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The U.S. Factor in Pakistan-Iran Relations: Constraints and Policy Responses (2008-2026)

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Abstract

Pakistan-Iran relations are influenced by multiple external factors as well as an intricate regional landscape so their bilateral ties cannot be assessed in isolation. This present study examines the United States' (U.S.) influence on the bilateral relations of Pakistan and Iran between 2008 and 2026 through critical junctures and developments. It further discusses the policy responses of Pakistan towards the U.S. policies while also trying to maintain relations with Tehran. The study adopts Neo-realism to explore the interaction between Islamabad and Tehran in the light of the U.S. as a key external factor which has constrained their engagements through various policies, such as their security involvement in the region and economic sanctions. Through qualitative analysis of the current scholarship, the study has identified that the influence of the U.S. on security cooperation remained indirect while its influence is more direct in the economic and diplomatic realms. In this context, Pakistan's reactions are evidence of cautious adjustment; on the one hand, maintaining relations with the U.S., and on the other, avoiding disagreements with Iran. Thus, this study contends that in the period from 2008-2026, relations between Pakistan and Iran would be better understood in terms of results produced by diverse US policy approaches alongside other elements within the larger regional environment, rather than entirely bilateral delicacies.

Key Words: Pakistan-Iran Relations, U.S. Sanctions, Iran-Pakistan Gas Pipeline, JCPOA, U.S.-Iran War.

1. Introduction

Pakistan-Iran relations have a special place in the regional politics of South Asia and the Middle East as both countries share religious, historical, economic and security-related concerns, along with a border between Pakistan and Iran. Due to its geographical proximity, energy and trade resources, and strategic location connecting South Asia, Central Asia and the Middle East, Iran occupies a significant place in the foreign policy of Pakistan. However, despite their mutual interests,

external factors play a crucial role in their bilateral relations. Among these factors, the U.S. has proved to be a major external actor which played a significant role in influencing the prospects and limitations surrounding Pakistan-Iran relations.

The U.S. policies for both Pakistan and Iran have always been an influential element in bilateral relationship of the two states (Kumar, 2008). Conventionally, Pakistan has enjoyed close diplomatic, economic, and security relations with the U.S., while Iran has remained one of the principal targets of U.S. containment and sanctions policies since the Iranian Revolution of 1979 (Ahmed & Akbarzadeh, 2018). Subsequently, the bilateral relations of Pakistan and Iran have evolved within a broader triangular relation in which the involvement of U.S. has frequently affected the nature of mutual cooperation between the two states.

After 9/11, 2001 terrorist attacks, the troubled triangular relationship were formed among the U.S., Pakistan and Iran which brought terrible consequences for both Pakistan and Iran due to the hegemonic objectives of the U.S. foreign policy. Shifting U.S. national interests in response to regional or international challenges was mainly due to terrorism, questioning the adequacy of idealism in explaining Pakistan-Iran relations. Pakistan and Iran could not maintain productive and stable relations in the post-9/11 strategic environment due to the U.S.-Iran antagonistic relations and Pakistan's close strategic relations with U.S as a front-line ally in the global war on terror (Ahmad, et.al., 2017). Concurrently, apprehensions regarding the Iranian nuclear program were to be a key issue in U.S. foreign policy. The United Nations Security Council (UNSC) adopted resolution 1737 and imposed sanctions on Iran over its nuclear activities in 2006, initiating a period of increasing diplomatic and economic isolation of the country (UNSC, 2006). In the coming years, these sanctions expanded considerably, targeting Iran's banking, energy, and financial sectors via additional actions by the UN and extensive U.S. sanctions (Katzman, 2023). This severe sanction regime badly impacted Iran's economy and also affected the ability of Pakistan and other neighbouring countries to expand economic relations with Iran.

The year 2008 marked important political developments in Islamabad and Tehran. There was a transition of Pakistan's domestic political framework from the military-led government of General Pervez Musharraf to the democratic civilian government of President Asif Ali Zardari. On the other side, the elections for the parliament were carried out in Iran in 2008, followed by the contentious presidential election in 2009 whereby Mahmoud Ahmadinejad was re-elected as president. Further, important transformations in both regional politics and U.S. foreign policy under the new administration of President Barack Obama coincided with this year. Pakistan's relations with the U.S. were also problematic because of the difficult stance of the U.S. on the Iran Pakistan (IP) gas pipeline, which was not implemented earlier. Since 2008, U.S. began to severely criticize Pakistan over any kind of energy deal with Iran. Despite delaying for years, Pakistan and Iran have finally signed the initial gas pipeline agreement in Tehran in 2009 (UPI, 2010), which was formally inaugurated in 2013, but the progress remained slow because of sanctions on Iran and concerns regarding the imposition of secondary U.S. sanctions (Saira and Javed, 2022). Even the new Pakistani government headed by Prime Minister Nawaz Sharif was under continued pressure by the U.S. Hence, the pipeline was a clear-cut example showing that even when there was an economic interest on both sides, external pressure might reduce the level of cooperation between two neighbouring countries.

In 2015, with the signing of the Joint Comprehensive Plan of Action (JCPOA), which created expectations of improved economic engagement between Iran and its neighbors, the regional environment experienced another significant shift (JCPOA, 2015). Pakistan appreciated the nuclear deal between the two rival states and regarded it a milestone in the world's history. However, in 2018, the U.S. withdrew from the agreement and the subsequent re-imposition of sanctions once again restricted opportunities for cooperation (U.S. Department of State, 2018). The U.S. withdrawal from Afghanistan in 2021 also put a new twist on regional security dynamics, with heightened tensions continuing to build in 2025 and 2026, as military tension between the U.S. and Iran increased, along with economic pressure, maritime insecurity, and lack of diplomatic progress. The developments sparked concerns nationwide in the Middle East and South Asian region due to their impact on regional stability, energy security, and trade routes. In this regard, Pakistan tried to contribute towards the de-escalation process and facilitated dialogue between the two sides. It was reported that Islamabad helped to create avenues to facilitate communication between Washington and Tehran, and to shore up the efforts to ease tensions and avert further escalation (Sayeed et.al, 2026). Pakistan's diplomatic engagement during this period reflects a broader pattern that has characterized its policy throughout the years under study: maintaining functional relations with Iran while simultaneously preserving its strategic relationship with the U.S.

Against this backdrop, this study examines the role of the U.S. in shaping Pakistan-Iran relations between 2008 and 2026 and analyzes Pakistan's response to American influence during this period. It argues that U.S. influence has been most visible in the economic and diplomatic spheres. However, sanctions and political pressure directly affected bilateral cooperation. Similarly, its impact in the security domain has been more indirect. It is mediated through broader regional dynamics. The study further contends that Pakistan's policy toward Iran has largely reflected a strategy of cautious adjustment. It seeks to preserve bilateral engagement with Tehran while managing the constraints imposed by its relationship with Washington and the evolving regional geopolitical environment.

2. Literature Review

The U.S. has been one of the major external factors affecting Pakistan-Iran relations since the Iranian Revolution in 1979 and the region's security picture since the September 11, 2001 attacks. There is a considerable amount of literature available that highlights the geopolitical, historical and cultural linkages between Pakistan and Iran. The bilateral relationship has been distorted by the antagonistic U.S. policy towards Iran, and Pakistan's geostrategic dependence on the U.S.

For a general introduction to America's policy on Iran, Hamilton (2010) discusses the American attempts to limit Iran's nuclear program. He claims that while the policies adopted by the U.S. after the revolution were related to sanctions, political pressure, and denial of nuclear technology. Despite that, they have failed to prevent Iran from making nuclear progress. This justifies the perception that U.S. policy was coercive. It explains why Iran refused to accept US policy and why the other countries in the region like Pakistan, were plagued with diplomatic and economic problems with Tehran. Another aspect is provided by Hussain (2014), who has studied the brief thaw in U.S.-Iran relations during Obama's term. He believes the

enhancement of U.S.-Iran relations has brought not only opportunities but also challenges to Pakistan, especially when it comes to Chabahar, a regional trade route. His work shows that U.S. influence is not always restrictive; at certain moments, changes in US-Iran relations can also create space for regional economic activity. However, this space has remained uncertain and dependent on the broader direction of U.S. policy.

Ahmed and Akbarzadeh (2018) attribute the origin of the U.S.-Iran conflict to the 1979 Revolution and contend that with the demise of the Shah's regime, one of the most significant aspects of U.S. policy in the Gulf was lost. The U.S. has been one of the major external factors affecting Pakistan-Iran relations since the Iranian Revolution in 1979 and the region's security scenario after the September 11, 2001 attacks. There is a considerable amount of literature available that highlights the geopolitical, historical and cultural linkages between Pakistan and Iran, but the bilateral relationship has been distorted by the antagonistic U.S. policy towards Iran, and Pakistan's geostrategic dependence on the U.S. Their work is helpful for their analysis of why the rivalry between the U.S. and Iran has morphed into a long-term structural phenomenon and not a short-term diplomatic problem. The prolonged antagonism has also negatively impacted Pakistan indirectly by influencing the country's foreign policy. The terms of its ties with Iran, the regional alliances it has formed, and its security concerns are all influenced by American sanctions, regional alliances, and security policies.

According to Ahmad and Shah (2017), after 9/11, the U.S. has had a huge influence on Pakistan's regional policy, which has made relations with Iran more complicated. Pakistan's status as a frontline state in the War on Terror has led to a deterioration in its ties with Iran and a lack of trust between Pakistan and Iran. Their study is significant because it directly connects Pakistan's foreign policy stance towards Iran with the U.S. strategic interests in Afghanistan and the region at large. They also observe that during the Musharraf regime and even in the early Zardari regime, the U.S. had a strong effect on Pakistan, but during this period, Pakistan increasingly began to rethink its foreign policy choices.

The Trump era once again changed the regional climate. By pulling out of the Iranian nuclear deal and reimposing sanctions against the nation, Trump harmed the prospects of Iran's regional engagement (Qadir and Kasi 2023). They further report that during the government of Imran Khan, Pakistan sought to enhance its ties with Iran, but it was the Saudi factor and pressure from the U.S. that were a dilemma for Pakistan. The focus of Pakistan on balancing relations with its immediate neighbour Iran and its key economic and political power, the U.S., is also observed as a challenge in maintaining balance, as noted by Jan et al. (2023). The U.S.-Iran conflict has a direct impact on Pakistan's policy space, compelling Islamabad to play an astute diplomatic game, their study says.

Overall, the literature makes it clear that the U.S. factor has had a greater impact on Pakistan-Iran relations in terms of sanctions, withdrawal from JCPOA, and regional alignments. But the majority of studies are either centered on the post-9/11 era or the Trump era or the Iran nuclear issue in isolation. There is a lack of awareness about the changing dynamics of U.S. influence during various stages from 2008-2026 and the Pakistani reaction to U.S. influence in Pakistan-Iran affairs, particularly in the economic, diplomatic and security spheres. The current academic

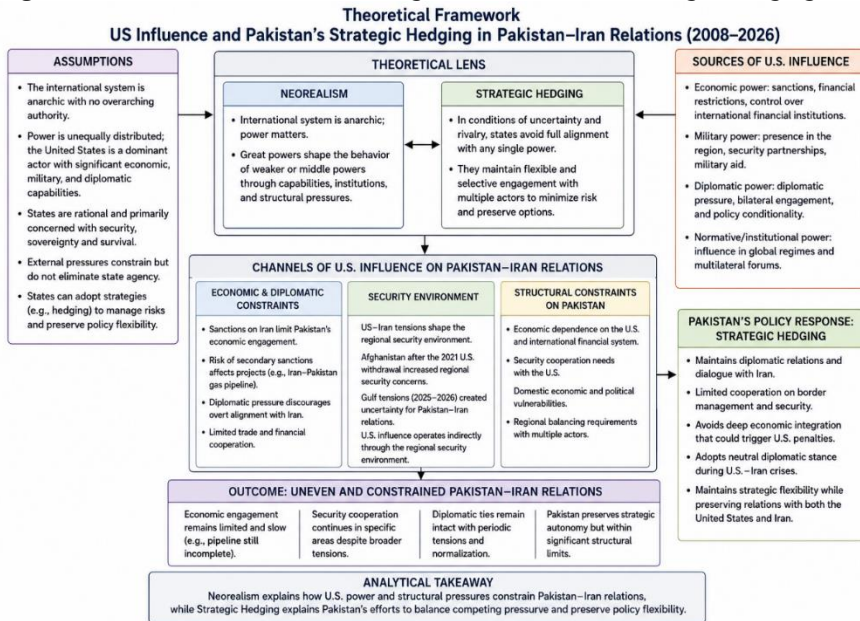
debate focuses mainly on the 1996–1998 downtrend, and there have been few recent escalations (2025–2026) in the coverage.

3. Theoretical Framework

This study is based on the theory of Neo-realism to explain the external pressures which influence relations between Pakistan and Iran, while also using the concept of strategic hedging to interpret the policy choices of Pakistan within these limitations. These can be used together to understand the interactions between the structural conditions and state behaviour in a complex regional environment. The basic analytical framework of the study is neo-realism. It assumes that the behaviour of states is determined by the distribution of power, in an anarchic international system (Waltz, 1979). In this type of system, states are above all concerned with survival and security, and the policy decisions made are dictated by the behaviour and strength of other more powerful actors (Mearsheimer, 2001). This means that the weaker or middle powers tend to modify their behaviour according to the external pressures they are facing instead of acting in an autonomous manner. The pressures are not only through military coercion, but also economic measures, institutional influence and through alliances (Walt, 1987).

In the context of the Pakistan-Iran relationship, the U.S. can be perceived as a dominant external force whose policies shape the wider regional environment in which both states are working. For instance, the U.S. sanctions regime on Iran, its involvement in regional security affairs, and its partnerships with key regional actors have imposed restrictions on the depth and direction of Pakistan-Iran bilateral engagement. These constraints are particularly visible in the economic domain. For example, Pakistan's repeated delays in advancing the Iran-Pakistan gas pipeline illustrate that concerns over U.S. sanctions have influenced Pakistan's decision-making, despite its domestic energy needs (Katzman, 2022; Khalid and Khan, 2020). From a neo-realist viewpoint, this reflects the structural position of Pakistan within a system where the U.S. holds substantial influence over economic and financial networks.

Simultaneously, neo-realism also allows for variation in how states respond to such constraints. The U.S. influence is not uniform across all domains or periods. Economic and diplomatic relations between Pakistan and Iran are more direct while security cooperation between the two countries has experienced some continuity in border management, regional security, etc. This is a skewed distribution and indicates that structural factors influence policy's general trajectory, but do not necessarily shape policy outcomes (Waltz 1979). States retain limited agency, even when operating under pressure.

Figure 1: Theoretical Framework using Neo-Realism and Strategic Hedging

Source: *Author's own work.*

In order to capture this dimension of state behavior, this study incorporates the concept of strategic hedging. Strategic hedging refers to a policy approach in which states avoid full alignment with any single power and instead maintain flexible and selective engagement with competing actors. This approach is particularly relevant in situations when there is an element of uncertainty, strategic rivalry, and overlapping rivalries in the international environment (Kuik, 2008; Goh, 2005). The environment in which Pakistan finds itself is very complicated as it involves U.S.–Iran rivalry, problems of insecurity of the region from Afghanistan, security threats from borders, energy insecurity issues, and competition between global and regional rivals. All these elements have forced Pakistan to be engaged in the strategy of strategic hedging in which Pakistan has attempted to build friendly relationships with both sides. Pakistan has been cooperating with the U.S. in security coordination and access to international financial institutions and is also maintaining diplomatic relations with Iran and has opened a limited window of cooperation. For example, despite the increased pressure by the U.S., Pakistan has never fully withdrawn from Iran; it continues to engage in diplomatic contacts and has been discussing issues of the border through bilateral channels (Dawn, 2024; Ahmed, 2020). A careful approach to balancing the pressures for both sides without committing to either one side or the other.

This article, therefore, offers a more realistic balance of the Pakistan–Iran relations using the ‘strategic hedging’ and neo-realism approach. The scope of bilateral engagement of Pakistan and Iran is restricted by external pressures, especially from the U.S., which can be explained by the concept of neo-realism. In turn, strategic hedging is at the heart of understanding Pakistan's reactions to these constraints in practice. In sum, they point to a continuous attempt to function within a structure

and maintain some room for flexibility in a complex and changing regional context that informs the policy of Pakistan.

4. Research Methodology

The study adopts a qualitative research approach to examine the role of the U.S. in shaping Pakistan-Iran relations between 2008 and 2026 and to analyse Pakistan's policy responses to this external influence during the same period. The research draws upon both primary and secondary sources. Primary sources include official government statements, UN documents, and policy documents, while secondary sources comprise peer-reviewed journal articles, books, policy reports, and credible media publications. These sources provide comprehensive evidence on the political, economic, diplomatic, and security dimensions of Pakistan-Iran relations in order to examine the influence of U.S. and Pakistan's responses.

The collected data are analysed through document analysis, enabling systematic examination and interpretation of official documentation, policy documents, and academic literature to uncover recurring patterns and trends. The analysis focuses on some critical junctures that have taken place from 2008 to 2026, mainly including the IP gas pipeline project, the JCPOA, the American pull-out from the nuclear agreement, and the confrontation between the U.S. and Iran from 2025-2026, in order to evaluate how these developments shaped Pakistan-Iran relations. To increase the credibility of the results, information from various sources is compared. The findings are analyzed in the context of Neo-realism, while the concept of Strategic Hedging is used to analyze Pakistan's behavior in balancing external pressure and maintaining its strategic flexibility.

5. Research Questions

1. What role has the U.S. played in shaping Pakistan–Iran relations between 2008 and 2026?
2. How has Pakistan responded to U.S. influence in its relations with Iran during this period?

6. Discussion: U.S. Factor in Pakistan-Iran Relations (2008-2026)

Pakistan-Iran bilateral relations took a new and unique shift in the wake of 2008, which was brought about by the structural constraints imposed on them by the dominance of the U.S. in the international system. The U.S., as the predominant power in the world, possessed substantial economic, diplomatic and institutional power to apply sanctions, economic constraints and pressure from the international community to affect U.S. strategic decision-making of the regional powers. The structural constraints did not reduce Pakistan's room for policy autonomy in its approach to Iran; however, they limited Pakistan's options. Initially, the Obama administration generated hopes of engaging in diplomacy, yet by 2010, the U.S. and the UNSC, via Resolution 1929, adopted tougher sanctions concerning the banking, energy, and finance industries of Iran (UNSC, 2010). Those restrictions had an immediate influence on Pakistan's economic decisions, including IP gas pipeline and trade activities, as well as on Pakistan's diplomatic restraint with regard to Iran. Next, with JCPOA of 2015, the window of opportunity opened for the region's economic cooperation, although later the U.S. withdrawal from the agreement and renewed sanctions reduced Pakistan's scope of possibilities (Qadir and Kasi, 2023).

The impact of U.S. policy on the region's security situation is also noticeable through Afghanistan, Gulf, and general confrontation with Iran; however, the effect was somewhat indirect in this case. Finally, with the military and diplomatic confrontation between the U.S. and Iran continuing until 2025-2026, Pakistan's approach remained cautious rather than open alignment with either side.

6.1 U.S. Economic and Diplomatic Constraints

The U.S. impact on Pakistan-Iran relations is manifested mostly in economic and diplomatic spheres, where instruments like sanctions and financial constraints have impacted directly on the extent of the collaboration. In contrast with the security field, where the influence is rather indirect, economic and diplomatic pressures resulted in the tangible constraints of the cooperation between these two countries (Kumar, 2008; Ahmad et al., 2017). One of the prominent examples of such influence is the construction of Iran-Pakistan gas pipeline project. Being agreed to in 2009, this project was regarded as an attempt to solve Pakistan's growing problem with energy and serve as evidence of economic cooperation between these countries (Haider, 2010). After the project was signed, it invited the wrath from U.S. and its allies who didn't want Islamabad to join this project. Islamabad did not reject the project outright and continued to publicly support it. However, Pakistan repeatedly delayed the project, citing financial and technical reasons, but the underlying reason for of project's delay was the risk of sanctions and the unjustified U.S. pressure which has aggravated energy deficiency in Pakistan and affected Pakistan-Iran relations. (Defense.pk, 2013).

The impact of U.S. sanctions was visible beyond the pipeline as well. Bilateral trade remained below potential due to U.S. sanctions on Iran and pressure on Pakistan to reduce trading relations with Iran (Khalil, 2023). For instance, there was a drop-in trade between the two nations from \$1.32 billion in 2008-09 to \$432 million in 2010-11 (CRSS, 2023). In view of U.S. sanctions against Iran, Pakistan's commercial banks are unwilling to conduct financial activities with Iranian banks. The absence of a payment method is a major obstacle for the business communities in both nations. Despite the great potential for economic interaction between the two state, the bilateral trade is being hampered mainly by U.S. pressure on Pakistan (Mehmood, 2023). Later, the re-implementation of U.S. sanctions on the withdrawal from the JCPOA in 2018 became yet another constraint that the country had to face. There was an opportunity for new economic engagement between Pakistan and Iran during the time when sanctions were relaxed since 2015, but this prospect couldn't realize within a limited timeframe (Raza, 2018). As soon as sanctions were put back into place, Pakistan reverted back to its cautious stance which reflected that Pakistan's economic ties with Iran has been constrained by shifts in U.S. policy.

The influence of the U.S. is also noticeable at the diplomatic level, but somewhat more subtly. In general, Pakistan has refrained from taking such a stance that might be seen as blatant backing of Iran (Ahmad et al., 2017). During times of heightened pressure on Iran by the U.S., Pakistan's official statements have tended to be more about neutrality and de-escalation than about explicit backing, suggesting a measured foreign policy. For example, after the withdrawal of the U.S. from the JCPOA, the diplomacy of Pakistan proved to be more cautious and Pakistan decided not to criticize the move by the U.S., instead focused on dialogue and dispute settlement. "Pakistan believes that International treaties and agreements concluded

through painstaking negotiations are sacrosanct,” emphasized a statement from the Ministry of Foreign Affairs following the U.S. withdrawal from the deal (Tribune, 2018).

Similarly, when the Iranian General Qasem Soleimani was killed through a drone attack by the U.S. forces in January 2020, Islamabad did not support any of the two countries and asked them to remain peaceful and not engage in activities that can make the region even more unstable (Government of Pakistan, 2020). More recently, when the tension between U.S. and Iran started to mount in 2025-2026, Pakistan took up the role of mediator through diplomacy rather than taking any side to reinforce its long-standing policy of neutrality and regional stability (Ministry of Foreign Affairs Pakistan, 2026). However, though under pressure, Pakistan is not completely isolated from Iran. Diplomatic contacts have been established via bilateral contacts. Similarly, border coordination mechanisms and limited trade routes have been established. This does not mean that there is an absolute prohibition on engagement, but only that it is not allowed to the extent that U.S. pressure permits. Instead, it constrains policy options and raises policy costs in terms of more cooperation.

In general, the economic and diplomatic aspects of Pakistan-Iran relations are a reflection of limited interactions influenced by external factors. Although the U.S. does not have direct control over the policy of Pakistan. Its ability to place economic costs on the Pakistani government and influence the wider diplomatic landscape has had a significant impact on the pace and direction of bilateral engagement. This further underscores the fact that U.S. influence in these areas remains robust, but not decisive and that Pakistan is adjusting to these restrictions, not out of alignment with them.

6.2 The Security Environment and U.S. Influence

The security aspect of Pakistan-Iran relations is more complex and indirect than the other aspects of external influence, economic and diplomatic. While the U.S. is a big influence on the region’s overall “atmosphere,” other actors, shifting alliances, and shifting dynamics of conflict have proved to be its partners in this process. The influence of the U.S. is thus more diffuse, through regional turbulence rather than through policy constraints (Karim, 2023).

The development of the security situation in Afghanistan has been one of the biggest influences on the security situation. The U.S. armed forces in Afghanistan influenced the strategies of Afghanistan’s neighbors, the Pakistani and the Iranian in the years leading up to 2021. However, Pakistan continued to have an operational relationship with the U.S. for managing the conflict, whereas Iran had its own regional strategy, which was sometimes at odds with the goals of the U.S. (Katzman, 2022). Tragic events of Salala check posts and death of Osama Bin Laden in 2011 created some rifts in Pakistan’s strategic relations in the war on terror with the U.S. It also resulted in gradual improvement in relations of Pakistan with Iran. Consequently, the bilateral relations of both countries greatly improved in the last two years of PPP rule in Pakistan which tremendously undermined the strategic objectives of US to isolate Iran (Sial, 2015). Right after the Salala attack, the Pakistan-Iran relations started moving on positive path. While Pakistan and Iran had their apprehensions about the instability at their borders, especially in the area of

militant activities. The point of convergence is that the influence of the U.S. on security relations is not yet deeply affecting bilateral relations between Pakistan and Iran (Ahmed & Akbarzadeh, 2018).

The withdrawal of the U.S. from Afghanistan in 2021 again changed the security environment in the region for Pakistan and Iran. The Taliban's rise to power once again raised issues about border security, militant activities, movement of refugees, and stability in the region. While Pakistan and Iran had divergent strategic interests in Afghanistan, the two nations nevertheless had common concerns about the emergence of radical factions in the country, which provided incentives for dialogue and security cooperation between the two countries. Both nations were part of several diplomatic events involving neighbouring countries of Afghanistan, wherein they focused on the need for a political process, counterterrorism measures, humanitarian aid, and regional stability (Karim, 2023). The post-withdrawal setting shows that while the U.S. involvement in the security domain was indirect, its influence was mainly due to its presence in the wider strategic environment of the region (Zahid, 2022). Therefore, this scenario encouraged pragmatic engagement between Pakistan and Iran on issues of mutual security concern rather than strategic divergence.

However, in recent times there has been a new degree of complexity. The region's security landscape altered dramatically in June 2025 when both the U.S. and Israel simultaneously targeted Iranian-backed groups in the region, including at the same time, leading to Iranian counterstrikes against the U.S. military bases and allies (Loft, 2025). This was a stage of confrontation which was not directly connected to Pakistan but at the same time had direct repercussions. The rest of the security concerns of Pakistan were further worsened by increased instability in the Gulf region, its apprehensions towards the energy supply routes and escalation of the conflict. Pakistan took a middle ground to not be seen supporting either side, but called for de-escalation and restraint, a tactic common to its avoidance of getting embroiled in larger conflicts (Ministry of Foreign Affairs Pakistan, 2026).

The situation worsened following February 2026, when both the U.S. and Iran have made military signals to one another, sea tensions have increased, and there has been little diplomatic activity. The developments increased doubts in the regional security picture, particularly in regard to the Strait of Hormuz, which is vital for the transport of world energy. Indirect rather than policy pressures were experienced in Pakistan. While the overall strategic environment was increasingly shaped by the U.S., it was not possible for it to influence the bilateral security environment in Pakistan and Iran totally. Pakistan continued to engage with Iran on border management and regional stability while continuing to be cautious in its overall positioning.

6.3 Pakistan's Policy Response

In response to the U.S. pressure, Pakistan has not been either fully aligned or fully defiant. Rather, Islamabad has adopted a strategy of cautious adjustment to maintain its ties with Tehran without creating heavy burden at an economic, diplomatic or strategic level. This approach reflects an effort to balance competing interests rather than a reluctance to make policy choices. Pakistan aimed at keeping its relations with Iran active during the study period while safeguarding the bigger picture of its relations with the U.S. and other regional partners.

A clear example of this could be seen in Pakistan's handling of the Iran-Pakistan gas pipeline project. Even as Pakistan's energy needs are increasing and its government has pledged to implement the project on multiple occasions, it has not taken any actions that could get it in trouble with the Americans. Islamabad did not give up on the project; instead, it kept on postponing its implementation, looking for legal and diplomatic options and finding other ways to keep the project alive on the formal level (Saira and Javed, 2022). This seems to have been an effort by Pakistan to secure future cooperation possibilities with Iran and to reduce the costs of sanctions from the U.S.

The same applies to Pakistan in the face of security complications with Iran. The cross-border strikes in January 2024 have been one of the most serious clashes between the two countries in recent years. The swapping of strikes for militant targets seemed to be a major setback in bilateral relations at first sight. Both governments re-established their diplomatic ties and formal engagement within days and stressed de-escalation and good neighbourly relations, not confrontation (Al-Jazeera, 2024). The response from Pakistan served to assert its territorial sovereignty and at the same time to avoid a short-term security situation turning into a long-term strategic schism. The same applies to border security cooperation. Despite the frequent incidences of militant groups and border crossings violations, Pakistan and Iran have been maintaining cooperation in border instability management. Both governments have taken steps to make security cooperation a reality despite other political friction, as seen in the mechanisms that exist on the border, intelligence sharing, and attempts to solve militant issues in Balochistan (Karim, 2023). The continuity is a testament to the fact that Pakistan-Iran relations have been selectively well-maintained in areas where mutual interests remain strong.

The nation's diplomatic stance in the wake of America's rising tension with Iran further demonstrates Pakistan's cautiousness. Islamabad has tended to keep clear of taking sides on issues that might be seen as supporting either side. Rather, Pakistani leaders have always kept promoting dialogue, stability and diplomacy in the region. This role was especially prominent after the U.S. pulled out of the JCPOA and tensions between Washington and Tehran started to escalate. Pakistan showed concern but did not openly criticize American policy on Iran (Raza, 2018), but at the same time it also refrained from entering into the process of isolating Tehran politically and diplomatically.

Perhaps the best illustration of Pakistan's policy response is the escalation of military confrontation between the U.S. and Iran in 2025 and 2026. Pakistan did not take sides, but played a role of a facilitative mediator for dialogue and de-escalation. As the intensity of the conflict got louder, Islamabad did its part to promote peace talks between Washington and Tehran as well as between Washington and other regional powers to try to limit the spread of a wider regional conflict. In April, 2026, Pakistan hosted the U.S. and Iran, led by the Vice President of the U.S., J. D. Vance and Mohammad Bagher Ghalibaf, Iran's chief negotiator. Pakistan's good relations with the U.S. and Iran both paved the way for Pakistan's diplomatic role in the U.S.-Iran war. Pakistan's mediation efforts during the crisis are particularly significant because they illustrate a shift from passive balancing to active diplomatic engagement. Pakistan's leadership repeatedly called for restraint and a negotiated settlement, motivated by fears that a long-lasting conflict could destabilize the

region, be a disrupting force for energy markets and also create vulnerability for Pakistan's own security and economic interests (Sulaiman, 2026). This careful approach is complemented by domestic and regional factors. Border communities, trade requirements, energy requirements and militant considerations promote functional relationships with Iran. Meanwhile, Pakistan continues to rely on the international financial institutions and external economic relationships having a strong influence of the U.S. The contradictory realities squeeze Islamabad's maneuvering space and force it to adopt a pragmatic and not ideological approach towards Iran.

Combined, these trends indicate that Pakistan's foreign policy is not entirely passive nor completely independent. Rather, it is a mode of 'restricted engagement' where Islamabad has always aimed at keeping an engagement with Iran but readjusting to the new regional reality, that has been dominated by the U.S. Pakistan has always tried to balance between cooperation and disengagement, through selective engagement, diplomatic flexibility and at times, mediation, with both sides. Pakistan-Iran relations, which reflect this study's overall finding, are not merely constrained by external influences, but also by Pakistan's attempts to keep its strategic flexibility within these constraints.

7. Analysis

Pakistan-Iran relations analysis from 2008-2026 indicates that the U.S. has been a key external factor affecting the course of the bilateral ties. But this influence has not been uniform and absolute. Rather, it has been different in economic, diplomatic, and security spheres, with a pattern of selective constraint, rather than total control. It is fair to say that U.S. policies have been very important in creating the context in which the Iranian policy of Pakistan has been formulated, but had some margin of autonomy to respond to these influences. The theoretical framework of the Neo-realism and the concept of Strategic Hedging can help in understanding these dynamics.

The first assumption of neo-realism that comes out in this context is power asymmetry. The U.S. maintained a position of hegemony over the international system throughout the time period examined, and was able to influence the foreign policies of the countries studied in the region through the ability to apply pressure in the form of sanctions and financial tools. The second assumption relates to structural constraints. International structure which was influence by American sanctions, global financial architecture and regional security realities played a significant role in shaping Pakistan's policy towards Iran. It is not that the systemic restraints hindered Pakistan's autonomy but they diminished the choices available to Pakistan. Another aspect of neo-realism is that states are geared towards survival and security. Pakistan's diplomacy with Iran has been cautious and may be seen as a way of ensuring its national and economic security. Moreover, Pakistan has diplomatic relations with both U.S. and Iran, thus it's a sign that Pakistan's foreign policy is somewhat pragmatic.

This was especially true in the field of economy. One of the best examples of the impact of systemic pressures on bilateral relations is the Iran-Pakistan gas pipeline project. With Pakistan's increasing energy demand and repeated assurances, the project has been stalled due to concerns about U.S. sanctions and potential economic repercussions. The project illustrates how external powers can shape state actions,

even in cases where there is a clear economic interest in co-operation. In the prism of neo-realism, the prudence of Pakistan's stance was a result of its consciousness of its role in an international system that tied access to financial markets, international institutions, and economic assistance with its interactions with the U.S.

In the diplomatic field, the impact of the U.S. was also felt. In general, successive Pakistani governments refrained from taking positions which might be seen as directly supporting Iran in times of increased tension between the U.S. and Iran. After U.S. withdrawal from the JCPOA and the reinstating of the sanctions against Iran, Pakistan continued to work on diplomacy with Tehran but didn't try to openly challenge the U.S. policy. It seems that Pakistan's diplomatic approach was inspired by the necessity of balancing its relationship with one of its neighbours with its other strategic and economic concerns. Simultaneously, the results highlight relevant constraints of the purely structural explanation. The U.S. presence was considerable in economic and diplomatic matters, and also in security matters, but it was not as strong. Despite the wider geopolitical tensions, there continued to be cooperation between Pakistan and Iran on matters of mutual interest. Both states continued to have to communicate on and cooperate with issues of border security, counterterrorism and regional stability. The January 2024 border crisis is a case in point. The cross-border strikes were one of the most serious and marked a considerable deterioration in bilateral relations in recent years. But the swift normalization of relations and the reestablishment of diplomatic ties indicate neither side saw the rise of the conflict as being in its interests in the long run. The reaction of Pakistan was a sign of its commitment to protect its territorial integrity while avoiding that it would turn into a strategic rift. The result suggests that there is a certain level of resilience in Pakistan-Iran security cooperation that goes beyond pressure.

For the concept of strategic hedging to come into its own, this is where it is most useful. Structural constraints in Pakistan constitute the basis for Neo-realism while strategic hedging helps explain the way in which Islamabad reacted to the structural constraints. Pakistan did not opt for becoming a part of the U.S. or moving towards Iran's friendship, but opted for a policy that would enable it to maintain ties with both countries. Islamabad did so to maintain strategic flexibility while limiting the risks involved in choosing to ally with one side or the other. Perhaps the best example of this strategy is the rise in military tension between the U.S. and Iran in 2025 and 2026. Pakistan chose a neutral stance, promoting dialogue, restraint, and stability in the region. Islamabad was more importantly trying to ease the communication and assist the diplomatic efforts to ease the tensions. Pakistan's mediation role is significant in that it illustrates how strategic hedging can go beyond a passive balancing approach. Pakistan did not seek to avoid alignment, but rather tried to play a constructive role in managing conflict in a manner that would serve its own interests and minimize the possibility of escalation in the region.

The findings as a whole have shown that the power imbalance, structural constraints and Pakistani security interests have shaped the dynamics in Pakistan-Iran relations from 2008 to 2026. Although Neo-realism is able to provide an explanation for the effects of U.S. hegemony on Pakistan's foreign policies, strategic hedging accounts for its response to the constraints. All of this was preceded by sanctions, diplomatic measures and, more importantly, the presence of the U.S. in the region, particularly

in economic and diplomatic areas. But this effect did not result in Pakistan's compliance with the policies or adversely affect the Pakistan-Iran relationship. Instead, Pakistan acted selectively and maintained its cooperation with Iran in those matters that had strategic significance, but refrained from any action which would create significant costs for Pakistan in its relations with Washington. The continuity of this approach over the span of time and the changing regional dynamics reveal that the Pakistani response was not only reactive but also part of a comprehensive approach to engage with competing set of pressures in a complex geopolitical landscape.

8. Conclusion

In this study, the role of the U.S. in influencing Pakistan-Iran relations in the period 2008 to 2026 was explored. Furthermore, the response of Pakistan to the U.S. influence during this period has been analysed. The results suggest that the U.S. was an important external influencer in Pakistan-Iran relations. US influences bilateral relations between these two countries, as previously discussed, varied in different degrees and domains. The U.S. impact was greater in the economic and diplomatic aspects than in the security aspect. The research shows that economic cooperation between Pakistan and Iran was also hit especially by external pressure. However, despite the political commitments and shared economic interest, U.S. policy toward Iran has curtailed bilateral cooperation. The case of the IP gas pipeline project is one of them. Likewise, Pakistani diplomacy toward Iran was occasionally influenced by the need to balance the relations with Iran in comparison the country's strategic and economic relations with Washington. The results suggest that the effects of U.S. influence are strongest in places where the economic costs and the diplomatic repercussions can be charged directly.

Concurrently, the study reveals that U.S. influence did not hinder the process of Pakistani-Iranian engagement over strategic areas of mutual interest. Security cooperation and border management were continued, despite tensions and regional instability. The rapid normalisation of relations following the border crisis in January 2024 showed that both countries also wanted to prevent a temporary security crisis. They did not want to escalate the tensions into a strategic conflict. This continuity highlights the limits of the external influences affecting the relationship and the need for mutual interests in maintaining relations. These trends were further reflected in the events of 2025 and 2026. The tensions between the U.S. and Iran continued to grow in the region and to exert pressure on Middle Eastern countries. Similarly, Pakistan was making no headway in either direction. Rather, it emphasised restraint, dialogue, regional stability, and reduction of tensions. Islamabad has tried to mediate between Washington and Tehran as well as to facilitate communication between the two. Therefore, to keep both in its goodwill without engaging in the unnecessary downside of regional polarisation. The initiatives are a reflection of Pakistan's attempts to secure strategic flexibility of the country in the changing regional scenario.

Theoretically, the outcome supports the explanatory power of Neo-realism in this subject of external power structure. Similarly, regional and middle powers' foreign policy decisions are also important. The study confirms the U.S. predominant role in the strategic setting in which Pakistan and Iran functioned, through sanctions and diplomatic pressure. The overall involvement of the U.S. predominant in this

strategic setting. in the region. But state behaviour is not solely determined by structural factors. Pakistan did not surrender to them completely and neither did it resist them outright. Instead, it was a series of strategic moves aiming to keep the policy flexible in the presence of conflicting constraints. Therefore, the idea of strategic hedging complements neo-realism in the sense that it helps to explain the efforts of states to deal with uncertainty while not being completely constrained by a single player.

Overall, the bilateral relations between Pakistan and Iran from 2008 to 2026 were an outcome of an external constraint and the adaptive state behaviour. Although the U.S. influenced the bilateral relations, yet, it was not the only factor in bilateral decisions. Pakistan's reaction has always been to keep the relationship alive with Iran but in the context of Pakistan's broader strategic interests. The more important lesson is that in the presence of high pressure from outside, states have a degree of agency and capacity to continue to pursue policies that best serve their multiple interests in a complex and evolving geopolitical arena.

Conflict of Interest

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