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# Pakistan-Gulf Strategic Relations

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**Welcome remarks**

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*Distinguished guests, ladies and gentlemen.*

It gives me immense pleasure to welcome you to this workshop. I am thankful to all of you for being a part of this discussion, which is a joint effort by the Institute of Strategic Studies, Islamabad, and Gulf Research Center, Dubai.

The relations between the Gulf States and Pakistan need no introduction. They are rooted in history. But the recent developments in the Gulf region make the relations between the two sides acquire greater strategic importance, which calls for proactive cooperation and engagement.

The relationship between the Gulf States and Pakistan is multi-dimensional. Geographical proximity is only one of the factors that have intensified the relationship. These ties have been shaped by long-standing historical, religious, cultural factors and are based on shared political and security interests, as well as a growing economic relationship.

An incident that illustrates the depth of Gulf-Pakistan relations takes us back to the Arab-Israeli war of 1967, when General Ayub Khan, then president of Pakistan, went beyond normal diplomatic courtesy and informed King Faisal of Saudi Arabia about Pakistan's readiness to send its air force to protect the Kingdom from any likely Israeli aggression. Indeed the announcement of ceasefire was the only factor that prevented Pakistan's participation in the war against Israel.

The Gulf States and Pakistan were also strategic partners in countering the Soviet invasion and occupation of Afghanistan.

The relationship between the two sides extends beyond government interaction too. For example, following the devastating earthquake in October 2005, apart from the governments of the region, the people of the Gulf States made a huge collective contribution to help Pakistan in its hour of need and crisis.

In this backdrop and in view of the significance of the strategic ties between Pakistan and the Gulf states, it is necessary to address the lack of substantive research in the area. Keeping this in mind, the Gulf Research Center took the initiative to launch a special research program focusing on ties between the Gulf Cooperation Council States and Pakistan. This program has a dedicated Web portal containing all the resources necessary for a sound understanding of the issue. It aims to fill the void by focusing on the political, economic, security and defense issues.

This workshop is also a result of the research program and hopes to serve as a forum for discussing issues of mutual concern. A better understanding of the shared concerns is the first step in the process. By facilitating the exchange of ideas and perceptions, this workshop, which we believe is only the first of a series, hopes to pave the way for a better understanding between the two sides.

In the context of the current developments, Pakistan can play a role in two crises that are of great concern to the Gulf States. These are:

- 1) The increase in terrorism and political instability in Afghanistan, which will adversely affect the whole region.
- 2) The potential threat emanating from the Iranian nuclear activities.

The political environment in the region remains threatened by both issues. And, in both cases, Pakistan's geo-strategic location is pivotal.

With regard to the Iranian nuclear program, the view in the Gulf States is that Iran must not engage in its nuclear ambitions even outside the NPT. And, Pakistan could proactively and diplomatically engage Iran in dissuading it from going ahead with its nuclear program.

Stability in Afghanistan and the need to prevent escalation of terrorism in the region are issues of immediate concern to both sides. Pakistan has engaged in sincere efforts to combat terrorism, regionally and internationally. We understand the difficulties associated with this task, as the Gulf States face a similar problem. It is important to note here that Pakistan and the Gulf States have taken several collaborative steps to counter terrorism and contain the threat posed by organized crime.

The Gulf States are happy that President Pervez Musharraf undertook the initiative to urge Muslim countries to bring about peace in the Middle East as well as Afghanistan and to resolve the Palestinian conflict. The Gulf States welcomed the initiative during the foreign ministers in Islamabad in February. The idea behind the new Middle East initiative, including Iran, is for Muslim countries to act collectively to seek acceptable and sustained solutions to ongoing disputes. This issue will be followed up at the Arab League Summit in Saudi Arabia later this month.

We believe that the Gulf States and Pakistan need to further develop their efforts to counter terrorism. It is necessary to devise a strategy that also looks at the implementation of a broader, sustained long-term policy starting from the grassroots levels. A comprehensive educational curriculum for schools and religious institutions could be developed that would inculcate proper Islamic teachings and serve as an effective deterrent against elements with vested interests who seek to propagate hatred and violence by misusing Islamic education. We need to look at the rise of extremism in Islam. The policies that are needed to check the conflagration of extremism will have to keep in mind the cultural and traditional values of our peoples. Terrorism, soft security and hard security are the three areas where cooperation and collective security mechanisms can yield results. Simultaneously, there is also a need to address these issues on a regional basis.

Politically, some quarters doubted the strength of the Gulf-Pakistan relations following the visit of King Abdullah's visit to Asia in January 2006. They were apprehensive that Saudi Arabia's relations with Pakistan would come under strain because of the former's growing ties with India. These misapprehensions were immediately dispelled by the Saudis who reiterated that relations with Pakistan are too deep to be affected by renewed links with another state. In fact, it is our firm belief that Saudi Arabia and the other Gulf states could play a positive role by influencing a peaceful resolution of the Kashmir dispute as they enjoy good relations with both Pakistan and India.

On the economic front, the well-established economic relations have witnessed a renewed vigor recently as is evident from the large-scale investments made by the Gulf States in Pakistan. This surge in investments can be attributed to concerted efforts by Pakistan to improve its economic relations with the Gulf States, a fact that was helped by Pakistan's remarkable economic turnaround. The largest source of FDI in Pakistan for 2006 was the UAE with investments worth \$1.42 billion, which

is bound to increase in future, along with the others in the region. For instance, trade with UAE is expected to cross \$5 billion this year. Similarly, Kuwait and Qatar have also invested in energy and infrastructure development and have indicated plans for further investments. Recent investments focused on key sectors such as telecommunications, real estate and infrastructure development, energy, steel and shipping.

One of the major projects that both could find mutually beneficial would be to develop Gwadar as an energy and commercial hub. Gwadar could serve as the gateway and link to the Central Asian republics and other neighboring countries and a transit point for trade in energy products to China, Central Asian countries, and even India.

Pakistan could be a critical transit point on the trade route for China, Afghanistan, Central Asia and the Far East. Besides, two significant energy projects involving Islamabad would have a profound impact on regional cooperation – the Turkmenistan-Afghanistan-Pakistan pipeline and the Qatar-Pakistan gas pipeline would make Baluchistan the hub of gas transmission activities and thus draw the neighboring countries – Pakistan, Iran, India, Afghanistan, Turkmenistan and Qatar into a common network. This should have a bonding effect on the countries of South and Central Asia especially when the Gwadar port becomes fully operational providing an opening to the sea for Afghanistan, western China and Central Asian states.

Further, the Gulf States host a large Pakistani workforce in the region, numbering approximately 1.7 million. It is the second largest expatriate community after India and includes professionals, businessmen, skilled and semi-skilled laborers. It has contributed significantly to the economic and infrastructure development of the region. This community is also a valuable source of foreign remittances for Pakistan. Of the \$4.6 billion that Pakistan received in remittances in 2005-06, Middle East contributed about \$2.1 billion.

Similarly, the defense and security ties between the Gulf States and Pakistan are well established. Pakistan has contributed significantly in the training and military education of officers in the armed forces and civic security institutions in the Gulf States. Besides, Pakistan military personnel have also served in the Gulf States. The two sides have also been engaged in joint military exercises as well as increased trade in arms and defense systems. In an environment where there is intense debate about a collective security architecture to protect the interests of the region and its stakeholders, the Gulf States would like to seriously look at the possibility of Pakistan playing a role by extending the support of its armed forces for regional defense in case of external threat.

In short, there are a number of opportunities for the two sides to strategically enhance their mutually beneficial relationship in the years ahead, But these need to be listed, debated and structured to ensure that they have a reasonable chance of getting implemented.

With these thoughts I would like to thank you all again for participating in this event and look forward to a constructive exchange of ideas.

*Thank you.*