

Associate Paper

28 March 2017

Pakistan-Iran Bilateral Relations: More Growth, But Not Close Part Two: Saudi Arabia and Balochistan

Dr Claude Rakisits
FDI Senior Visiting Fellow

Key Points

- The multi-faceted, deep and long-standing Pakistan-Saudi relationship will constrain Pakistani-Iranian relations, which will be unlikely ever to reach comparable levels of complexity and intimacy.
- Cross-border security issues in Balochistan and attacks against Shiites in Pakistan will continue to be irritants in the bilateral relationship.
- Two important factors will bring Iran and Pakistan closer together in the future: first, their ambiguous, complicated, and, at times, quarrelsome relationships with the United States; and, second, their deepening relationships with China.

Summary

Pakistan-Iran relations have been complicated since Partition, and even more so since the Iranian Revolution in 1979. Cross-border security issues in Balochistan and the frequent massacre of Shiites in Pakistan continue to be irritants in the relationship. China's relationship with both will have a critical role in bringing the two closer together but, while bilateral relations will continue to expand, they will never be as close as Pakistan's relations with Saudi Arabia.

After the discussion in [Part One](#) of Pakistan's relationships with Afghanistan, India and China, this paper continues by examining the contexts of Saudi Arabia and Balochistan and assessing the potential impacts that developments there may have on the Pakistan-Iran relationship.

Undoubtedly, there is potential for further deepening of the defence ties between the two countries now that economic and financial sanctions against Iran have been removed. Pakistan will have to be very careful in how it handles this matter, however, bearing in mind how the rulers in Saudi Arabia would take an even deeper Iran-Pakistan relationship in the defence field.

Analysis

It has been well over a year since the “Iran Deal” – officially known as the Joint Comprehensive Plan of Action (JCPOA) – between Iran and the P5 + 1 (US, China, Russia, France, UK and Germany, was signed in July 2015 and just over a year since the breaking of bilateral relations between Iran and Saudi Arabia following the execution of a prominent Saudi Shiite cleric on terrorism charges. Given the significance of these two events and their potential impact on Pakistan, it is an opportune time to examine the bilateral relationship between Islamabad and Tehran and to discuss where it may be heading.

Pakistan will progressively deepen its relationship with Iran while at the same time maintaining a very close relationship with Saudi Arabia, with which it has had long and deep ties, but which is also Iran’s principal strategic rival in the region. Moreover, Pakistan’s approach to Iran will also be informed by its relationship with China, its interests in Afghanistan and Central Asia, and its ongoing enmity with India. The leaders of Pakistan will also be mindful of the country’s domestic factors, notably sectarian differences and the continuing unrest in Balochistan, when proceeding with the deepening of their relationship with Tehran. All in all, the handling of the bilateral relationship will require agility, careful diplomacy and patience. If properly handled, however, a deepening of Pakistan-Iran relations would be in both countries’ (and the region’s), long-term interests, without necessarily threatening Pakistan-Saudi ties.

The Great Pull of Saudi Arabia

Pakistan’s relationship with Saudi Arabia is in a different league to the one that it has, or even hopes to have, with Iran. The Saudi-Pakistan relationship is long-standing, deep and multi-faceted, and there is no indication that this will change in the near future. Put differently, even though Islamabad and Riyadh do not always see eye-to-eye on all issues affecting the region, this is a relationship which is very solid indeed. As a matter of fact, the former Saudi ambassador to Washington, Adel Al-Jubeir, reportedly stated that: ‘We in Saudi Arabia are not observers in Pakistan, we are participants’. He went on to argue that ‘stability in Pakistan is an essential strategic matter for Riyadh’, meaning that Saudi Arabia would not tolerate greater Iranian influence in Pakistan.¹

When examining the state of the Pakistan-Saudi relationship and how it could be affected by Pakistan’s relationship with Iran today and in the future, one has to look at it in the wider context of Middle Eastern politics and recent strategic developments. The two most

¹ Vatanka, A., *Iran and Pakistan – Security, Diplomacy and American Influence*, New York: I. B. Tauris & Co. (2007), p. 251.

important regional issues that involve both Saudi Arabia and Iran today are the on-going civil-war in Syria and the 2015 “Iran Deal”. Importantly, in both these cases, the Obama Administration and the Saudis were not on the same page. Riyadh firmly believed that Washington was not doing enough to support the anti-al-Assad forces to bring down the Iran-backed Syrian regime and instead was focussing too much on fighting Daesh (Islamic State). Similarly, Riyadh was totally opposed to the JCPOA, believing that, in the long-term, it would strengthen Iran’s strategic position vis-à-vis Saudi Arabia. As a result of the JCPOA, the Saudi rulers came to believe that the real agenda in Washington at that time was to eventually rebuild a long-term relationship with Iran [at the expense of Riyadh](#).

Compounding the Saudis’ sense of American betrayal is their almost two-year military involvement in trying to suppress a revolt by the Iranian-backed Houthi rebels in Yemen; a war that is not going well for the Saudis and to which there is no end in sight. Accordingly, there is a real sense of siege beginning to develop among the rulers of Saudi Arabia. While Pakistan is essentially on the periphery of these issues, any move by Islamabad which appears to be siding with Tehran is poorly received in Riyadh. That was certainly the case when Pakistan decided [not to get involved](#) militarily in Yemen when requested to do so by the Saudis.

It is precisely because the Pakistan-Saudi relationship is multi-faceted, deep and long-standing that decisions taken in Islamabad which go against Riyadh’s wishes are more difficult to accept. Space does not allow for an in-depth analysis of all the factors that have made the relationship what it is today, and although a few have already been noted above, it is nevertheless worth highlighting them briefly, particularly the ones that may have an impact on future Pakistan-Iran relations.

Without any doubt, the single most important binding tie between the two countries is religion. Saudi Arabia is, after all, where Mecca and Medina are located, the two holiest sites of Islam and the royal family derives its legitimacy by being the protector of those religious sites. Hence, the importance that Pakistan’s leaders put on the personal relationship with the House of Saud.² Millions of Pakistanis every year make the pilgrimage to Medina and Mecca; a very powerful bond between the people of the two countries. The religious angle has, of course, provided the opportunity for Saudi Arabia to propagate its unique version of Islam, Wahhabism, through the [funding](#) of 24,000 of the 35,000 *madrassas* (religious schools), in Pakistan. That is remarkable in itself, given that the majority of Pakistanis follow the Barelvi school of Sunni Islam and Wahhabism is not native to South Asia. Needless to say, this has spawned its own problems, with a number of leaders and members of jihadist groups, such as Lashkar-e-Taiba and Jaish-e-Mohammed, having received their religious education from some of those Saudi-funded *madrassas*.³ This has been compounded by significant private [Saudi funding](#) to those groups.

² Prime Minister Nawaz Sharif has a very special relationship with the Saudi royal family, having been made an honorary member of the royals during his seven-year exile in Jeddah following his ousting from power by General Musharraf in 1999.

³ Lieven, A., *Pakistan – A Hard Country*, New York: Public Affairs (2011), p. 291.

The other problem that the proliferation of Saudi-funded *madrassas* has created is that these religious schools are inherently anti-Shiite. Many of the leaders of extremist Sunni outfits, such as Sipah-e-Sahaba, Jaish-e-Mohammed and Lashkar-e-Jhangvi, have been to these *madrassas*. These religious groups are rabidly anti-Shiite and target all members of the Shiite community. In the 1980s, they tried very hard to have the government declare them a non-Muslim sect.⁴ As a reaction to the rising anti-Shiite sentiment in Pakistan, the Iranian Government began to provide political support to some of the Shiite groups, particularly to Nifaz-e-Fiqh Jafaria, in the mid-1980s.⁵ Today, it still provides political, religious and only some discreet financial support, as it does not want to create tension with Islamabad.⁶ Similarly, given today's high level of sectarian violence in Pakistan, the government in Islamabad would need to tread very carefully when seeking to deepen the country's relations with Iran for fear of fuelling further anti-Shiite sentiments from jihadists and other terrorist groups, such as the Tehrik-i-Taliban Pakistan (TTP).

Military ties are the other important binding link between the two countries and date back to the time of Partition. Since 2001, the two countries have had a joint programme for the development of small weapons and ammunitions and at the request of Saudi Arabia, Pakistan [contributed](#) to the stabilisation of the Gulf region by providing some 2,500 retired military personnel to Bahrain to assist that government deal with a Shiite uprising in 2011. Similarly, in February 2014, shifting from a position of neutrality, Islamabad publicly supported Saudi Arabia on the need for the removal of President al-Assad in Syria. Undoubtedly, the Iranian leadership would not have been at all pleased with Pakistan's position on both the Bahrain and Syria issues.

Economics is the third big factor that binds the two countries together. Not only is there a substantial US\$4 billion [trade relationship](#), albeit mostly in petroleum products and in Saudi Arabia's favour, but US\$4 billion is annually sent back from Saudi Arabia in remittances from Pakistani workers in the Kingdom. The Saudi Government, over the last 40 years, has been very generous in the provision of soft loans and grants. No one seems to know the actual amount, but it is large. For example, following the 1998 nuclear tests and the international community's decision to impose sanctions on Pakistan, Saudi Arabia provided a [free oil facility](#) for four years that was worth US\$3.4 billion. In 2014, when Pakistan was nearing a financial crisis, Saudi Arabia [bailed it out](#) with a soft loan of US\$1.5 billion. Earlier, of course, Riyadh provided generous funds for the *mujahideen* during the 1980s when they were fighting the Soviets in Afghanistan.

Apart from Afghanistan, there is one other potential irritant in the Pakistan-Iran relationship which will need to be handled carefully by the political leaders in Islamabad: Balochistan.

⁴ Hussain, M., *Punjabi Taliban – Driving Extremism in Pakistan*, New Delhi: Pentagon Press (2012), pp. 124-33.

⁵ Hussain, Z., *Frontline Pakistan – The Struggle with Militant Islam*, New York: Columbia University (2007), p. 92.

⁶ Vatanka, pp. 240-5.

Balochistan

A vast, arid, sparsely populated area, Balochistan covers south-western Pakistan. It is also mineral-rich, especially in natural gas. On the whole, economic and political development has bypassed the inhabitants of that very large tract of land. The lack of effective integration into Pakistan has caused the problems that are seen today, and that have been around since Partition.⁷ Needless to say, the ethnic Baluch on either side of the Iran-Pakistan border have felt neglected, but for different reasons. In Iran, the 2.5 million Baluch feel left out on sectarian grounds, being Sunnis in a country that is largely Shiite, and suffer [severe poverty](#) in Sistan-Balochistan province. In Pakistan, the Baluch feel aggrieved on ethnic grounds, arguing that they are not getting a fair share of the resources in their province.⁸ Given the ethnic ties of the Baluch across the common border, developments on one side of the frontier often have had a spill-over effect on the other.

A number of Baluch insurgent groups were formed in Pakistan in the 1970s, and engaged in low-level insurgency in Balochistan, sabotaging pipelines and targeting Pakistani army personnel. The insurgency became quite active under Prime Minister Z. A. Bhutto, to the point that the Shah, worried, stated that, 'he regarded Pakistani Balochistan as falling within Iran's defence perimeter'.⁹ Accordingly, the Shah pressured Bhutto to act swiftly and ruthlessly against the Baluch. Bhutto was too well aware that if he was unable to control the situation, the Shah would decide to intervene unilaterally.¹⁰ Instead, he accepted Iranian-piloted air force planes to assist the Pakistani forces in repressing the uprising.¹¹ Since then, there have been more uprisings but Iran never again intervened so directly.

Today, while the situation in Pakistani Balochistan is less volatile – but certainly not completely peaceful – on the other side of the border, the situation remains tense, with most grievances still unresolved. Accordingly, a new Baluch militant group, Jundallah (Soldiers of Allah), arose in Iran's Sistan-Balochistan province in 2003. This group has conducted very violent terrorist operations in Iran, often launched [from across the border](#) in Pakistan, targeting Shiite mosques and Iranian government and military facilities. It works very closely with the Pakistan-based Lashkar-e-Jhangvi, a virulently anti-Shiite terrorist group and the Iranian authorities suspect, but cannot prove, that Jundallah, and now its successor organisation, Jaish al-Adl (Army of Justice), have been getting support from Pakistan's military intelligence, the Inter-Services Intelligence.¹² Pakistan, in return, has accused Iran of giving a free hand to India to stage anti-Pakistan operations in Balochistan.¹³

⁷ For an excellent, but slightly dated, book that still remains the best of its kind for a detailed analysis of Balochistan, see: Selig S. Harrison, *In Afghanistan's Shadow: Baluch Nationalism and Soviet Temptations*, New York and Washington DC: Carnegie Endowment for International Peace (1981).

⁸ Pant, H.V., 'Pakistan and Iran's Dysfunctional Relationship', *Middle East Quarterly*, Vol. 16, No 2, (2009), p. 48.

⁹ Harrison, S.S., p. 97.

¹⁰ Ali, T., *Can Pakistan Survive*, New York: Penguin Books (1983), p. 114.

¹¹ Sayeed, K.B., *Politics in Pakistan: The Nature and Direction of Change*, New York: Praeger (1980), p. 118.

¹² Vatanka, pp. 231, 233.

¹³ Vatanka, p. 235.

Neither is the bilateral relationship helped whenever Lashkar-e-Jhangvi (LeJ) kills scores of Shiite Hazaras as a result of their many [terrorist acts](#) in Balochistan. The LeJ has [claimed responsibility](#) for most attacks on the Hazaras. The two countries have tried to reduce the cross-border raids in a number of ways, including through the establishment of a Pakistan-Iran Joint Ministerial Commission on Security in 2001; the construction by Iran of a 700 kilometre-long, three metre-high concrete wall as part of a barrier system that includes trenches and ditches; and by declaring their border regions as “twin provinces” under a 2004 bilateral agreement to better geographically integrate the Baluch through trade and other means.¹⁴ Hopefully, these measures will assist in bringing more security to the border region. While the terrorist attacks have created tension between the two countries, the two governments also know that there are much greater economic factors that need to be considered. After all, the ports of Gwadar and Chabahar, and the Iran-Pakistan gas pipeline are located in those “twin provinces” and it is in no one’s interest to derail those multi-billion dollar economic ventures.

Conclusion

Pakistan-Iran relations since Partition have been complicated for a number of domestic and external reasons.

As Afghanistan became the battle ground for regional and external players, including China and Saudi Arabia, Pakistan’s relations with Saudi Arabia significantly deepened, with an accompanying impact on Pakistan-Iran relations.

Despite Pakistan’s close relationship with Iran under *l’ancien régime*, the leaders in Islamabad adapted well and quickly to the radical change of governance in Tehran and, post-1979, managed to develop relatively quickly a good working relationship with the ayatollahs. Defence ties with Iran, especially in the nuclear field, grew significantly to the dismay of both the US and Saudi Arabia.

While Iran may be geographically close to Pakistan, Islamabad’s relations with Saudi Arabia are much tighter and will remain so for the foreseeable future for three reasons. First and foremost, Pakistan is a Sunni-majority country and millions of Pakistanis make the pilgrimage to Mecca every year. The importance of this deep religious bond cannot be sufficiently stressed. Second, military ties with Saudi Arabia have been a constant factor between the two countries for almost 50 years. Third, the economic links, whether through trade or remittances, are critical to Pakistan’s economic well-being.

Notwithstanding the above, there are two important factors which will bring Iran and Pakistan closer together in the future: first, their ambiguous, complicated, and, at times, quarrelsome relationships with the US; and, second, their deepening multi-faceted relationships with China. Given China’s increasing importance in the region, including in the implementation of the One Belt, One Road programme, the relative importance of the US will diminish accordingly. That, too, will help bring the two countries closer together.

¹⁴ Alam, S., *Iran-Pakistan Relations*, Strategic Analysis, Institute for Defence Studies and Analyses, Vol. 28, No 4, (2004), p. 539.

As the bilateral relationship moves forward, there will be three irritants, however, which may somewhat constrain, but certainly not halt, the deepening of those relations: Afghanistan, Balochistan and sectarianism. In Afghanistan, Iran is keen to maintain its influence in the west of the country and is opposed to the return to power in Kabul of the Pakistan-friendly, anti-Shiite Taliban. The Jaish al-Adl cross-border terrorist raids from Balochistan into Iran remain a real point of friction between the two countries. There is little trust between the two countries on this issue. The regular terrorist attacks against the Shiite community in Pakistan (about 20 per cent of the population), not only mainly against the Hazaras in Balochistan, but throughout the country, remain a very serious concern for both countries. Accordingly, the Shiite angle will always be an important consideration in decisions taken by the Pakistani leadership on any foreign affairs issue that may have an impact on relations with Iran.

Finally, while bilateral trade continues to be modest, it has the potential for growth, especially once the Chinese-funded gas pipeline begins to be fully operational and links up with the other pipelines going northwards to Afghanistan and beyond. Achieving bilateral trade of US\$5 billion within five years will, however, be a difficult goal to reach.

So, all in all, the Pakistan-Iran relationship will most certainly continue to grow and deepen on many fronts, especially now that international sanctions against Iran have been lifted following the signing of the JCPOA in 2015. Both parties also know, however, that although this bilateral relationship is important, it is not the most significant for either one of them, both now and into the foreseeable future.

About the Author: Dr Rakisits is Honorary Associate Professor in Strategic Studies at Deakin University. He is also Senior Fellow at Georgetown University's Centre for Australian, New Zealand and Pacific Studies and Directorat [Politact](#), an advisory consultancy firm, both in Washington DC. His principal research interests are Pakistan and Afghanistan. He has almost 30 years of professional experience and knowledge in defence and strategic issues, intelligence and international affairs. A/Prof Rakisits has taught at universities in Australia, Canada, the United States and Switzerland. He writes and comments regularly for Australian and international media. He visits Pakistan on a regular basis.

Any opinions or views expressed in this paper are those of the individual author, unless stated to be those of Future Directions International.

Published by Future Directions International Pty Ltd.
80 Birdwood Parade, Dalkeith WA 6009, Australia.
Tel: +61 8 9389 9831 Fax: +61 8 9389 8803
Web: www.futuredirections.org.au