



IQRA National University, Peshawar

Name	Muhammad Hashim khan
Id	16001
Subject	pakistan study
Samester	2 nd
Teacher	Beenish shuja
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Department	(BS) computer science

Q no 1 : what is constitution?also explain 1973 constitution?

Ans : constitution is a set of laws principle may be written or unwritten on which a country is acknowledged to be governed .

The system of fundamental laws and principle that prescribes the nature function and limits of a government or another institution .

Constitution is the fundamental law of the land and it is from this source that all the laws spring .

Body of rules which regular the system of government within a state .

Form of constitution :

- Written
- Unwritten
- Partly written

Kind of constitution :

Federal and unitary constitution

Under a federal government constitution there is a scheme of distribution of power between the central and local units which are to certain extent independent within their own territorial limits the central government has own sphere of operation of its laws no one is subordinate

government by their own laws . no one is subordinate nor are acts as an agent of the other e.g. the constitution of switzerland australia and india .

Republican and monarchical autocratic constitution;

Constitution are sometime classified into republican and monarchical . there is different between popular or democratic government as opposed to an autocracy or dictatorship which established absolutism of the executive. It is difficult to find today even one solitary example of the latter type of the constitution .

Conventional :

The english constitution is based largely upon rules of practice or convention.

Many of the rules of the english constitution government possess merely a conventional character . this is shown by the fact that no legal proceeding can be established since they are merely matters of practice.

Unitary , flexible & rigid:

- The english constitution involving one central government which prevails the whole country .
- In flexible constitution every law of description can legally be changed with the same ease and in the same manner by one and the same body.

Islamic point of view about constitution ;

The first muslim constitution was promulgated by the holy prophet of islam muhammad (pbuh)

When he migrated to madina and foundation was laid for the government city state. the constitution was framed and put into effect with the full consensus of not only the follower of the prophet muhammad (pbuh) but also had the concurrence of the jews and other non-convert

Islamic point of view about constitution:

The characteristic of muslim administration had been that the people including the rulers were subject to shariat and it was enforced with greater force of equity , justice and good conscience in the case of those who did not embrace the faith of islam such notions as "the king can do no wrong ""the king cannot be tried in his own court ""act of state ""and "privilege" etc are unknown to islamic jurisprudence.

Constitution history of pakistan :

The act of 1909 enlarged the size of legislative council.

It was provided that the imperial legislative council shall consist of 37 official and 32 non official members.

Minto-marley reforms 1909:

- The function of the legislative councils were increased.
- The member were given the right of asking question and supplementary question for the purpose of further elucidating any point .
- The member were given the power of move resolution in the councils.

Acts 1919 :

- The acts set up a bicameral legislature at the centre in place of the imperial council consisting of one house . the two house were called central legislative assembly and the council of state
- Direct election were provided for both house of the central legislative though the franchise was very restrictive.
- The central legislature had the power to make laws for all of british india for indian subject wherever they might be , and for all person employed in the defence force.

The government of india act 1935:

- The acceptance of an all india federation.
- The introduction of partial responsibility in the form of diarchy at the centre.
- The grant of autonomy to the provinces.

Basic purposes of the act:

- There were three basic purpose of the acts
- Establishment of the a federation.
- The separation of burma from india .

Provisions:

- Provincial autonomy
- All india federation
- Diarchy at the centre
- Safeguards

Constitution of 1956:

- Pakistan was to be federal republic based on islamic ideology .
- A detail and comprehensive list foundation right with an independent judiciary was provided in the constitution .
- There was distribution of power between the centre and the provinces
- The constitution was silent as to be method of conducting elections both for the centre and provincial legislature.

- And finally there were the Islamic character of the constitution .

Constitution of 1962

- Principles of policy
- National solidarity would be observed .
- Education and well being people .
- Islam would be implemented in day life

Constitution of 1973:

- Parliamentary system
- President
- Parliament with two house
- Federal government
- Principle of policy
- Fundamental right
- Islamic provisions
- National language

Conclusion

The constitution history of Pakistan is a reflection of all the peculiarities and contradictions of its social, economic and political development since independence for more than a quarter of the century . The struggle over particular formulation in the various drafts of the constitution which went on in the legislative bodies was often an expression of the clash between the vital interests of the main social groups in Pakistan

Q no 2 :what is culture define the type of culture?

Ans : Culture of Pakistan

Exact Meaning Of Culture:

- The word culture is derived from a Latin word Cultural which means to cultivate and decorate.

Definition of Culture:

- Lenin says that Culture is a social inheritance which transferred from one to another through individual and collective experiences.

- Another definition is given by Muller Layer who says that culture is an aggregate means of achievement and of progress.
- Keeping in view the above definitions of culture we come to a conclusion that culture gives us a sketch and a way of living. This way of living is followed by a whole society and this way is transferred from generation to generation.
- Culture is not an individual but a collective task that is followed by a whole society. Collective human behavior and their collective life experiences are known as culture.
- Therefore people living in different regions have specific type of behaviours, cultural and moral values.

Importance of Culture:

- Importance of culture can not be denied.
- 1. Basis of human development and prosperity lies in culture. Culture is that basic thing which distinguishes a human being from an animal.
- 2. Every nation has its cultural past which reflects the identity of that nation. The cultural heritage moves from generation to generation which is protected and preserved in order to keep the nation identity alive.
- 3. Culture helps an individual to mold his life according to changing circumstances and person capable to participate in the development of society.

Types of Culture:

- There are two types of culture
- Material culture
- Non-Material culture

Material culture:

- Material culture includes those things which are used to fulfill the needs of human beings e.g, houses, roads, cars, pen, table, etc. It is due to efforts of human beings that they are capable of controlling their lives comfortably and protected. Material culture is very important to understand the personality of a person who adopts a culture of a certain society.

Non-Material Culture:

- In non material culture we deal with non material culture objects. In this culture we give importance to sound rather than body. For example religion,art,thinking,constitutions,values,behavior,knowledge and festivals,etc.These things are not visible and we cannot touch them.
- Pakistan has got its own culture values. This culture of Pakistan has arrived in the sub continent before the formation of Pakistan.
- According to Toynbee, simplicity in living science and fine arts are important for the development and prosperity of civilization.
- Language is the basic thing in culture, In Pakistan Pathan,Punjabi,Balochi,Sindhi,Barahwi,Saraki,Potohwi,Kashmiri cultures are famous due to their special names given to them because of their languages.

Pakistan culture heritage-important regions:

- The value of archaeology is of far reaching importance in the history of nation. It reflects the panoramic views of the ancient culture and civilization.
- The main archaeological sites in Pakistan are Taxila,the main site of Gandehara and Mohenjo-Daro and Harapa,the two capital cities of Indus civilization of the Indus valley civilization.

Q no 3: what is economic instability?also define the source of economic instability in Pakistan ?

Ans: Economic instability involves a shock to the usual workings of the economy. Instability tends to reduce confidence and lead to lower investment, lower spending, lower growth and higher unemployment.

Economic instability can be caused by

Changing commodity prices (especially oil, e.g. 1974 oil price shock)

Changing interest rates (rise in interest rates around 2005-07)

Change in confidence levels (e.g. worries after 9/11)

Stock market crashes (e.g. 1929 Stock market crash)

Black swan events (e.g. major natural disaster, coronavirus outbreak 2020)

Causes of Economic Instability

1. Changes in house prices/assets

A fall in house prices can cause a negative wealth effect – householders see a decline in their net worth, leading to lower confidence and less spending. It can also cause financial losses for banks. For example 2006-10, the US saw its housing bubble burst with a 50% fall in house prices. This caused a rise in delinquencies, negative equity (people lost wealth) and a rise in defaults. As a result, banks started to lose money on failed mortgage payments. In 2007, this caused a fall in bank lending, the credit crisis and the 2008 recession.

US house prices boomed in mid 2000s but then fell sharply.

2. Fluctuations in Stock Markets

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A big fall in stock markets can trigger falls in consumer confidence, a loss of consumer wealth and lead to a recession. The Wall Street crash of 1929 was a significant cause of the great depression. In 2008, the stock market crash again coincided with the 2008 recession.

However, it is not always the case falling share prices cause instability. The stock market crash of 1987 did not cause an economic downturn. In fact, in the UK it was followed by an unprecedented economic boom. This was partly due to the way the government responded by cutting income tax and cutting interest rates. The falls 2000-2004 also did not cause a recession.

However, if the stock market falls are due to a real shock to the economy (e.g. Coronavirus in March 2020) then the falls in share prices are likely to exacerbate the uncertainty.

3. Global Credit Markets

The consequence of the mortgage bubble – rise in delinquency.

The subprime mortgage problems in the US caused many firms to go insolvent. This caused a big fall in confidence in lending money. This shortage of credit led to a shortage of credit. This caused the problems of northern rock and reduced consumer confidence. See: credit crisis

4. Changes in Interest Rates

Interest rates are used as a tool in controlling inflation. However, they can also have an impact on consumer spending. Sometimes interest rates may have little impact; however, if they coincide with other factors they can cause a much bigger than expected fall in consumer spending. For example, in the UK, many homeowners have a variable mortgage. Therefore a small change in interest rates can have a big effect on disposable income. If an increase in interest rates was combined with another factor such as the slowing down of house price growth it may cause a big fall in spending.

Note, interest rates can have a delayed effect. E.g. the effect of interest rate increases last year may continue to affect consumer spending for up to 18 months

5. Global Factors

In an era of globalisation, there is an increasing interdependence of the world economies. For example, if China's boom was to end, there would be a marked slowdown in global growth. It used to be the case the world was very dependent on the US economy. If the US economy suffered a recession, it would often drag the rest of the world into recession. This was because the US was the world's biggest consumer of imports. However, it is argued that the world is less dependent on the US economy because of the development of new economies like China and India. Nevertheless, global factors are of great importance. When the coronavirus interrupted manufacturing in China in early 2020, this had a knock-on effect for nearly all multinational companies who relied on Chinese manufacturing of parts.

6. Government Debt Crisis

If markets fear government debt is unsustainable or likely to face liquidity shortages, bonds will be sold. This will tend to push up interest rates on bond yields. This increases government debt interest payments and puts pressure on the government to cut spending and reduce the budget deficit. This can cause a negative spiral of lower growth and lower tax receipts. (sovereign debt crisis)

7. Black swan events

Black swan events are unexpected events, which can destabilise the economy. In theory, they have a very low probability, but throughout history, they occur at an unexpected moment. For example, the outbreak of an infectious virus can cause a fall in travel and economic activity. A major terrorist attack or natural disaster can also cause a fall in economic growth.

The 2020 coronavirus is a good example of how a black swan event can cause major instability. The virus led to a sharp fall in travel and quarantines imposed across the world. This disrupts usual economic activity. The virus also causes great uncertainty because the effects are unknown. It led to a major fall in shares, investment and the price of oil.

8. Erratic leadership

If political leaders are erratic, it can cause instability. For example, President Trump initiated a trade war with China, which caused a decline in global trade.

Supply-side Causes of Economic Instability

1. Price of Oil

An increase in the price of oil can cause economic instability, especially if it is a sudden increase like in the 1970s. Higher oil prices increase the costs of firms and cause the AS curve to shift to the left. This causes both inflation and lower growth.

However, it is worth noting that although the oil price is now nearing nearly \$100 a barrel, it is not having a huge effect. The impact on economies like the UK is less than it was in the 1970s, partly because the increase in price has been more gradual. Costs of transport are still not a major problem. It would require a much bigger increase to have a really damaging impact.

Note a very rapid fall in oil prices also may cause problems – because it indicates a lack of confidence in the economy.

Since the country's independence in 1947, the economy of Pakistan has emerged as a semi-industrialized one, based heavily on textiles, agriculture, and food production, though recent years have seen a push towards technological diversification. Pakistan's GDP growth has been gradually on the rise since 2012 and the country has made significant improvements in its provision of energy and security. However, decades of corruption and internal political conflict have usually led to low levels of foreign investment and underdevelopment.

Historically, the land forming modern-day Pakistan was home to the ancient Indus Valley Civilization from 2800 BC to 1800 BC, and evidence suggests that its inhabitants were skilled traders. Although the subcontinent enjoyed economic prosperity during the Mughal era, growth steadily declined during the British colonial period. Since independence, economic growth has meant an increase in average income of about 150 percent from 1950–96, But Pakistan like many other developing countries, has not been able to narrow the gap between itself and rich industrial nations, which have grown faster on a per head basis. Per capita GNP growth rate from 1985–95 was only 1.2 percent per annum, substantially lower than India (3.2), Bangladesh (2.1), and Sri Lanka (2.6).[2] The inflation rate in Pakistan has averaged 7.99 percent from 1957 until 2015, reaching an all-time high of 37.81 percent in December 1973 and a record low of -10.32 percent in February 1959. Pakistan suffered its only economic decline in GDP between 1951 and 1952.

Pakistan economic instability

Overall, Pakistan has maintained a fairly healthy and functional economy in the face of several wars, changing demographics, and transfers of power between civilian and

military regimes, growing at an impressive rate of 6 percent per annum in the first four decades of its existence. During the 1960s, Pakistan was seen as a model of economic development around the world, and there was much praise for its rapid progress. Many countries sought to emulate Pakistan's economic planning strategy, including South Korea, which replicated the city of Karachi's second "Five-Year Plan."

Q no 4: write down the importance of physical features of Pakistan?

Ans : Geography of Pakistan is a profound blend of landscapes varying from plains to deserts, forests, hills, and plateaus ranging from the coastal areas of the Arabian Sea in the south to the mountains of the Karakoram range in the north. Pakistan geologically overlaps both with the Indian and the Eurasian tectonic plates where its Sindh and Punjab provinces lie on the north-western corner of the Indian plate while Balochistan and most of the Khyber Pakhtunkhwa lie within the Eurasian plate which mainly comprises the Iranian Plateau. Gilgit-Baltistan and Azad Kashmir lie along the edge of the Indian plate and hence are prone to violent earthquakes where the two tectonic plates collide.

Pakistan is bordered by India to the east, Afghanistan to the west and Iran to the southwest while China borders the country in the northeast. The nation is geopolitically placed within some of the most controversial regional boundaries which share disputes and have many-a-times escalated military tensions between the nations, e.g., that of Kashmir with India and the Durand Line with Afghanistan. Its western borders include the Khyber Pass and Bolan Pass that have served as traditional migration routes between Central Eurasia and South Asia.

At 796,096 square kilometres (307,374 sq mi), Pakistan is the 36th largest country by area, more than twice the size of Montana, and slightly larger than Alberta.

Geographical attributes of a state bring it both, some opportunities to avail and some risks to evade. Pakistan availed the opportunities from its geography but could not escape the risks it posed. When a state learns how to exploit its geography to the best of its political and strategic interests the study which comes in shape is called geostrategic and geopolitics. Pakistan's geography where brought the country countless material benefits there its unwise exploitation also invited the chaos in the

region. Being the gateway to Central Asia and a suitable route of access of World Powers into land-locked Afghanistan, the geography of Pakistan suffered from the side effects of the 'New Great Game' and the 'Global War on Terrorism'. But things are in transformation today. The Northern border with China where gets ready to bring billion dollars investment in the wake of CPEC there the Western border with Afghanistan is seeking TAPI Gas Pipeline. Similarly, the South Western boundary with Iran will sooner or later be flexible for Pak-Iran Gas Pipeline. Pakistan's newly functional port of Gwadar and the strategic importance it has concerning its proximity to the Gulf States are some new aspects of Pakistan's geographical importance. We shall evaluate all these aspects in this article after going through a brief description of country's geography

Q no 5: write down the relation between pakistan and iran?

Ans : introduction:

Pakistan and Iran share deep linguistic, historic and cultural ties. These ties are visible in modern day Pakistan with classic Persian poetry on many contemporary buildings. Their amicable relations date back to the 1947 partition of the subcontinent. Moreover, Iran was the first country to recognize the newly established state of Pakistan. The countries soon developed a strong relationship and signed an official treaty of friendship in 1950. During the long era of the Cold War, they remained allies and shared a harmonious strategic outlook during the Shah's era. Furthermore, Pakistan was the first state to recognize the Islamic Revolution in Iran. During the Iran-Iraq war of the 1980s, despite enormous pressure on Pakistan to support Iraq, Pakistan explicitly expressed its support to Iran. However, the warmth in bilateral relations has been tested on several accounts such as the civil war in Afghanistan, sectarian tension, US influence on Pakistan, sanctions on Iran, and Pakistan's ties with Saudi Arabia. In recent times, both countries are making serious efforts to overcome persistent irritants for stronger bilateral relations. Both sides are committed to exploring areas of mutual economic interests including trade and gas pipeline projects. Iran, being rich in its natural resources of oil and gas, is crucial for an energy deficient country such as Pakistan. Pakistan has a population of 209 million with a per capita income of \$1,560. It is a developing economy with a GDP of \$313 billion and an estimated real growth rate of 5.83%. The agriculture sector of Pakistan's economy covers one-fifth of output and provides two-fifths of employment. The industrial sector accounts for only 19% of its output, while the services sector contributes 56.3%. Textiles and apparel account for

more than 50 percent of Pakistan's exports. The country faces a serious challenge of trade deficit with exports around \$21 billion and imports \$48.51 billion. Moreover, given demographic challenges, Pakistan's latest challenges include; the bal

ance of payment deficit, development of the energy sector, and increase in foreign investment to reach the optimal economic growth required for the employment of the increasing urban population, particularly those under twenty-five (CIA, 2018). This paper attempts to explore the magnitude and diversity of the relationship between Pakistan and Iran during the last seventy years. The next section attempts to analyze non-economic relations between the two neighboring countries. In the third section, an attempt is made to explore economic relations and trade potential among the two countries and finally, the study concludes with an analysis.

2.Non-Economic Relations Between Iran and Pakistan

History Pakistan and Iran are two neighboring countries that not only share a common border but also have many other commonalities such as; linguistic, socio-economic, and strong historical, ethnic, cultural, and religious ties. Ethnically, the people of Iran and Pakistan belong to the Aryans (Ahmed, 2014). Spiritual and religious connections among Shiite and Sufi followers brought Iran closer to the hearts of the masses in Pakistan. However, the governments of the two countries have long maintained a reliable connection due to business networks and century-old trade routes. Persian culture has profoundly shaped Pakistani food, dress, music, poetry, and architecture. Furthermore, until the rise of the British regime in India, the Persian language remained the official communication tool of the Mughal Empire. Moreover, through its great poets such as Hafiz, Rumi, Saadi, and Khayyam, etc., Persian influence can be seen in Urdu, the official language of Pakistan. Further, political support to the Iranian nation by Muslims of British India indicates deeper connections between the two Muslim communities. The All-India Muslim League passed a resolution in 1940 in favor of Reza Shah Pahlavi when foreign forces were occupying Iran. After Pakistan's independence in 1947, Iran was the first country to accept this newly founded nation. Pakistan relations with Iran faced different eras, some better and some bitter. During 1947 to 1965, Pakistan successfully maintained good relations with the Muslim world, including Iran. A good era of Pak-Iran relations started due to co-membership of CENTO by both neighboring countries. The connections deepened after the RCD was formed in 1964 by Pakistan, Turkey, and Iran. The good relations of Iran and Pakistan are evident from Iran's sincere effort to settle the rupture that lasted for 22 months during the early 1960s between Pak-Afghan relations. The only potential problem that could have abruptly emerged was a border settlement between Iran and Pakistan. However, the two countries had successfully settled this problem until December 1967. During the 1965 Pak-India War, Iran joined Turkey to support Pakistan, two years later, Pakistan joined Iran to support the Arab world against the war with Israel. Moreover, in 1967 Pakistan gained good relations with Malaysia due to Iran's mediation (Qureshi, 1968). In the late 1960s, Pakistan faced turmoil and upheaval which eventually resulted in the division of Pakistan in 1971. The separation of Eastern Pakistan weakened the country. This was the time

when Pakistan was politically weak, and Iran was continuously gaining strength particularly after the British exit from Suez. The Oil Embargo of 1973 further strengthened the role of Iran in the region which was trying to substitute the British dominance in the region. Pakistan and Iran had good trade relations in this decade. During the years 1974-75 and 1976-77 trade volume between Pak-Iran increased four times and reached 848 million Rupees (Pakistan, 2016-17). Having growing ties with Iran since independence, Pakistan's relationship with Iran faced a serious decline after the rise of the Islamic Revolution. With the rise of an Islamic ideological regime in Iran, the US became its rival and with it the start of a challenging era for Pa

kistan's foreign policy towards Iran. The tension between the US and Iran peaked when American Diplomats were taken hostage by Iranian revolutionary students. Consequently, Pakistan adopted a diplomatic stance over the hostages held in Tehran by the revolutionary students (Mohammadally, 1979).

. Pak-Iran relations and the US factor To understand Iran-Pakistan relations, Iran-US relations are unavoidable in the analysis. The two most important elements of tension between Iran-US relations are oil and nuclear technology. After Pakistan's independence, the world observed healthy relationships between Iran and the United States. Iran started its nuclear technology program "Atoms for Peace" in the 1950s, ironically it was the US that supplied the first research reactor to Iran in the 1960s. Later in the 1970s, after the oil crisis, the US was eager to find investment opportunities in Iran, particularly a nuclear power plant. The contracts that the Shah made with the US regarding the nuclear program were canceled by the Islamic regime. Until 2002, Iran's nuclear program was negligible to the US, but the problem arose when the US claimed that Iran advanced its nuclear fuel cycle technologies. The International Atomic Energy Agency (IAEA), in its 2003 report, mentioned that Iran should fully cooperate to ensure transparency in its nuclear activities (General, 2003). The US views Iran as a major threat to its might in the Gulf region. Moreover, in 2006, the UN Security Council imposed sanctions on Iran as a punishment for a non-satisfactory response on halting the nuclear program (Security Council, 2006). Iran, is of great importance to Pakistan in terms of economy and security, as both countries stood with each other in past. Pakistan could not afford to be part of any military adventure in Iran as it did not join a military collation against Iraq.

Economic Relations Between Pakistan and Iran 3.1. Trade The 1979 Islamic Revolution in Iran not only changed the political-strategic outlook of both countries but also led to the deterioration of economic ties. Moreover, despite immense trade potential, the volume of trade remained modest. As illustrated above in table 1, bilateral trade volume between Pakistan and Iran, which amounted to \$622 million in 2006 and \$583 million in 2007 surpassed the magic figure of \$1 billion in 2008. The total volume of trade stood at \$1.16 billion in 2008 and reached \$1.21 billion and \$1.1 billion in 2009 and 2010 respectively. Notwithstanding an

encouraging trend after 2007, the volume of bilateral trade severely suffered after the new phase of sanctions on Iran that specifically targeted Iran's banks. Trade turnover between Pakistan and Iran dropped to \$457 million in 2011. Moreover, the post-sanctions downfall in total bilateral trade volume continued in the subsequent years and fell to \$229 million in 2014. After the 2015 withdrawal of some sanctions on Iran, the bilateral trade volume showed slight improvement. Subsequently, total trade volume in 2016 reached \$359 million, out of which \$323 million were imports and \$36 million were exports.

YEAR	EXPORTS	IMPORTS	BALANCE	TOTAL
2005	178	363	-185	541
2006	179	443	-264	622
2007	146	437	-291	583
2008	426	738	-312	1164
2009	252	956	-704	1208
2010	182	884	-702	1066
2011	153	304	-151	457
2012	142	120	22	262
2013	63	168	-105	231
2014	43	186	-143	229
2015	32	261	-229	293
2016	36	323	-287	359
2017	27	327	-300	354

1 shows the percentage change in bilateral trade volume between Pakistan and Iran. The total volume of trade increased by 99.9 percent in the year 2008, feeding Pakistan's hopes that it could achieve a new peak in the future. This trend continued for a couple of subsequent years but unfortunately, in the aftermath of sanctions on Iran, total trade volume plummeted by 57 percent in 2011. The total value of Pakistan's export to Iran in 2011 dropped by 16%, while the total value of imports declined by 66 percent in the same year. The figure shows a decreasing trend of trade until 2014. Although trade turnover showed a slight improvement in 2015 and 2016 and increased by 28 percent and 23 percent respectively, however, the current volume of trade is well below the one billion mark. Pakistan's major export commodities to Iran include textile, food items including meat, rice, gelatin, derivatives, and mechanical machinery such as paper and wood (Shabbir, 2016). Iran's key export items to Pakistan are iron ore, dates, crude oil, iron scrap, transformers, etc. Notably, Pakistan is the first country that started importing Iran's iron ore (Alam, 2004). However, the current volume of bilateral trade doesn't reflect the potential level. The literature on the Pakistan-Iran trade connection highlights a number of reasons that contributed to the low volume of trade. These include; economic sanctions against Iran, lingering mistrust, the absence of a banking channel, high non-tariff barriers, smuggling,

poor infrastructure connectivity, and high rates of tariffs on commodities in which Pakistan enjoys a comparative advantage such as textiles (Shabbir, 2016). A series of initiatives have been aimed at harvesting the full potential of trade between Pakistan and Iran. Both countries signed a Preferential Trade Agreement (PTA) in 2004, which was ratified in 2005 and has been operational since. Under this contract, both nations agreed to enhance trade flow by reducing customs duties on 647 tradable commodities. Pakistan agreed to give concessions on 338 tradable items and Iran granted tariff concessions on 309 items (F. Tribune, 2017).

Iran-Pakistan (IP) Gas Pipeline The IP gas pipeline was conceived early in the 1990s. It was initially the Iran-India-Pakistan gas pipeline project but later in 2009, India withdrew due to security and pricing issues. The IP gas pipeline covers a distance of around 1900 kilometers which will transfer natural gas from Iran to Pakistan.



Figure 2: Iran- Pakistan Pipeline Project The above figure shows the IP gas pipeline route with a distance of 1150 kilometers starting from Asalyuyeh (massive South Pars gas field), Iran up to the Iranian border to be built and operated by Iran. While, Pakistan's liability is to construct the remaining section of around 780 kilometers, starting from Makran- Coastal Highway up to the offtake point at Nawabshah (Nation, 2018a).

It is a pivotal project for an energy deficient country like Pakistan. Among the alternative options in consideration to meet energy requirements, the IP gas pipeline is the most viable and sustainable project in terms of cost and geographic location (MUNIR, 2014). Its importance is evident from the fact that the expected gain from the project is around \$200 million in direct income (Essays, 2018). With Pakistan's escalating energy demand and the chronic demand-supply gap over time has exacerbated the importance of this project many folds. Unfortunately, it took almost two decades to sign a final deal on the IP gas pipeline project. Both sides inked a final agreement in March 2010, in Turkey (Haider, 2010). In September 2012, it was announced to commence the project before October 2012 and be completed by the end of December 2014 (Fallahi, 2018). Iran has already completed its part of the project, however, due to a funds deficiency, Pakistan has not commenced the project. Investors were circumspect to fund the IP

gas line project under US sanctions on Iran (Panda, 2015). The US showed displeasure towards the project a number of times and threatened Pakistan not to indulge in any economic ties with Iran (George, 2013). The US continuously took a hard position on the IP gas pipeline project and tried to inhibit Pakistan from materializing the project; moreover, it engaged Pakistan in alternative projects such as the TAPI gas pipeline project to meet energy requirements. Although the TAPI pipeline is backed by the US, chances to complete this project are quite remote due to security concerns in Afghanistan. Pakistan completely realizes the importance of the IP pipeline project, that's why it didn't abandon the project despite US pressure, whereas India withdrew under US pressure (Baloch). However, Pakistan risks paying penalties to Iran as it failed to complete construction within due time. In 2016, the China Petroleum Pipeline Bureau (CPPB) had shown its willingness to provide funds for the completion of the un-built portion of 80 km from Gawadar to the Iranian border, although both sides couldn't sign a formal agreement so far (Panda, 2015). The completion of the IP gas pipeline is imperative for strengthening Pakistan-Iran economic ties.

CONCLUSION

Historically, Pakistan and Iran relations have been inconsistent; with many twists and turns over the years. Currently, there are remarkable challenges ahead to Pakistan's sustainable relations with Iran. Moreover, Pakistan and Iran, despite being the immediate neighbors, have fallen short of harvesting full economic potential. However, both countries fully realize the importance of each other in the region and are striving to improve strained relations.

Negotiations and agreements, whether operational or in progress, reveal determination from both sides to move forward. To broaden the economic ties between the two countries, the long-standing the IP gas pipeline project needs to be achieved on a priority basis. This project is in the best interest of an energy deficient country like Pakistan. Moreover, initiatives taken to overcome the problems of high tariffs, the absence of banking channels, and improved infrastructure connectivity need to be materialized for fully attaining the trade

potential. Furthermore, trade can be the defining features of Pak-Iran relations. In wake of sanctions on Iran, trade ties grievously suffered and fell below \$50 million. Both countries need to explore other workable payment mechanisms, such as trade in local currencies, to mitigate the effects of sanctions by the US. Moreover, the US attitude towards Iran repeatedly hindered Pakistan-Iran economic engagements. The US's recent decision to withdraw from the JCPOA bring about serious implications for Pak-Iran ties. In this situation, Pakistan's newly formed government will face hard challenges in advancing ongoing cooperation with Iran. Pakistan needs to minimize its losses after the US withdrawal from the JCPOA by looking at alternative solutions. China's factor can play a major role in this regard. With the growing importance of China in the region and the implementation of CPEC, ultimately this will reduce US influence in the region and help bring the two countries together. Moreover, integrating Iran into CPEC would improve security and economic ties. However, balancing the relation between Iran and Saudi Arabia remains a big challenge for Pakistan's new government.