

Navigating Complexities: An Analysis of Pakistan-Iran Relations in Current Global Scenario.

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Abstract

The Pakistan-Iran relations have experienced fluctuations in the last five months of 2024. On the one hand, the year began with military strikes against each other, while on the other, there have been high-level visits aimed at strengthening bilateral relations. This paper explores the current situation of Pakistan-Iran relations, providing a brief historical overview and offering recommendations for the future. This analyzes the current scenario, keeping in the view the historical perspectives by focusing on military assaults, diplomatic strains, their quick resolution, and subsequent high-level visits, such as those by the Iranian Foreign Minister, the President of Pakistan, and the Pakistani Prime Minister's visit to Iran in the context of the incident. The paper particularly emphasizes cross-border terrorism, the Iran-Pakistan gas pipeline, trade relations, the Barter Deal, and the impact of US sanctions, all these have drastically altered bilateral ties. Finally, there are no major conflicts between the two countries, minor hurdles can be overcome. US sanctions remain a significant challenge, which both countries could jointly address through China's involvement in the context of the new Cold War.

Keywords: Bilateral relations and trade, diplomacy, terrorism, international sanctions

Introduction

Pakistan and Iran have had friendly relations since inception. Iran recognized Pakistan on 14th August 1947 and was the first country to establish an embassy abroad. Pakistan reciprocated when the Islamic revolution took place in 1979 and became the first country to recognize the new regime in Iran. The two countries were part of the Western alliance system in the 1950s and created Regional Cooperation for Development (RCD) along with Turkey in the 1964.

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It was converted into the Economic Cooperation Organization (ECO) in the 1985 and was further expanded in the 1990s when Central Asian Republics (CARs) were included in its fold, which is currently a vibrant organization promoting economic cooperation amongst the regional Muslim countries.

There have been some annoyances in this relationship in the past, such as differences on the issue of the Taliban in Afghanistan, where Pakistan assisted them, and Iran was against it due to sectarian variances. The Taliban were predominantly Sunni, and Iran was supporting Shia factions within Afghanistan, particularly the Hazara community. Pakistan had become a battlefield between Iran and Saudi Arabia regarding the sectarian skirmish.

There are irritants in relations, but no major dispute between the two countries. There is a great deal of potential in this relationship. Three issues are of critical importance: energy, borders, and trade. The Iran-Pakistan-India Gas Pipeline Agreement (IPI) was signed in 2012. Due to US and UN sanctions, it could not be implemented. In 2022, FATF blacklisted Iran (Chaudhry, 2014). A way out could be found, as gas is not a legally sanctioned commodity. As far as borders are concerned, Pakistan calls them 'peace, friendship, and love'. There is a problem of terrorism on both sides of the border. On Pakistan's side, Jaish al-Adil, also known as Jundullah, is a Sunni militant organization active against Iran, whose leader was hanged in Iran in 2010. On the Iranian side, Baluch terrorist and insurgent groups such as the BLA and BLF are active. Moreover, India might be involved in rebellious activities as Indian spy Kulbhushan Jadhve was taken into custody in Baluchistan. Both countries should take all these into consideration and address the concerns of the other side to their full satisfaction. To increase trade, barter trade should be encouraged to sidestep sanctions. Iran-Saudi rapprochement, brokered by China, is an opportunity for both countries. CPEC can be considered for extension to Iran. (Chaudhry, 2014).

The year, 2024, has been of particular importance in Pakistan-Iran relations. It started with military strikes against each other in January, which were followed by immediate de-escalation. High-level visits took place as the Iranian Foreign Minister visited Pakistan, followed by the Iranian President in April, and in May, the Prime Minister of Pakistan went to Iran after the tragic deaths of both the President and Foreign Minister in a helicopter. The focus of this research is to analyze the current scenario, particularly the five months from January to May 2024.

Statement of the problem

Iran and Pakistan have historically shared interests and ties, but tensions have emerged between them. Economic sanctions, the emergence of cross-border terrorism, and informal activities like smuggling have made the situation more complicated. A lack of effective communication and cooperation mechanisms has also hampered efforts to co-ordinate economic efforts and address mutual security concerns. This study will explore potential pathways for improving cooperation and stability in the region by investigating the factors contributing to tensions in the region.

Objectives:

- To analyze the factors causing tensions between Pakistan-Iran bilateral relations.
- To Assess the impact of military strikes on bilateral relations.

Research Questions:

What are primary causes contributing to tensions between Pakistan-Iran.

How latest strikes impact the diplomatic ties between the two countries

Methodology:

An explanatory research design has been adopted. Data has been collected from secondary sources, published material in the newspapers has been examined. The data collected through various sources has been analyzed.

This research is divided into three parts. The first is about the historical perspective, which is divided into four phases. The second part is about the existing scenario in Pakistan-Iran relations, in which there are military strikes, immediate restoration of diplomatic relations, high-level visits, trade relations, American sanctions, and the DAS pipeline between the two countries. The third part concludes the paper, followed by some findings and recommendations.

History of Pak-Iran Relations

The Pak-Iran relationship can be understood through a comprehensive historical perception.

This phase is divided into Four periods. The first stage started with the creation of Pakistan in 1947 and ended with the Islamic revolution in Iran in 1979. The cold war era is considered as the golden era in bilateral relations. Both were aligned with the West through SEATO and CENTO and had concerns against the USSR. Both were part of RCD which was subsequently expanded to ECO. In this phase both countries signed a border agreement in 1958 and Iran provided diplomatic support against India in 1965. When Pakistan annoyed with the US for its failure to support Pakistan in 1965 and 1971 and imposing nuclear sanctions and was looking towards Arab countries such as Saudi Arabia, the Shah of Iran began closer relations with India for evolving Indian Ocean Economic Community which was against Pakistan's interest in the region (Belal, 2017).

The second period started with Islamic revolution in Iran and ended with 9/11 in 2001. During this period Iran had become anti-American unlike the past. Both countries were out of western sponsored military alliance. Both countries were fighting against Soviet presence in Afghanistan. The only difference was that Pakistan was closely aligned with US and Iran was against it. During this period Iran-Iraq war continued for 8 years. Pakistan tried to mediate not only between Iran and Iraq and between Iran and Saudi Arabia but failed on both fronts. The second decade in this phase was turbulent in relationship as there started a civil war in Afghanistan. Both countries supported different factions. Pakistan was supported Sunni Taliban whereas Iran was supported Northern Alliance which was having shia faction. The killings of Hazara community were a regular source of hostility between the two. Taliban coming in power was victory for Pakistan and was unacceptable for Iran. Sectarian difference also affected Pak-Iran relations in this period (Belal, 2017).

The third period started after 9/11 and ended in 2013. The war in Afghanistan against Taliban was assisted by both as Pakistan had taking a U-turn in its Afghan Policy in the wake of American war against terror. During this phase USA imposed sanctions against Iran for its efforts to allegedly acquire nuclear weapons. As result of these sanction Iran was isolated internationally and was looking towards neighbouring countries to provide some solace but it was not possible in the wake of sanctions, Theses sanctions not only affected Pakistan – Iran gas pipeline project but also trade relations, during Musharraf era, Pakistan was closely aligned with the USA. With his departure and with the arrival of Pakistan People’s Party led coalition government, relations started improving. Pakistan was also annoyed with the US for various factors such as Raman Davis episode, Osama Bin laden operation and Slala Check Post incident. Pakistan and Iran were closer as a result and Pak-Iran gas pipeline agreement was signed in 2012 during the last year of PPP led government (Belal, 2017).

In the fourth and last phase starting from 2013 onwards, Iran started restructuring its foreign policy under the influence of moderate President. One of the significant developments of this time was Iran signing the Joint Compressive Plan of Action (JCPOA) in 2015. In this agreement Iran agreed that over the next 15 years its nuclear program would be rolled back and would accept IAEA inspection. After 15 years, Iran would be capable of acquiring nuclear weapons. Iran actually delayed its nuclear program instead of completing it. In the intervening period, Iran would be able to end its seclusion, improve its economic conditions and integrate with international community. Pakistan was hopeful not only to complete its gas pipeline but also enhance its barter relations. These expectations proved short lived with the arrival of Republican President Trump, the Americans decided to withdraw from the deal and it was back to square one (Belal, 2017).

So, the factors that has affected relations include geographical proximity, Muslim identity, American alliance system of the cold war, sectarianism, Afghanistan, Baluchistan, Iran nuclear program, American sanctions in the post-cold war period, gas pipeline, smugglings, growing India- Iran relations, Pakistan China Relations etc (Shah, 2018).

Existing Scenario in Pakistan-Iran Relations

The year 2024 has a great importance particularly in Pakistan- Iran relations as there were military strikes between the two countries, followed by de-escalation of tension immediately afterwards in January. The Iranian foreign

minister visited Pakistan immediately after strikes. It was followed by the visit the Iranian President in April along with a high-level delegation. May was tragic as the Iranian President along with Foreign Minister died in helicopter crash. The Prime Minister of Pakistan attended their funeral and met the supreme leader Ayatollah Khomeini who assured that the relations will continue to grow despite the change in leadership. Pakistan also offered its services in investigating of helicopter crash.

Cross border terrorism and Iran military strikes in Pakistan

Iran conducted military strikes in Panjgur area of Baluchistan targeting the terrorist outfit Jaish-al-Adil which was a combination of missile and drone attacks. This group had attacked the Iranian security forces in the border areas of Pakistan. Two children were killed and three girls were injured in the attacks. Pakistan condemned the malicious violation of its air space and was declared violation of Pakistan sovereignty and territorial integrity. For Pakistan it was an illegal act and as a result diplomatic relations were adversely affected. Pakistan recalled its ambassador in Iran and also logged protest with Iranian embassy in Islamabad. The Iranian ambassador was in Iran and he was asked not to return to Pakistan. All planned meetings between the two countries were suspended (Shahid, 17th January, 2024).

As mentioned above Pakistan downgraded its relations with Iran and also announced that Pakistan reserves its right to retaliate against the unjustifiable attack. The international community reacted as per its own interest particularly USA and China. The US condemned Iranian attack in Pakistan whereas China urged both sides to restraint. The attack in Pakistan was conducted by the Iranian Revolutionary Guard Corps (IRGC). Similar attacks were conducted in Iraq and Syria during the same times against the terrorist groups across the border (Syed, 18th January 2024).

As far as military strikes in Pakistan were concerned, it was stated by Iran that Jaish-al-Adil was involved in terrorist activities and killed 11 security forces of Iran. Iranian Foreign Minister had demanded Pakistan to act against the group based in Pakistan and subsequently both the Foreign Ministers discussed the issue and agreed to tackle the menace of terrorism jointly. Cross border terrorism has been a common phenomenon on both sides of the border. After the attack the Iranian Foreign Minister had telephonic conversation with the Foreign Minister of Pakistan in an effort to avoid further worsening the relations. (Syed, 18th January, 2024). However, Pakistan reacted as per its national interest.

Pakistan's military strikes in Iran: A Counterattack

Pakistan hit back within 48 hours on 18th January 2024, by killing nine people. The target was Baluch separatist organizations such Baluchistan Liberation Army (BLA) and Baluchistan Liberation Front (BLF), all Pakistani nationals. These attacks were conducted in Sarawan region some 80km from Pakistan-Iran border, using killer drones, rockets, loitering munitions and fighter jets. Iran condemned unbalanced and unacceptable drone attacks on non-Iranian villagers. Iran lodged its protest with Pakistan's highest-ranking Pakistani diplomat present in Tehran. Soon both sides desired de-escalation advocating dialogue and cooperation (Syed, 19th January 2024).

Within days of mutual strikes, both countries decided to restore normalcy in relations. It was announced that ambassadors of both countries would resume their duties on 26th January and the

Iranians Foreign Minister would visit Pakistan on the invitation of Pakistan's Foreign Minister (Reuters, 22nd January 2024).

De-escalating measures and the visit of Iranian Foreign Minister

The foreign Minister of Iran Mr Hossein Amir- Abdollahian came to Pakistan on 29th January 2024 within ten days of military strikes to transform relations between the two countries. Both countries agreed to fight against terrorism in their countries and to address each other's concern about militancy across the border. It was announced that for strengthening security relations "liaison officers" would immediately be deployed for exchange of intelligence information. Both countries agreed to acknowledge each other's sovereignty and territorial integrity. Without specifying the Iranian FM stated that a third country is involved in escalating border tension between Iran and Pakistan. By holding regular meetings such misunderstanding can be overcome in future (Gul, 2024). During his visit to Pakistan the Iranian FM also met the caretaker PM Anwar ul Haq Kakar. The two countries also agreed to establish free economic zone across their shared border to enhance bilateral trade (Sharp, 2024). The visit of Iranian Foreign

Minister was followed by the President of Iran's visit to Pakistan after almost three and half months.

Visit of Iranian President to Pakistan:

The President of Iran Mr Ebraheem Raisi visited Pakistan for three days from 22nd to 24th April, 2014. This visit was significant in the wake of strikes in January to target militants who were involved in attacks. The main objective of this visit was to enhance security and economic cooperation. It was a first ever visit of a head of the state after the general elections of Pakistan which were held in February 2024. During his visit he went to Lahore and Karachi and laid floral wreath and offered prayers at the Mazar-i-Quaid and Allama Iqbal mausoleum.

So far as the trade relations are concerned, both sides agreed to raise volume of trade to \$10 billion over the next ten years. This target was highly ambitious as the volume of trade for the last year 2023 was just \$2.3 billion even though in January 2023 MOU was signed to boost bilateral trade. Earlier in 2021, the two countries agreed to increase bilateral trade to \$5 billion. In 2005, a preferential trade agreement was signed, and a free trade agreement was being negotiated which was expected to be signed during the Presidential visit but could not be materialized. The factors like American sanctions, security situation along the border, lack of trading infrastructure etc adversely affecting trade relations. The two countries share a common border of 900km but the potential of trade has not been materialized.

Security along the border area has been a bone of contention between the two countries. It was therefore agreed that terrorists' organizations would be banned in their respective countries. Border management cooperation would be increased so that smuggling, drug trafficking and militancy could be prevented. It was decided during the meeting that a security accord would be signed for improving mutual support and sharing of intelligence information. The interior ministers of both the countries agreed on a plan of action to tackle the monster of terrorism in the region. Both the countries expressed their desire to promote cooperation in energy sector but no specific project mentioned.

There was unanimity of views on Gaza crisis as both wanted an end to hostility and immediate ceasefire. The Prime Minister mentioned Kashmir dispute, however the Iranian President made no comment on Kashmir as such. During this visit 8 MoUs were signed to enhance bilateral relations in different fields including security cooperation, an agreement on judicial assistance, an agreement to promote film exchange and cooperation in audio-visual sectors which is a significant step towards cultural exchanges (Staff Reporter, 23-04-2024).

Energy cooperation: Iran- Pakistan-India gas pipeline (IPI)

Iran-Pakistan-India gas pipeline has been a bone of contention between the two countries over the last many years. Iran has already constructed its part and Pakistan part is yet to be constructed. The delay is mainly due to American sanctions. It was initially known as IPI – Iran-Pakistan and India pipeline. However, India backed out due to American sanctions and Pakistan agreed to complete it but at the same time it is being delayed. In 2024, Pakistan announced to construct it in order to prevent Iran from initiating arbitration in international courts that could lead to a penalty of \$18 billion. Keeping in view the energy crisis in the country, this pipeline if materialized could be helpful a great deal in overcoming energy crisis (Staff Reporter, 23rd April 2024).

The pipeline is 2775km long, also known as ‘Peace Pipeline’. Iran natural gas reserves are estimated at 1203 trillion cubic feet (Tcf) as of December, 2021, and are second only to Russia. Its length from the Iranian border to Gwadar is 780Km. On the Iranian side the pipeline is 1,100km from the South gas fields to the Pakistan border already completed with \$1 billion. The American have warned of sanctions from time to time. Pakistan is caught between US sanctions on one side and Iranian on the other. Pakistan is in the need of gas as its reserves are 19.5Tcf and only sufficient for 12 years at the current level of consumption. Gas from Iran could address this concern. Pakistan is also looking for investment for its construction which is difficult to acquire due to American sanctions. China could be helpful in this regard. Russia could be another option as already an offer has been made to construct 80Km with \$160 million

(Ebrahem, 20-05-2024).

The tragedy in Iran and visit of Pakistani Prime Minister:

In a tragic development the Iranian President and Foreign Minister died in a helicopter crash near border with Azerbaijan. There was uncertainty for some time regarding the disappearance of the helicopter and it was announced subsequently that the two have died. It was a big tragedy for Iran and five days of mourning for the President was announced. Pakistan also observed a national day of mourning. The PM of Pakistan attended the funeral rites and also met the supreme leader of Iran to offer condolences. The supreme leader acquainted the PM that the relations would not be adversely affected with the change of leadership. Pakistan offered help in the investigation surrounding the helicopter crash. (McNamee, 2024)

A dividing Factor: Impact of US sanctions:

American sanctions have divided the two countries as far as cooperation in energy as well as trading sector is concerned. Pakistan is in the need of gas but due to American sanctions such gas could not be provided by Iran to Pakistan over the last 10 years. Most of the sanctions on Iran are related to its ambitions to acquire nuclear weapons. There was a ray of hope in 2015 when Iran and US along with five other countries signed a nuclear weapons related deal. However, it was reversed when President Trump came to power in USA. Whenever there is an announcement regarding the construction of IP pipeline, the US would warn Pakistan to keep away from Iran otherwise sanctions would be imposed. Similarly, there is a trading potential between the two countries as announced recently that volume of trade could be increased to \$10billion but the possibility of US sanctions cannot be ruled out.

Smuggling and Pakistan-Iran trade relations:

As there is potential for the trading relations between Pakistan and Iran that could not be exploited to the fullest therefore there is informal trade means smuggling taking place instead of formal trading. Various targets have been set in the past for achieving volume of trade between the two countries. The target set in the year 2021 was \$5 billion for five years and more recently, it is \$10 billion dollars set in April 2024. The quantum of smugglings is quite high particularly from Iran to Pakistan. In Baluchistan up to Karachi Iran oil is available almost on half a price which is a huge revenue loss for the government although a relief for the poor segment of society. Similarly, all sorts of Iranian goods are available in Pakistani markets such tyres, white Iranian onion etc. As Iran is not able to sell its products in international markets, therefore smuggling is encouraging for at least some benefit for the state.

Conclusions:

Pakistan-Iran Relations are friendly as well as brotherly. There is no major irritant in bilateral relations. The issue of terrorism has not been tackled carefully, hence the military strikes against each other. Iran-Pakistan pipeline has been delayed on one pretext or the other from Pakistan side. The visits from the two sides have brought the relations back to normal under the present circumstances. The trade potential exists but the same has not been exploited to the benefits of both countries and its people. Factors that have affected

relations include terrorism, US sanctions, presence of militants across the border, informal trade and smuggling etc.

Findings:

1. There is a great deal of potential in Pakistan -Iran relations that has not been explored and that can be done in future.
2. After military escalation the two countries successfully restored diplomatic relations in the shortest possible times.
3. Pakistan can go ahead with IP pipeline despite US sanctions as gas is not a sanctioning commodity.
4. Pakistan-Iran border can be secured by both sides by taking action against the militants which are operating in each territory.

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