

Pakistan's Foreign Policy Towards Iran and Saudi Arabia: Historical Analysis Of PPP and PML (N) Governments (2008-18)

Muhammad Adnan Aslam (CA)

*Visiting Lecturer Department of Political Science
Government College University, Faisalabad
madnanaslam@gcuf.edu.pk*

Muhammad Irfan

*Visiting Lecturer
Pakistan Studies, University of Mianwali*

Dr. Ali Shan

*Assistant Professor
Department of Political Science,
Government College University, Faisalabad*

Dr. Muhammad Azhar

*Assistant Professor
Department of Political Science, Government College
University, Faisalabad*

Abstract

An unlike political perspectives of the region, Pakistan's foreign policy keeps significant poses vis-à-vis Iran and Saudi Arabia. It is strenuous for Pakistan to maintain saccharine relations towards Iran and Saudi Arabia at the same time because of dogged rivalry between the two countries, including the high interests of the main players in Middle East region. The main objective of this research is to analyze the main trepidations between Iran and Saudi Arabia as well as their effects on the policy of Pakistan. The various economic, political and strategic developments of Pakistan towards Iran-Saudi Arabia have been discussed under the leadership of PPP and PML (N) governments. For this set out, historical analysis theory has been applied. Complex economic, strategic and political affairs have been examined by their actions which were taken by the Iran, Saudi Arabia and Pakistan under diverse circumstances of the region.

Keywords: Iran-Saudi rivalry, Foreign policy, Regional politics, vexed regional players.

1. Introduction

Foreign policy of Pakistan is keeping vibrant position and it has always adorned in regional and world politics. Position of Pakistan geographically has significant in South Asia and challenges for Pakistan also high to prove itself as an up righting country by using its preeminent diplomacy including vivacious foreign policies towards regional countries and other world. Since its inception, Pakistan has been maintaining good relations towards Middle East countries particularly Iran and Saudi Arabia that have substantial part of the foreign policy of Pakistan.

Pakistan is standing as an active member of different organizations such as OIC, ECO and ATA. Policies of Pakistan towards these countries remain different in different governments on different regional settings¹. Pakistan is trying to maintain its best relations towards Iran and Saudi Arabia in the presence of their dissimilar sectarian beliefs and patchy political & economic diverse interests in Gulf region. Since 2001 Pakistan, Iran and Saudi Arabia have been seriously facing socio-economic challenges from radicalism, terrorism and influence of inter regional Actors on regional politics. Continuing of proxy war between both countries for maintaining hegemony on political including economic affairs of Middle East have been creating complications for policy makers of Pakistan to formulate balance policies at a time towards Iran and Saudi Arabia under uncertain circumstances of the region.

Pakistan People Party democratically elected in 2008 in general elections. PPP government significantly improved its political, economic and strategic relations with Iran, while it had less lucrative relations towards Saudi Arabia during its tenure. Iran had faced economic sanctions since 2001 due to its controversial atomic program. It was difficult for PPP government to carry out productive economic relations with Iran under US-Saudi pressure. President of Iran visited Pakistan in 2009 to re-engage effervescent relations with Pakistan, memorandum of understanding (MOUs) on gas pipe line and investment in

energy sectors were signed bilaterally. President of Pakistan visited Iran in March 2013 and inaugurated the Iran-Pakistan (IP) gas project under severe International pressure. Over indulgent policies of PPP government towards Iran on different matters in Middle East had made tasteless relations between Saudi Arabia and Pakistan.

Pakistan Muslim League Nawaz assumed office with replacement of PPP government in 2013 elections. Early days, relations towards Iran and Saudi Arabia were in normal conditions, later on PML(N) tried to make more suitable relations towards Riyadh than Tehran. On 2015, out broke of Yemen and Syrian crisis Iran and KSA both were trying to get visible strategic and diplomatic favor from Pakistan but Pakistan adopted a neutral policy in for balancing relations towards Iran and Saudi Arabia in gulf politics. Later on, Prime Minister of Pakistan and Army chief visited Saudi Arabia and Iran respectively on January 2016 for stabling relations towards both countries. Pakistan had played a mediating role to deescalate tensions between Saudi Arabia and Iran on Yemen-Syrian crisis.

The aim of research paper is to deem historical analysis of the policies of PPP and PML (N) government (2008-18) in Political, strategic and economic perspectives towards Iran and Saudi Arabia under the severe influence of powerful actors on regional affairs. It describes the complex interdependent relations of Pakistan towards Tehran and Riyadh separately, while continuing of serial rivalry between Iran and Saudi Arabia how to influence during the formation and execution of the policies of Pakistan. Policies of Pakistan towards these countries have beaped through the course of history and government policies of both PPP and PML (N) have been qualitatively analyzed by using secondary source of data through explanatory research design. It has also analyzed in which of both Parties has protected more suitable political, economic and Strategic interests of Pakistan by using coherent foreign policies towards Iran and Saudi Arabia.

2. Review of Literature

Banafshehs Keynoush covers the main reasons between Saudi Arabian and Iranian rivalry from centuries and how it destroyed the peace of region. The book covers transitional complexity in relations connecting both main powers of the region². This book emphasis ongoing intense relations of Iran with US and critically examined the policies of US towards Iran. Though author has considered US intelligence quite sure about nuclear program of Iran that it has suspended since 2003 yet US administration is deliberately exploiting Iranian economy due to Saudi-US oil partnership in this region. Reese Erlich has emphasized the position of Iran in regional politics in an uneven condition of gulf countries³. This Research paper has defined the foreign policies of Pakistan which have been changing by changing the governments since 1973 towards Iran and Saudi Arabia. Omer Aslan has comparatively highlighted the nature of foreign policy of Pakistan during constitutional governments and Marshall Laws towards Iran and Saudi Arabia⁴. Alex Vatanka has highlighted the relations and policies of both respective countries in which they facing challenges from west and especially US after 9/11. Geography, political role and identify of Pakistan and Iran in regional politics have been discussed historically. Impacts of Iranian revolution with theocratic approach on regional politics have been also discussed. The book has critically highlighted the complex relations of Iran towards Pakistan and regional actors⁵.

3. Historical Backgrounds

Pakistan always wishes to run smooth relations and policies towards Iran and Saudi Arabia under indecisive geographical and economic position. Iran and Saudi Arabia have never historical bilateral relations with one another; they are trying to maintain political hegemony individually in Arab world for their specific mentality and agenda. Both countries have great influence on the regional politics and have handsome share in world energy sector. Different Policies of different governments in Pakistan might misbalance the equilibrium between both countries but diplomatic relations of Pakistan have never

suspended permanently at any stage towards Iran and Saudi Arabia.

3.1 Pakistan Foreign Policy towards Iran (1947-2007)

On the independence of Pakistan, Iran was the first country who recognized Pakistan as a sovereign state and it immediately started diplomatic relations with Pakistan. Qazi Muhammad Isa was deputed first ambassador from Pakistan to Iran on 22nd Aug 1947. Relations between two nations were strengthened, when Shah Iran visited Pakistan on March, 1950. A friendship treaty was signed between both heads which had great significant in geopolitical field. Iran and Pakistan came closer when both countries stood along with American in Middle East defense Organization (MEDO) for defense purposes against USSR. During the cold war, Pakistan and Iran were purely adopting western agenda. Pakistan and Iran concluded different agreements which based on mainly cultural and air travel in (1956-57). Baghdad Pact was signed by Pakistan and Iran in 1955 and its name was subsequently replaced with Central Treaty Organization (CENTO) after revolution in Iraq. Organization of Regional Cooperation and Development (ORCD) was established on 21st July 1964 by the three member countries of CENTO which aims were to extending political, economic and communicational relations between the people of Iran, Turkey and Pakistan. Role of Iran was quite considerate towards Pakistan during 1971 Pak-Indo war. Over all Relations and policies were maintained comprehensively by both nations prior to Iranian revolution.

General Zia-ul-Haq came into power with the replacement of Bhutto government, while Shah Iran was over thrown by Khomeini revolution in 80s era. Monarchism had replaced with Pan Islamism in Iran and in Pakistan Nazam-e-Mustafa movement was launched by military dictatorship that had core affected the policies and the constitution of Pakistan. Istanbul Pact (ORCD) was considered doubt fully by the new theocratic government of Iran and this pact was ended in 1979. During Iraq-Iran war in 1980, Iraq wanted to annex some of areas of Iran which were oil rich Khuzistan province and east bank of Iran

with the back support of US. During anxiety between Iran and Iraq Gen, Zia played imperative mediating role for defusing tensions between key players of Middle East.

Relations between both countries were moving capriciously during Afghan Jihad, Iran and Pakistan worried about the domination on neighboring countries by USSR, while Iran was cynical about Talibanization. In January 1985, formation of ECO was new chapter of relations between Turkey, Iran and Pakistan, later seven more states were the part of this organization. Pakistani society in 90s was suffering from religious fanaticism. Most of organized groups were part of Jihad in Afghanistan and they were involving in non-state activities in Pakistan. Diplomatic relations between Pak-Iran disturbed when Iranian diplomat Sadeq Ganji was killed in Pakistan by the Sunni militant group sipah-e-sahaba in 90s era. Later on relations between both countries reached again at stable position as Benzeer Bhutto came into power and she signed different MOUs with Iran in various sectors. These agreements were later followed by government of Nawaz Sharif. Prime Minister Mian Nawaz Sharif visited Tehran for participating 8th OIC conference which was held in December 1997. Prime Minister of Pakistan made one to one talk with Iranian President Khatami for peace process solution in Afghanistan and also stressed to improve bilateral relations between both countries. Bilateral relations were again moving on tough track when Iran showed unhappy gesture on nuclear tests of Pakistan. Furthermore, Iranian government made responsible to Pakistan for atomic proliferation in the region⁶.

During the General Musharraf regime, Pakistan and Iran came closer again and their bilateral policies reached at flexible position. Relations between both leaders of both countries had normalized prior to Sep 2001 terrorist attacks. America started an operation against militant groups in Afghanistan under Bush administration and its NATO allies with help of Pakistani government against Al- Qaida. Iran welcomed this act but soon later relations of Iran reached severely intense with American administration, when America and its allies demanded from Iran to restore democratization in Iran. Economical restrictions were

made on Iran by International community due to its controversial atomic program and they considered it would dangerous for Middle East. Pakistan at that time faced negative diplomatic response from Iran owing to its alignment with NATO. Under the great pressure and economic crisis, Pakistan signed an agreement in April 2007 with Iran for buying one Thousand megawatt electricity. Another agreement was signed between both authorities in which they would improve communication setup through Quetta to Zahdan bus service and Krman to Zahdan railway project. A trilateral anti smuggling agreement was also signed in June 2007 between Iran, Afghanistan and Pakistan⁷.

3.2 Pakistan's Foreign Policy towards Saudi Arabia (1947-2007)

Soon after the independence of Pakistan, Saudi Arabia had strengthens diplomatic relations with Pakistan. First treaty of friendship between both countries was signed in 1951 that based on bilateral cooperation and common laws. Shah Saud Bin Abdul Aziz visited Karachi in 1954, where he warmly welcomed by the people of Pakistan and he laid foundation stone of Saudabad village. As Pakistan signed Bagdad Pact in 1955, Saudi Arabian Embassy made press release the act of Pakistani government stab in the heart of Arab and Muslim States. Relations between Pak-Saudi were in slowing pace during half of 60s era. Another new chapter was opened in strategic, economic and diplomatic relations in the history of Pakistan and Saudi Arabia when Gen, Ayub Khan visited Saudi Arabia in 1960. Both countries agreed to remove stain bilaterally. Saudi Arabia signed an agreement with Pakistan on 1960 for hiring skilled and non skilled labor from Pakistan for construction of new projects. Saudi Arabia during this year also fallen in border crisis with Yemen and Egypt, due to limited Saudi military it sought the assistance of Pakistani troops for its security and defense purposes.

Saudi Arabia helped financially, politically and diplomatically to Pakistan in 1965 Pak-Indo war. Saudi Arabia moved a resolution against illegal actions of India against Pakistan in Arab League

meeting on 13th Sep 1965 in Casablanca. Feisal Bin Abdul Aziz visited Pakistan in April 1966, here affirmed the bilateral cooperation would be continue between both countries. During a joint press release, he stressed on the issue of Jammu and Kashmir that should be solve according to the resolutions of United Nations. Fall of Dhaka was unforgettable tragedy in the history of Pakistan when East Pakistan was separated in 16th Dec 1971. Saudi Arabia stood with Pakistan and it did not recognize Bangladesh as long as Pakistan did. A new constitution including foreign policy of Pakistan toward gulf countries were attuned in ZA Bhutto government in Aug 1973. At tender stage, Shah Faisal showed great sympathy towards Pakistan and sanctions fifty million USD loan for rehabilitation its economy. Later on, another package one billion rupees was given by KSA in 1974 for stabling economy of Pakistan.

Faisal Mosque Islamabad, stone foundations was laid by Shah Khalid in 1976 during his visit in Pakistan. For the Construction of Faisal mosque funds were given to Pakistan by the Saudi government which presented the close cultural relations between both countries. Loyal Purr city name was replaced with Faisalabad in the honor of Shah Faisal in 1977. Pakistani troops were deployed for the protection of Holy places in 1976 in Saudi Arabia by the government of Pakistan. An incident occurred in between November and December 1979 in Saudi Arabia in which Pakistani combat troops assisted Saudi forces for suppressing Grand Mosque seizure. Saudi Arabia signed bilateral security cooperation agreements with Pakistan in 1982 that purpose was military training, joint military exercise and sharing defense equipments. During the Soviet-Afghan war an axis between US, Saudi Arabia and Pakistan had made brawny strategic and diplomatic ties against soviet forces in Afghanistan.

Saudi Arabia was only country which had given wholly support and adhesion towards Pakistan in May 1998 on its atomic tests. Later on, Pakistan faced many international economic sanctions; meanwhile Saudi Arabia helped to Pakistan and supply fifty thousand barrels oil per day to abet its economy during sanctions. During the General Musharraf Regime, ties between both countries were deepened. Saudi Arabian government requested

to President Musharif for committed exile of Ex- Prime Minister Nawaz Sharif and his family to Saudi Arabia⁸. The Incident of 9/11 had affected the foreign policies of Pakistan towards the Asian region. Pakistan was front ally of NATO against Al-Qaida and Taliban in Afghanistan. Negotiating of Pakistan and NATO allies between Taliban and Al-Qaida leaders were arranged by Saudi government in different time periods.

Saudi Arabia announced an investment in hydro project in Pakistan on 2006 under the assistance of Islamic Bank. In the same year, Saudi king announced to build a medical college, university and health care in Azad Kashmir with the aid of eighty million USD which was given by Saudi Arabia. Another agreement was signed between both trading partners in 2006 in which Saudi Arabia would develop trade relations with Pakistan through gulf cooperation council (GCC). The aim of agreement was starting free trade of Pakistan towards gulf countries. Pakistan and gulf countries inter-trading volume in 2006 after this agreement was more than eleven billion USD, while financial cooperation to Pakistan by KSA was three billion USD in which 1.5 billion USD was transferred to state bank of Pakistan directly for stabilizing economy⁹.

4. Pakistan's Foreign Policy towards Iran (2008-13)

Pakistan and Iran were facing number of economic and Political challenges since 9/11 incident. Strategic and Political interests of these countries were also creating differences between the both on the issue of Afghanistan and Middle East political scenario. Political and Strategic outlook of the both governments towards the regional politics and policies were connected with their national interests and security. General elections were held in the history of Pakistan on 18th February 2008 and PPP secured visible position in this election for making new government under the President ship of General Musharif. Yusuf Reza Gillani elected as a Prime Minister of Pakistan. Gen Musharif left President Office in August 2008 by the pressure of ruling party because he was accused of his impeachment¹⁰. During the last days of Gen Musharif regime, Pakistan was facing severe

criticism internationally on political turmoil and fragile foreign policies due to internal politics for power and legitimacy.

Asif Ali Zardari became new president of Pakistan from PPP after Musharif resign. On the other side Mahmud Ahmadinejad administration of Iran was trying to balancing foreign relations and policies towards Middle East and south Asian states. Pakistan's foreign policy towards Iran during Pakistan People Party government in (2008-13) was quite friendly and cooperative but most of unhappy incidents in both countries during this period were increasing flaw in bilateral relations. In April 2008, Mahmud Ahmadinejad president of Iran visited Pakistan; it was his first visit towards south Asian countries for developing smooth relations of Iranian government towards south Asian countries. Short stay of President of Iran in Pakistan discussed the security issues of region and IPI gas project with newly Prime Minister of Pakistan Syed Yusuf Raza Gilani which was halted by the pressure of US. Government of Pakistan decided to make an operation impartially against militant groups within the territory of Pakistan in early 2009. For this purpose in June 2009, Iranian embassy in Pakistan donated two hundred fifty thousand USD to government of Pakistan for peace & stability in northern areas of Pakistan. Dr. Fahmida Mirza speaker of Nation Assembly visited Iran in February 2010 where she met with her counterpart Ali Larijani. During her stay in Iran she stated "All kind of sanctions on Iran owing to its nuclear program should be resolve through peaceful dialogue". Moreover she added "both countries have affected the wave of extremism and terrorism which are endangering the peace & stability of the region and both government should stand against these evils reciprocally"¹¹.

In June 2011, an anti terrorism conference was held in Tehran. President of Iran hosted this summit and called his counterparts from Afghanistan and Pakistan. In this summit discussed the geo politics of the region and especially elimination of terrorist groups which were staining trilateral relations between neighbors. Another trilateral meeting was held in Pakistan in Feb 2012 which agenda was how to develop a road map and strategies between three neighbors in trade, investment, better

security as well as counter terrorism. Mahmud Ahmadinejad, Hamid Karzayi and Asif Ali Zardari sit on the table for discuss difference ongoing common issues of region. In this two day summit not only discussed the solutions of extremism and terrorism but also discussed the trilateral trade and border security management between these countries. President Asif Ali Zardari visited Tehran on 11th Mar 2013 and inaugurated the IP project. During his stayed, both Presidents of Pakistan and Iran made bilateral meeting and discussed the outcomes after this deal. President Asif Ali Zardri met with supreme leader Ayatollah Khomeini in Tehran. Supreme leader stressed, both nations should forget their contretemps and once again strengthen their mutual relations in many fields.

Iran and Pakistan signed preferential trade agreement in March 2004 which was operational in 2006 but bilateral trade between both countries was less than their potential. According to statistics of IMF both Iran and Pakistan is 11th largest trading partner in the world. During (2008-13) Pakistan was facing severe energy crisis and Iran was better option for helping Pakistan to eliminate the energy issues. Iran has 4th largest oil reserves and 2nd largest oil producer in the world¹². Main focus of the both governments was increasing trade and economic relations either sides Baluchistan and Sistan. Both cross border cities could make connectivity of culture and trade between Pakistan and Iran. Both Pakistan and Iran kept proper mechanism for bilateral trade but for boost up bilateral economy needed to take initiative by the both government to facilitate businessmen as well as decreasing trade barriers on bilateral trade. A joint economic commission (JEC) on minstrel level was established in 80s between said countries. 17th JEC meeting was held in Tehran on 26th June 2008. These two days meeting on ministerial level a detail discussion was made on substantial trade & investment issues between both countries including Tariff barriers on goods, normal legal contract (L/C) difficulties between both sides due to sanctions on Iran and attestation fee from Iranian side for commercial invoices. Another JEC meeting was held on commerce secretary's level in Tehran in 11th May 2009, this meeting was discussed on professional Trade Agreement (PTA) which needed to re-enforce and expanded,

and it had already implemented since 2006 by the both governments. In this agreement concession on 647 items was granted by both sides¹³. In August 2009, both countries agreed to start gull train freight rail project from Pakistan to Turkey via Iran. Although this was a pilot project of ECO yet it would harmonizing the both countries through transitional transportation system. It would also increase economic collaboration and promoting sense of regional identity for both countries.

Pak-Iran bilateral trade in 2009 fiscal year was \$1.2 billion. In 2009, Iran more than 80% non-oil products import from Pakistan which of total amount of these products was \$ 279 million. In a same year Pakistan import non-oil products from Iran which worth was \$278 million and trade had increased 11% from last year¹⁴. A memorandum of understanding (MOU) was signed on February 2010 between both countries on cross border bilateral trading. According to MOU “Both sides trading companies shall bind to hold public and specialized fairs at their common borders”(Sattar 2013). It was decided government of both countries would construct store houses at their border custom places for facilitate the bilateral trading goods. The trade balance was in favor of Iran from (2008-13) because Pakistan had import oil on deferred payment from Iran during this era. Major exports of Pakistan towards Iran were cotton fabric, rice, fruits & vegetables, chemicals etc while imports from Iran were including ores, chemical material, iron, steel, machinery and petroleum products.

Pak-Iran bilateral trade volume (2008-2013)

Year	Pakistan's exports \$	Import from Iran \$	Total /\$	Balance/\$
2007-2008	92.32 Rice (46.28)	283.49 Oil (164.16)	375.81	-191.17
2008-2009	146.98 Rice (69.17)	242.08 Oil (87.55)	389.06	- 95.1

2009-2010	154.63 Rice (96.9)	450.27 Oil (145.18)	604.90	- 245.73
2010-2011	167.38 Rice (92.71)	405.19 Oil (139.89)	527.57	- 237.81
2011-2012	213.80	544.01	751.81	- 330.21
2012-2013	333.119	628.326	961.445	-295.2

Source: Pakistan economic survey 2012-13(http://www.finance.gov.pk/survey_1213.html)

5. Pakistan Foreign Policy towards Iran (2013-18)

PML (N) took over the government in June 2013 with the replacement of PPP, while in Iran Hassan Ruhani had become a President after two consecutive terms of President Ahmadinejad. After took oath Prime Minister Mian Nawaz Sharif in his first speech, he stressed to maintain good relations with neighboring countries but Iranian think tanks were considering, Sharif's family was maintaining good relations with Saudi royal family from last decade so it would be difficult task to preserve healthy bilateral relations with Pakistan that Iran had with last government of PPP. Pakistan and Kingdom of Saudi Arabia (KSA) was continuing good relations from last two decades due to mutual economic interests, while Iran was indulging relations with India in sense of largest economic market in Asia. A state commotion in Afghanistan, Iran was making better strategic relations towards India, while Pakistan policy was assimilating with Saudi Arabia and US. Pakistan and Iran were treating Taliban for their own ends and external actors were scoring their benefits with the help of both countries in gulf region. The biggest challenge for PML (N) government was making equilibrium its policies towards rivalry countries on the Issue of Yemen and Syria.

Pakistan in 2013 allied with International community in the matter of economic sanctions on Iran under Prime Minister Ship of Nawaz Sharif and it was direct reshaping the policy of Pakistan towards Iran. Prime Minister Sharif in May 2014 visited Iran. During his visit he signed nine bilateral collaboration agreements with Iran; these were removing stain between the relations of both countries. Leadership of both sides stressed for enhancing cooperation in political, diplomatic, strategic and economic relations. Pakistan and Iran in this session also signed bilateral agreements on collective enhance border security and counter terrorism. Tehran and Islamabad agreed to speed up IP project that had already delayed due to changing regional political scenario.

In 2015, Iran was trying to lose weight from International sanction by using midway possibilities. Obama's administration was mounting more pressure on Iran for Iranian nuclear program. Negotiations between Iran and P5 countries set a deal that was signed in 14th July 2015 in Vienna Austria. A joint comprehensive plan was made in which most of sanction on Iran was removed and rest of restrictions would be removed after deadline by the permanent members of Security Council on Iran¹⁵. Pakistan showed positive gesture and both Iran and Pakistan were taking into account, it would escalate economic relations in addition agreement would also helpful to defuse the pressure of US on both countries.

Civil war in Syria in the end of December 2015 was another challenge for the foreign policy makers of Pakistan, whether Pakistan would be with Saudi Arabia for set its army foot on Syrian crisis or would be remain neutral foreign policy. Pakistan's stance was clear; Pakistan would not part of this game and it would focus on its internal peace and security. Iran and Saudi Arabia on early 2016 were playing proxy war in Yemen and Syria which was treacherous condition for Muslim world and especially Middle East. Pakistan took incentive and tried to play mediating role between both rivals. Prime Minister Nawaz Sharif and Gen Raheel visited Saudi Arabia and Iran on January 2016. Prime minister and Army chief met with their counterparts and they tried to motivate them to stop

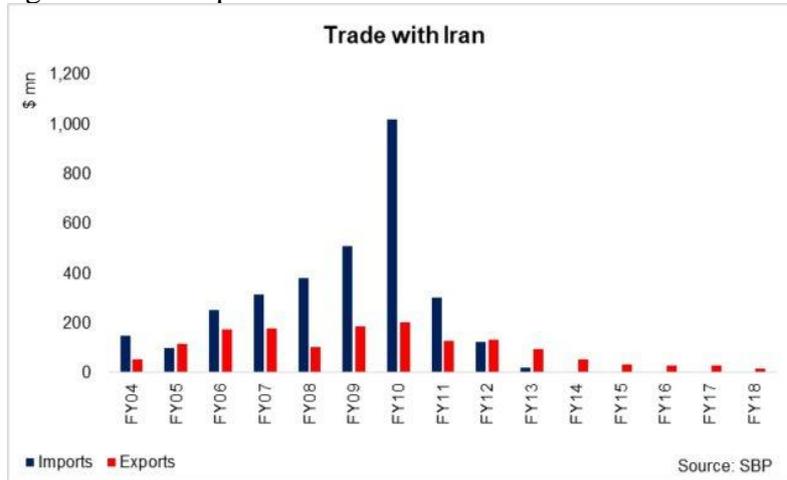
aggressive policies and perused them to de-escalate their tensions through bilateral diplomacy rather than starting war which would reveal serious consequences for the region. In 2016, relations between Iran and Pakistan had come at turning point when an Indian Spy Kulbushan Jadhav was arrested by Pakistani intelligence agencies in Baluchistan. On March 2016, Hassan Ruhani President of Iran made short transit stop to Pakistan on the way to India. During the meeting of Pakistan's authorities with Ruhani, they cleared to President; repeated incidents like wise happened with the assent of Iran would create difference between neighbors¹⁶.

Trade volume between Iran and Pakistan in 2013 was getting low than even from the year of 2009. Its total bilateral trade was 264 million USD and Pakistan exports were standing on 98 million in 2013 which was comparatively $\frac{1}{4}$ from the exports of 2009 towards Iran. Bilateral trade fell due to security situation of Pak-Iran border, no serious attitude by both sides, implement highly tariff on different commodities. In a year 2014, trade growth was low than last fiscal year, total trade between both countries was standing only 217 million USD. Iran was facing severe financial crisis in 2014, gross domestic production (GDP) had been decreased, inflation of Iran was 25.7% in a year of 2011 and it was considering it would become doubled in 2014 from last few years due to international economic sanctions on Iran. Pak-Iran Preferential Trade agreement had almost lost its credibility. Pak-Iran trade volume percentage was 1.54% before ratified this agreement which was dramatically declined and it had reached on 0.38% in 2013 fiscal year¹⁷. During last decade Pakistan's exports were declined from 367 to 85 products only and it was big loss for economy of Pakistan. Trade impediment on Iran was a reason which disturbed the roots of exports of Pakistan. During this period an alternative way was used by the exporters of Pakistan, export rice to Iran via Dubai due to banking limitations on Iranian government by International Community. Both nations kept exchanging agreement in which if Pakistan would export 0.2 million rice to Iran in return Iran would give oil to Pakistan according to the price worth of rice. This Barter system agreement could not implement at once in bilateral trade history.

JTC meeting was held in Tehran on April 2015, officials of both sides were stressing the vision of the heads of both countries which was increasing bilateral trade between Iran and Pakistan up to five billion USD. During this meeting officials of two sides were agreed for revise trade set up and it would formulate for five years facilitation plan for increasing bilateral trade volume between Iran and Pakistan. Both countries were agreed on shared investment in food processing and communications. For this purpose they decided, they would open new trade through border posts Mund-Peshin and Gebd-ey-Remdan.

Another MOU was signed on March 2016 by the both countries; it was Strategic cooperation Plan of bilateral free trade through Pak-Iran free trade agreement (PIFTA) for next five year (2016-21) which could not applicable yet. In 2010, Pakistan had Imported near one Billion worth of commodities from Iran while in 2017 imports were 0.19 million. From (2008-10) imports of Pakistan from Iran were near billion USD while exports of Pakistan to Iran comparatively increased in 2010 fiscal year. Later on it decreased randomly next eight years due to unrealistic bilateral trade policies, international sanctions and increasing pressure on both countries from in and outside of the regional Actors. In December 2018, bilateral meeting of consultation was held in Islamabad; Tahmina Janjua from Pakistani side chaired this meeting while Deputy Foreign Minister Abbas Arqachi headed the delegation from Iranian side in this meeting. Officials of two sides agreed to remove trade barriers and both governments would adopt professional trade measures for boost up bilateral trade. Both sides also agreed to increase border security and both governments would take serious steps for making better connectivity through road and railways for smooth bilateral trade.

Image. Pak-Iran reported Trade volume 2004-2018



Source: State Bank of Pakistan 2019 (<http://www.sbp.org.pk/>)

6. Pakistan’s Foreign Policy towards Saudi Arabia (2008-13)

During PPP era (2008-13) was considering significantly in the history of Pakistan in which relations between Saudi Arabia and Pakistan could not retain properly. Although, religious ideology considered less influential in inter-states policies due to immense interests of nations yet in developing countries state matters were affected by the religious ideologies Saudi royal family was considering, Zardari’s government was maintaining prefer relations and indulging policies towards Iran rather than KSA. Bilateral relations between Saudi Arabia and Pakistan on early 2008 was confusing, these relations came on level when President Asif Ali Zardari visited Saudi Arabia on November 2008. During this period Pakistan fell in worse economic crisis, purpose of visit of President Zardari was seeking financial help and requested to KSA for getting Oil on defer payments to cope with Balance Payments but response of Saudi government was unknown¹⁸. Saudi Arabia in Aug 2010 helped Pakistan on humanitarian bases, one hundred and five million USD which was for flood effectives in which five million USD was given in cash and other were food and shelter items.

Chief of national Security Council Prince Bandar bin Abdul Aziz visited Islamabad on March 2011 and he met top political and military leadership including President, Prime Minister and Army chief of Pakistan, to seeking diplomatic help from Pakistan that government of Pakistan would motivate of Iran to stop interference in Saudi Arabian border territories(Aslan 2017). Another meeting was arranged in Kuwait between President Asif Ali Zardari and Prince Naïf bin Abdul Aziz, both leader agreed to increased cooperation in mutual strategic interests. In July 2011, President Asif Ali Zardari travelled Saudi Arabia via a day Transit stop in Iran. In this visit president of Pakistan met top leadership of both countries and he discussed the ongoing tentative conditions of gulf region as well as President of Pakistan offered both leadership, he could play a facilitating role to reduce differences between them.

President Zardari, Interior Minister Rehman Malik and Army chief Ashfaq Pervaiz Kiyani visited Saudi Arabia; it was the second visit of top leadership of Pakistan towards KSA for the condolence on the demise of crown Prince Sultan Abdul Aziz in Oct 2011. In early April 2012, Gen Ishafaq Pervaiz Kiyani visited Saudi Arabia and intention of visit was to enhance bilateral strategic and defense ties. During his stay he met political and military leadership and he kept in confidence of authorities of KSA for reconsidering ties of Pakistan with USA after a severe incident in Mohmand Agency check post in Nov 2011 in which twenty five Pakistani soldiers were dead. Prince Abdul Aziz al Ammar external Minister of Saudi Arabia visited Islamabad in middle of April 2012. He met with top leadership of Pakistan to defusing misunderstanding between US and Pakistan which was created after drone attack on security forces of Pakistan¹⁹. Prince Abdul Aziz bin Abdullah was a messenger of Saudi government and he played mediating role between PAK-US controversies on Mohmand Agency incident.

Pak-Saudi bilateral trade was continuously reduced from 2008 to till an end of PPP government. Kingdom of Saudi Arabia was taking less interest to boost up further economic and trade agreements with government of Pakistan due to clash of ideologies between leaders of Saudi Arabia and Pakistan.

Leadership of PPP was sustaining deep economic, strategic and trade relations with Iran and UAE than Saudi Arabia. Total Bilateral trade between Pakistan and Saudi Arabia during the fiscal year in (2007-08) was 3990.31 million USD while in (2008-09) it increased and its volume of Trade was 4038.55 million. Meanwhile in (2012-13) imports were decreased and exports were increased from the Pakistan, the total volume of exports from Pakistan were 507.2 and imports were 4110.1 million USD, while overall trade during this year was comparatively less than last fiscal year. On the other hand flattering behavior of Saudi government towards Pakistan on subsidized oil aid which was decreasing and it moved on 300 million USD only in a fiscal year (2008-09) which was way less than the given promises of Saudi government towards Pakistan.

Pak- Saudi bilateral trade (2008-2013)

Year	Exports/Pakistan	Imports/Pakistan	overall Trade
2007-2008	382.81 million USD	3607.50 million USD	3990.31 million USD
2008-2009	454.20	3544.5	3998.7
2009-2010	393.15	3645.4	4038.55
2010-2011	426.51	4508.2	4934.71
2011-2012	452.23	4792.4	5244.63
2012-2013	507.2	4110.1	4617.3

Source: State Bank of Pakistan SBP 2014
 (<http://www.sbp.org.pk/>)

In (2010-11) Saudi government invested in Pakistan million of dollars in transportation, development and manufacturing sectors for counter the influence of Iran and UAE on Pakistan. Saudi trade & industry department engrossed to invest in Pakistan in private sector like live stock, agriculture and dairy which was foreign direct investment of Saudi's investors in Pakistan. Although (2005-06) foreign investments from Saudi Arabia were 277.5 million USD yet in (2009-10) it had decreased due to uncertain condition and security issues in Pakistan. Economic and trade relations from (2008-13) were fluctuating between both countries and Pakistan could not obtain any visible financial support from KSA in the time of financial crisis in (2008-09) except humanitarian support in 2010 and 2011 for flood effectives.

7. Pakistan's Foreign Policy towards Saudi Arabia (2013-18)

A new Period of bilateral ties enthusiastically reengaged after the establishment of the government of Mian Nawaz Sharif in 2013. Politically, economically and strategically Pakistan and KSA came closer again on early years after established the government of Nawaz Sharif. During early days in Nawaz government, Saudi Arabia was expecting gracious strategic, defense and Political support from Pakistan which would strengthen during Nawaz era for counter Iran as well as it would helpful to retain visible military support towards KSA on enduring Issues in Middle East(Aslan 2017). Saudi Arabia made financial support to Pakistan in 2013 for balance its economy and Saudi's were ready to supply oil to Pakistan on daffier payment. This gratitude of KSA was string back up support from Pakistan in continuing political and strategic Issues in Middle Asia.

Crown Prince Selman bin Abdul Aziz visited Pakistan in February 2014; during his visit he met top political and military leadership of Pakistan. Both leaders decided to boost up existing bilateral ties and they signed strategic agreement on peace and stability in gulf region. Moreover, Saudi Arabia was expecting fully support from Pakistan for changing the government of President Assad in Syria. Prior, Pakistan had played neutral role

in Syrian crisis but in Joint statement “the arrangements of a halfway governing body with full executive powers would authorize it to take over the political affairs of Syria”²⁰. This statement identified the visible influence of Saudi’s on Pakistan for shifting policies towards Middle East. In the end of 2014, Yemen crisis was uprising and this upheaval compelled Hadi’s government out of the Yemen in early 2015 with the support of Mr Saleh Sunni militant group. In the meanwhile, both Iran and Saudi Arabia were expecting support from Pakistan according to their different perspectives. Saudi Arabia was expecting military support from Pakistan in Yemen crisis and they interested to start joint venture with Pakistan in Yemen but Saudi’s anticipations were water down when Pakistani Parliamentarians called joint session and strong-will was adopted which was neutral policy of Pakistan in Yemen crisis . Although government of Pakistan reassured to Saudi Arabia for its support if it would be the matter of internal security of Saudi Arabia yet Pakistan would impartial in gulf Issues for peace and prosperity of gulf region.

Deputy Crown Prince and Defense Minister Muhammad Bin Salman visited Pakistan. During his stay in Pakistan on second week of Jan 2016, he met top political and military leadership and he discussed ongoing upheaval in Middle East. The main intention of Foreign Minister MBS was to get assurance and support from Pakistan for establishing Islamic alliance of likeminded countries for coping with terrorism and extremism for Muslim world. Pakistani authorities’ reaffirmed its support for Anti terrorism alliance which would led by Saudi Arabia with prop up thirty four countries. Prime Minister Nawaz Sharif went on three day visit to Saudi Arabia on March 2016 accompanied with chief of Army staff Gen Raheel and Tariq Fatemi assistant to PM Foreign affairs on special invitation of King Salman bin Abdul Aziz. The invitation was attending closing ceremony of twenty four countries Thunder military exercise in which leaders of different countries were called up by Saudi government. Purpose of collective exercise was to improve better and quick actions against terrorism in Muslim world.

Pakistan is currently 16th trading partner of Saudi Arabia and total share of bilateral trade has fallen 0.3% between both

countries last five years. Pak- Saudi bilateral trade and economic ties were affected by the fallen of oil prices in international market. From (2013-16) bilateral trade volume continuously declined. Although, Mian Nawaz Sharif early days in his last tenure government kept in financial challenges and KSA had supported to Pakistan yet international recession directly exaggerated the mutual ties and created negativity between both countries. In a (2015-16) fiscal year, exports of Pakistan towards Saudi Kingdom stridently down while trend of Saudi exports towards Pakistan were declining. Exports of Pakistan towards KSA in 2013 were 508.22 million USD which were standing 346.5 million USD in 2017 fiscal year. On the other hand imports of Pakistan from Saudi Arabia 4010 million USD in 2013 while imports were decreasing continuously about 40% in 2017 and imports from Saudi Arabia were stating on 2728.7 million USD in a same year. Spur of oil prices were disturbing of joint trade and economy between the both sides²¹. Although, stance of Pakistan in Yemen crisis also stained Pak-Saudi economic, political and strategic relations for a short period of time yet circumstances and interdependent policies in regional politics both countries soon or later settled their issues through diplomatically.

Table: Pak-Saudi Bilateral trade volume (2013-2018)

Year	PK exports towards KSA/Million \$	PK imports from KSA/Million \$	Trade volume Million/\$	Trade Balance Million/\$
2012	472.30	4285.4	4757.7	-3812.7
2013	508.22	4010.0	4518.22	-3501.78
2014	512.95	4232.3	4745.25	-3719.35
2015	478.96	2462.31	2941.27	-1983.35

2016	405.2	2030.79	2435.81	-1625.77
2017	346.51	2728.75	3075.26	-2382.24
2018	404.34	2522.13	2926.47	-2117.79

Source: *State Bank of Pakistan SBP 2018*
 (<http://www.sbp.org.pk/>)

Exports of Pakistan towards KSA were decreasing 100 million USD in last five years from (2013-18) which was indicating no serious economic initiatives were taken by both authorities. Top exports from Pakistan towards KSA were rice, textile garments and fertilizer which were declined in last five years. In 2017, statistics identified the decreasing ratio of Pakistani exports in the markets of Saudi Arabia while export of rice was decreased from 8.46 % to 6.11% of entire importing share of Pakistani rice in Saudi Arabia than rest of other world exporters. Food stuff items like dairy, vegetables, meat and daily use grocery share of Pakistan in KSA markets were also falling 68.31%, semi textile & garments share was vaguely decreased 56.13 % which was 57.68% in 2016 fiscal year. While 50% share of Imports from KSA in Pakistan were Oil and Oil related synthetics products in 2018 which were fulfilling the energy and industry needs of Pakistan(Jaffrelot 2018).Pakistan in wider picture in (2013-18) had constrained of its trade due to number of problems in which few were commonly lack of logistic services, cost of electricity, rigid market labor, skeptical food safety standards, multifaceted regulation of duties & tariffs and lastly lake of infrastructure. In last five years of Nawaz's era exports of Pakistan towards Saudi Arabia were comparatively fluctuating and it could not congregating while during these five years other Asian countries like China, India, Vietnam and Thailand were increasing their exporting share in Saudi Arabian Markets randomly.

8. Conclusion

It is pragmatic that foreign policy of Pakistan towards Iran and Saudi Arabia is changed its directions by changing of governments and unpredictable economic position. Continuity of mutual policies depends on the circumstances of the region, benefits of the nations and foreign interests towards these nations. Clash of Interests, maintaining of economic hegemony in the region and sectarian differences have made accountable for severe rivalry between Iran and Saudi Arabia. These were big challenges for policy makers of both governments of PPP and PML(N) during 2008-18 in the history of Pakistan for making acceptable policies towards both rivals. After 9/11 South Asia especially Iran, Afghanistan and Pakistan have been affecting from terrorism & extremism. Anti terrorism wave, non proliferation unsettled issues between Iran and main drivers of the world also embellished political, economic and strategic policies of Pakistan. Severe pressure of US and Saudi Arabia has been effecting visibly on the policies of Pakistan as well as regional affairs since 2001. According to Rich Cohen, Geography is a destiny, an unfortunately Pakistan could not escape from geographical settings. In widespread, policies and relations of Pakistan towards Iran and Saudi Arabia were separately just like, keep two swords in a one sheath during 2008-18.

References

- ¹ Kainikara, Dr Sanu. *Political Musings: Asia in the Spotlight* (Delhi: Vij Books India Private Limited, 2017), 39.
- ² Keynoush, Banafsheh. *Saudi Arabia and Iran: Friends or Foes?* (London: Palgrave Macmillan Publishers, 2018), 277.
- ³ Erlich, Reese. *The Iran Agenda Today: The Real Story Inside Iran and What's Wrong with U.S. Policy* (London: Taylor & Francis Group, 2018), 224.
- ⁴ Aslan, Omer. "Pakistan: Balancing Between Iran and Saudi Arabia." *Al Sharq Forum* 7, no. 4 (September 2017): 12-25.
- ⁵ Vatanka, Alex. *Iran and Pakistan: Security, Diplomacy and American Influence* (London: I.B. Tauris, 2015), 320.
- ⁶ Fair, Carol Christine. *Pakistan's Enduring Challenges* (Philadelphia: University of Pennsylvania Press, 2015), 273.
- ⁷ Qazi, Shehzad. *Strategic Posture Review: Pakistan* (New York: World Politics Review, 2013), 45.
- ⁸ Husain, Javid. *Pakistan and a World in Disorder: A Grand Strategy for the Twenty-First Century* (New York: Palgrave Macmillan, 2016), 115.
- ⁹ Curtis, Lisa. "The Reorientation of Pakistan's foreign policy towards its region." *Contemporary South Asia* 20, no. 2 (May 2012): 255-269., P.263.
- ¹⁰ Fair, Carol Christine. *Pakistan's Enduring Challenges* (Philadelphia: University of Pennsylvania Press, 2015), 109.
- ¹¹ Pattanayak, Dr. Satyanarayan. *Iran's Relation With Pakistan: A Strategic Analysis* (New Delhi: Vij Books India Pvt Ltd, 2011), 38.

- ¹² Karim, Umer. "Iran-Pakistan Relations: The current State of Affairs." *Centre of Iranian Study of Ankara* 6, no. 2 (November 2015): 14-22., P.19.
- ¹³ Tehsin, Dr. Muhammad. "Iran's Relations to the East: Non proliferation and Regional Security in a Changing Southwest Asia." *Sandia National Laboratories New York* (Sandia National Laboratories) 4, no. 2 (AUGUST 2014): 2-28.,P.8.
- ¹⁴ Curtis, Lisa. "The Reorientation of Pakistan's foreign policy towards its region." *Contemporary South Asia* 20, no. 2 (May 2012): 255-269.,P.258.
- ¹⁵ Calabrese, John. *Revolutionary Horizons: Regional Foreign Policy in Post-Khomeini Iran* (London: Palgrave Macmillan, 2016),79-80.
- ¹⁶ Jaffrelot, Christophe. *Pan-Islamic Connections: Transnational Networks Between South Asia and the Gulf* (New York: Oxford University Press, 2018),22.
- ¹⁷ Internet retrieved "http://www.finance.gov.pk/survey_1213.html." *Ministry of Finance Government of Pakistan*. December 22, 2013. <http://www.finance.gov.pk/index.html>.
- ¹⁸ Cohen, Stephen P. *The future of Pakistan* (Washington, D.C: Brookings Institution Press, 2011),19.
- ¹⁹ Saikal, Amin. *Zone of Crisis: Afghanistan, Pakistan, Iraq and Iran* (London: I.B.Tauris, 2014), 33.
- ²⁰ Qazi, Shehzad. *Strategic Posture Review: Pakistan* (New York: World Politics Review, 2013),61-62.
- ²¹ Internet retrieved "<http://www.sbp.org.pk/departments/stats/FSA-2014-18.pdf>." *State Bank of Pakistan*. October 15, 2018. <http://www.sbp.org.pk/>.