of tremendous strategic value for Pakistan with which it has deep historical, religious and cultural links and it is difficult for Pakistan to choose between the two.

Pakistan has historically pursued a balanced strategy in its dealings with Saudi Arabia and Iran. For instance, in Iran-Iraq war of the 1980s whereby Islamabad avoided the competing pressures by playing a proactive role in the peace efforts to bring an end to the war. Islamabad has faced similar challenges in recent years, but with greater severity, in the face of renewed Saudi-Iran rivalry in the region, putting significant stress on Pakistan’s maneuvering in the region. This was exhibited when Riyadh asked Pakistan for direct military support in its efforts to suppress the Shia uprising in Bahrain in early 2011. During the Bahraini crisis, Islamabad refused any overt and direct military intervention, however in order to deflect the Saudi pressure, it allowed the Bahraini security forces to recruit Pakistani personnel and advisors for Bahrain’s National Guard and riot police through private security contractors from wider business circles connected to the Pakistan military. Pakistan’s approach,

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25 Ibid.
however, received strong criticism from Iran, and Islamabad had to dispatch special envoys to Tehran to alleviate Iranian concerns.\(^{27}\)

This Pakistani dilemma became more acute in the wake of Saudi/GCC involvement in the Yemeni civil war where Tehran and Riyadh also happen to support rival sectarian groups.\(^{28}\) Since the start of its campaign in Yemen in 2015, Riyadh sought Islamabad’s active military support. To avoid entanglement in a regional power play between Tehran and Riyadh that also entails sectarian tinge, Pakistan once again opted for neutrality in the Middle East conflict. This was crucial for Pakistan especially when it is dealing with challenges from its two borders: eastern and western, it could not afford to infuriate Tehran, and invite three-pronged challenges from its three borders. On the one hand, it is dealing with belligerent India on its eastern border, with which it has fought three major wars in 1947, 1965 and 1971 as well as an unofficial Kargil War in 1999 and some border skirmishes; on the other, it is facing spillover effects of the War on Terror (WoT) in Afghanistan, in its western border where continued instability remains the order of the day in the aftermath of unending US war leading to severe internal and external security problems for Pakistan.

Moreover, any involvement in Yemen would entail a significant cost in terms of Pakistan’s domestic stability, which has diverse sectarian and ethnic make-up and any external involvement that has sectarian repercussion puts country’s internal stability in danger. Saudi pressure on Islamabad for direct military support in Yemen was not without dangers to latter’s domestic stability. In order to deflect the growing Saudi pressure, Pakistani Parliament in an unprecedented move passed a resolution whereby it stressed that ‘Pakistan should maintain neutrality in the Yemen conflict so as to be able to play a proactive diplomatic role to end the crisis.’\(^{29}\) However, in an effort to placate Riyadh the resolution also expressed at the same time an ‘unequivocal support’ for Saudi Arabia ‘in case of any violation of its territorial integrity or any threat to Haramain Sharifain.’\(^{30}\) Nonetheless, Pakistan’s stance on Yemeni War and refusal to provide military assistance while opting for neutral approach vexed the Kingdom and GCC countries.


\(^{30}\) Ibid.
Consequently, Saudi frustration vis-à-vis Pakistan’s position on Yemeni conflict strained the bilateral relations of both states in the recent years. Moreover, the displeasure of the Saudi-led GCC countries towards Pakistan became evident from the statement made by the then Emirati Minister of State for Foreign Affairs, Dr Anwar Mohammed Gargash, that the ‘vague and contradictory stands of Pakistan and Turkey are an absolute proof that Arab security — from Libya to Yemen — is the responsibility of none but Arab countries’ and warned Pakistan of having to pay a ‘heavy price’ for such a position.31 Pakistan’s decision to remain neutral on the issue of the military campaign in Yemen was not taken well and was interpreted in Saudi Arabia and its GCC allies as a tilt towards Iran. Showing displeasure in this regard Gargash accused Pakistan of giving preference to Iran over the Gulf countries at a time when they face an ‘existential confrontation’ in Yemen and remarked that ‘Tehran seems to be more important to Islamabad and Ankara than the Gulf countries.’32 This resulted in a diplomatic row between the two countries; Pakistan’s then Interior Minister Chaudhary Nisar responded by terming the remarks as ‘unacceptable’ and described them as a ‘violation of all diplomatic norms.’33

On the other hand, India received increased attention in the GCC countries in the recent years as a result of New Delhi’s enhanced clout at the international level particularly because of its growing economy. India has thus been able to make some important inroads into the Middle East region in recent years and has tried to capitalize from the limitations of Pakistan’s neutral stance in the Middle East. In this regard, New Delhi has embarked on what has been described as ‘Look West’ foreign policy in recent years and Indian Prime Minister Narendra Modi has visited many countries of the region in recent years including Jordan, UAE, Oman, Saudi Arabia and Palestine. As a result, India is now enjoying closer ties with Middle East countries including Saudi-led GCC block as well as Iran. In this context, Modi visited UAE in 2015 and then again in 2018. Modi’s 2015 visit to the UAE was the first by an Indian Premier in 34 years that also called for a ‘strategic partnership’ between the two countries.34 The joint statement issued at the end of Modi’s visit also contained indirect

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references to Pakistan, where UAE endorsed New Delhi’s position on various political challenges in the region. For example, it said that the ‘two nations reject extremism and any link between religion and terrorism’ and that they ‘condemn efforts, including by states, to use religion to justify, support and sponsor terrorism against other countries.’ Similarly, the joint statement also contained many references to India that were hitherto reserved for Pakistan. For instance, it spoke about ‘Proximity, history, cultural affinity, strong links between people, natural synergies, shared aspirations and common challenges’ that ‘create boundless potential for a natural strategic partnership’ between the two countries.

Similarly, Modi also made two back-to-back visits to Saudi Arabia in 2016 and 2018. During his July 2018 visit to Saudi Arabia the two countries signed multiple agreements in order to bolster their partnership to effectively counter threat of cross-border terror in India and Saudi Arabia, including a key pact on terror financing and money laundering. The joint statement issued by the two sides ‘expressed strong condemnation of the phenomenon of terrorism in all its forms and manifestations, irrespective of who the perpetrators were and of their motivations.’ During the visit India and Saudi Arabia also concluded many defense-related agreements that included exchange of visits by military leadership of the two countries, holding of joint military exercises, reciprocal visits of ships and aircrafts and joint production of arms and ammunition for the armed forces of the two countries.

Economic ties between Riyadh and New Delhi have also expanded in recent years and India has emerged as one of the largest buyers of Saudi crude oil at a time when Riyadh is losing its market share in important global economies like China and the US. Recently, Saudi Arabia has emerged as the fourth largest trading partner of India and has three million Indian workers who contributed about 11.6% of India’s US$80 billion of foreign remittances during 2018, which points to its deepening economic ties with New Delhi.

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36 Ibid.
Meanwhile, India has also strengthened its economic and strategic relations with Iran in recent years where Iran’s Chabahar port epitomizes the growing convergence between Tehran and New Delhi. Through the strategic Chabahar port where it has invested millions of dollars India seeks a land access to Afghanistan, Central Asia and Russian territories, including that of Eastern Europe and the Caucasus which has also been described as the North-South Transport Corridor. India also plans to construct a railway line that will be about 900 km long and will connect Chabahar to the Hajigak region of Afghanistan which is rich in mineral wealth and where Indian companies have acquired rights to mine iron ore according to agreements concluded in 2011.39

Amidst these challenges, Pakistan had to make extra efforts to strengthen its relations with Saudi Arabia in recent years. Thus, in November 2015, Pakistan’s then Chief of Army Staff, General Raheel Sharif visited Riyadh where he stressed Pakistan’s resolve to protect the sacred cities of Mecca and Medina along with the territorial integrity of Saudi Arabia. Similarly, in order to placate Saudi Arabia, Islamabad had to approve of a developing structure of a military alliance of Muslim countries that were aligned to Saudi Arabia. As a result, in a domestically controversial decision, prompting concerns that Pakistan was becoming too involved in an organization that excluded Iran and Iraq, Islamabad gave its tacit approval to the Saudi requests; hence Gen. Sharif became the commander of the alliance for fighting terrorism called the Islamic Military Counter Terrorism Coalition (IMCTC).

Islamabad has also moved ahead with the Riyadh’s request for a direct troop deployment in the Kingdom. In this regard, the former announced that it was sending a limited contingent of 1000 troops to Saudi Arabia in addition to what were already deployed there in accordance with previous arrangements. The move has been undertaken by Pakistan in a cautious manner as it claimed that the troops were on a ‘training and advise mission’ only and would not be deployed outside of the Kingdom – and specially not in Yemen. According to official sources as many as 1671 Pakistani armed forces personnel are now deployed in Saudi Arabia since February 2018.40

These developments in Pak-Saudi relations had implications for Pakistan’s relations with Iran leading to new challenges for its policy

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vis-à-vis Tehran and Riyadh. Thus, there have been concerns shown by Iran whereby the Iranian Ambassador to Pakistan noted that though Islamabad had communicated its decision, to Tehran, of sending former COAS Gen. Sharif to head the Saudi-led alliance ‘that does not indicate that Iran is satisfied with this decision or it has accepted the same’ and that ‘Iran had conveyed its concerns to the Pakistani government’ in this regard.41

The situation has further complicated for Pakistan at a time when Islamabad is facing grave financial difficulties particularly in the domain of balance of payments. Pakistan’s balance of payment has remained under severe pressure during 2018 and its current account deficit widened by 50.5 percent amounting to US$12.0 billion (3.8 percent of GDP) during July-March FY2018. 42 With the situation deteriorating through 2018, Pakistan is in the process of signing a US$6 billion bailout package with International Monetary Fund (IMF) to boost its dwindling foreign exchange reserves and stave off a balance of payments crisis.43 In order to balance IMF’s tough conditionality in sorting out a bailout package, Pakistan has sought more help from friendly countries like China, Saudi Arabia and UAE etc. Consequently, Saudi Arabia has announced a US$6 billion bailout package for resurrecting Pakistan’s ailing economy which includes an amount of US$3bn for balance of payments support and another US$3bn that will take care of import of oil on deferred payments. Moreover, this arrangement will be in place for three years, which can be extended thereafter.44

Saudi Arabia and other GCC countries have now an increased strategic economic worth for Pakistan that highlights the growing dependence of the Pakistani economy on these countries. Over the years, Pakistan has tried to meet its deficit in balance of payments through foreign remittances whereby GCC states have been the largest source. The foreign remittances being sent by Pakistani workers in Saudi Arabia have attained a strategic dimension for Pakistani economy that has been increasingly beset by the poor performance in export sector leading to huge problems in the area of balance of payments. According to Pakistan

Economic Survey: 2017-18, Pakistan received US$ 14.6 billion during first 9 months of FY 2018 whereby the major share of remittances was from Saudi Arabia i.e. 25.3 percent (US$ 3690.57 million) followed by UAE which is at 22.4 percent (US$ 3264.73 million) while for other GCC countries the share stands at 11.3 percent (US$ 1648.13 million). According to recently released data by the State Bank of Pakistan, Pakistan received US$20.2 billion remittances between July 2018 and May 2019. Saudi Arabia remained the largest source of remittances. A statement issued by the State Bank of Pakistan said, 'During May 2019, the inflow of workers’ remittances amounted to US$2315.74 million, which is 30.17 percent higher than April 2019 and 28.36 percent higher than May 2018.'

Meanwhile, Saudi Arabia is now pursuing a new balancing strategy in its dealings with India and Pakistan that poses new challenges to the latter. These changing dynamics have been evolving since the visit of Indian External Affairs Minister Jaswant Singhto Riyadh in January 2001, whereby Riyadh has sought to develop close ties with both India and Pakistan. This has been particularly evident during the landmark visit of Saudi Crown Prince Muhammad bin Salman to India and Pakistan in February 2019. The visit was not affected by the heightened tensions between New Delhi and Islamabad over the disputed territory of Kashmir in the wake of the Pulwama incident of February 14, 2019. These emerging patterns of Saudi interactions with India and Pakistan were also exhibited during the visit in many other ways. For example, during the visit Riyadh made investment deals with both India and Pakistan. An investment package of US$20 billion was signed with Islamabad while the value of such package for New Delhi stood at US$80 billion.

Similarly, while the Pak-Saudi Joint Statement called for ‘avoiding politicization of the UN listing regime,’ a reference to India’s effort to put Masood Azhar, leader of Jaish-e-Mohammad group accused by New

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Delhi of being involved in the Pulwama attack in the UN list for international sanctions, the Indo-Saudi Joint Statement issued at the occasion condemned the Pulwama incident in the ‘strongest terms’ and recommended setting up a ‘strategic partnership council’. Riyadh has thus tried to pursue a more neutral role in the India-Pakistan disputes in recent years; and Saudi Foreign Minister Adel al-Jubeir referring to the India-Pakistan tensions during the Crown Prince’s visit urged for ‘de-escalation’ between Pakistan and India. He further said ‘It pains us to see conflict between two countries that we believe to be friendly countries to Saudi Arabia.’ This signifies Riyadh’s neutral posture towards India and Pakistan lately.

Conclusion

Pakistan’s relations with Saudi Arabia have evolved through different phases. The latter has been somewhat less strategically relevant for Pakistan in the early years. All this was transformed in coming years when the two countries were able to develop closer bilateral ties whereby they entered into a somewhat balanced interdependent relationship. Political changes in the region and Pakistan’s growing economic problems have added new complexities into this relationship whereby Saudi Arabia has become increasingly important for Pakistan in strategic terms. This is a far cry from the situation in the early 1950s, when Prime Minister Suhrawardy categorized region’s strategic worth for Pakistan as ‘zero plus zero plus zero plus zero is equal to that, zero.’

The two countries are pursuing parallel balancing strategies towards each other’s region that remain under stress due to fluid and volatile political situation in the Middle East and South Asia. In this regard, Islamabad’s dilemma in the Middle East region in the context of its ties with Iran and Saudi Arabia has intensified in recent years straining its ties with Riyadh. The situation for Pakistan has been particularly complicated in the context of Indian strategies in the Middle East region. In emerging dynamics, Pakistan is thus faced with new challenges.

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whereby both Riyadh and Tehran have sought closer ties with New Delhi particularly because of India's growing international clout in the post-Cold War era.

Viewing from a larger perspective, Saudi Arabia’s evolving balancing act with two nuclear-armed South Asian states—Pakistan and India—may contribute to the cause of strategic stability in this region. Its value however is yet to be determined but its contours were evident during Saudi diplomacy vis-à-vis renewed India-Pakistan tensions after Pulwama incident. In such a scenario Pakistan should continue with its traditional balancing policy in the Middle Eastern region. Such a strategy towards the region should also seek a cooperative relationship with Turkey-Qatar which is another emerging pole of the region. Growing challenges in Pakistan’s relations with Saudi Arabia and the larger Middle East region, however can only be dealt by looking for innovative policy options, strategic bargains and most importantly by seeking a comprehensive national posture that caters to all the dimensions of national power. Nevertheless, close bilateral relations with Riyadh will continue to be an important cornerstone of Pakistan’s foreign policy.