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GEOPOLITICAL CONFLICT BETWEEN IRAN AND THE UNITED STATES: ECONOMIC, LEGAL, AND STRATEGIC IMPLICATIONS FOR PAKISTAN AND THE USA

Shahzad Khalid[*1], Akhtar Ali Ansari[2], Muhammad Asif Chohan[3], Gouhar Ali[4], Muhammad Tahir Saleem[5], Muhammad Azeem Farooqi[6]

[*1]*Doctoral Researcher, Brunel University London, United Kingdom*
[2,4]*LL.M., University of Lahore (UOL), Lahore, Pakistan*
[3]*LL.M. Scholar, University of Lahore (UOL), Lahore, Pakistan; Visiting Lecturer, University Law College, University of the Punjab, Lahore, Pakistan*
[5]*MBA, University of Central Punjab, Lahore, Pakistan*
[6]*PhD Scholar, LLM, MA English, Assistant Professor, Department of Law, GC University Lahore*

[*1]shahzad.khalid@brunel.ac.uk, [2]akhtaraliansariadv@gmail.com, [3]aasif147@yahoo.com, [4]aliadvocate.hc@gmail.com, [5]tahrsaleem007@gmail.com, [6]azeem.farooqi@gcu.edu.pk

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Corresponding Author: *
Shahzad Khalid

Abstract

As is frequently the case, the geopolitical struggle between Iran and the United States has far-reaching consequences for regional and global stability. Growing tensions over nuclear programs, sanctions, and geopolitical positioning create a complicated situation that affects not only the participant's countries but also their neighbor's, such as Pakistan, and so forth.

Economic factors that have a significant impact on local markets as well as global economic systems include fluctuations in the price of oil, trade issues, and ignorance of investments (Khan, 2026). Legally speaking, this conflict raises regarding national regulations, what constitute sovereignty, if sanctions are actually permitted, and what makes it difficult for decision-makers to handle such a sensitive diplomatic scenario. Strategically, military actions, for and the location of regional power all influence how security is viewed and defense policies are implemented, particularly in south Asia, and the Middle East. Pakistan faces unique opportunities and problems while attempting to balance its relations with both countries due to its near proximity and diplomatic ties. We can only speculate on the data they hope to provide to researchers, policymakers, and international relations professionals regarding potential outcomes, potential hazards, and potential tactics to increase regional stability. There is still a lot of work to be done in this field.

1. Introduction

Iran and United States they have been a long time big fighting each other, and the war really make things different around the region when it comes to money and rules and how nations deal with each other. They add up over the years to make it even harder since Iran has this nuclear stuff and the U.S. they put

When it comes to money, the fight between Iran and the US it really change the price of oil and

how trade happen across the world. when things get messed up with how stuff gets from one place to another, and oil prices go up, and people is not sure where to put their money, this make countries weak, not just in the middle east but also places like Pakistan in South Asia, because Pakistan it buy a lot of its energy from other places (Baig, 2025). Special financial regulations that make it difficult to conduct financial transactions exacerbate financial issues and hinder a nation's ability to develop and engage in international {Spruk, 2026). These items demonstrate how issue in one location can have a significant impact on everyone's financial status. As a result decision-making must consider both the present and the future, which is crucial for our future.

Legally speaking, this dispute raises important issues on what constitute fair international law, whether nations can truly do as they please, and if one-sided financial regulations are even permissible (Khan, Ahmad, & Munir, 2020). Iran's methods of enforcing its laws, such as preventing individuals from viewing specific content online and regulating crucial shipping lanes, are challenging the established legal frameworks and require fresh approaches to address their issues. (Aryapour, 2025). Simultaneously, when the United States imposes financial regulations and acts in other nations, individuals debate whether these actions are lawful, excessive, and compliant with international (Ramrez, 2025). These legal sections demonstrate how difficult it is to balance a nations obligations under international law with its own security, particularly for nations like Pakistan that communicate with both sides (Roohi, 2025). In this field, additional research is required.

Strategically, the conflict between Iran and the United States has an impact on military deployment, friendship, and the safety plans of neighboring nations. The United States troops in the Persian Gulf and Iran's unique fighting techniques have an impact on both their ability to engage in direct combat and their efforts to prevent negative events from occurring in the area (strategic comments editorial, 2024). Pakistan is in a difficult situation and must exercise extreme caution to prevent things from growing worse while simultaneously defending its own interest because it is nearby and has long standing relations to both of these nations (Jarrar, 2026). Additionally, new forms of technology, such as computers and the use of intelligent machines to analyze data, are altering how military decisions are made, which makes the standard methods of staying safe more challenging (Saleem, khan, Ansari, & Ehsan, 2026).

Considering these financial, juridical, and geopolitical dimensions, it becomes imperative to understand the implications of the Iran-US tensions for Pakistan and the United States (Khan, 2026). This paper aims to provide us with a comprehensive overview of all the various ways that this major conflict will affect things. It also aims to illustrate potential negative outcomes, potential solutions, and potential outcomes. By compiling.

2. Literature Review

The confrontation between the United States and Iran has always drawn a lot of attention from those who research this kind of thing because it affects so many aspects of how the world functions, including international law, regional stability and economics (Khan, 2026). According to liu (2025), the worsening of the situation between Iron and Isreal in 2024 demonstrated how local conflicts can have a significant impact on politics and the economy. According to the study, nations that rely heavily, particularly those South Asia and East Africa, are particularly vulnerable to fluctuations in their oil supply or international sanctions, which have variety of negative effects on their citizens. This theory aligns with the findings of Bukhari and Mujaddid (2025), who believe that even when there are brief pauses in arguments and discussions, they frequently conceal larger intentions, which prolong financial difficulties and make diplomacy difficult.

Baig (2025) they examine the relationship between the dispute between India and Pakistan and the conflict between Iran and Israel,

demonstrating how major power battles in one region can alter international trade and friendships. According to the report, Pakistan's location on the map and its reliance on energy make it extremely vulnerable to Middle Eastern issues, therefore it must be cautions with its finances and goals, which present a number of difficulties. Correspondingly, spruk (2026) highlights how prolonged institutional and financial disruptions emerge when nations engage in conflicts with western powers, noting that sanctions and restricted access to global financial systems significantly exacerbate these challenges. Together these analyses demonstrate that financial issue affect not just the individuals engaged in conflict but also neighboring nations and major economics worldwide, as is frequently the case.

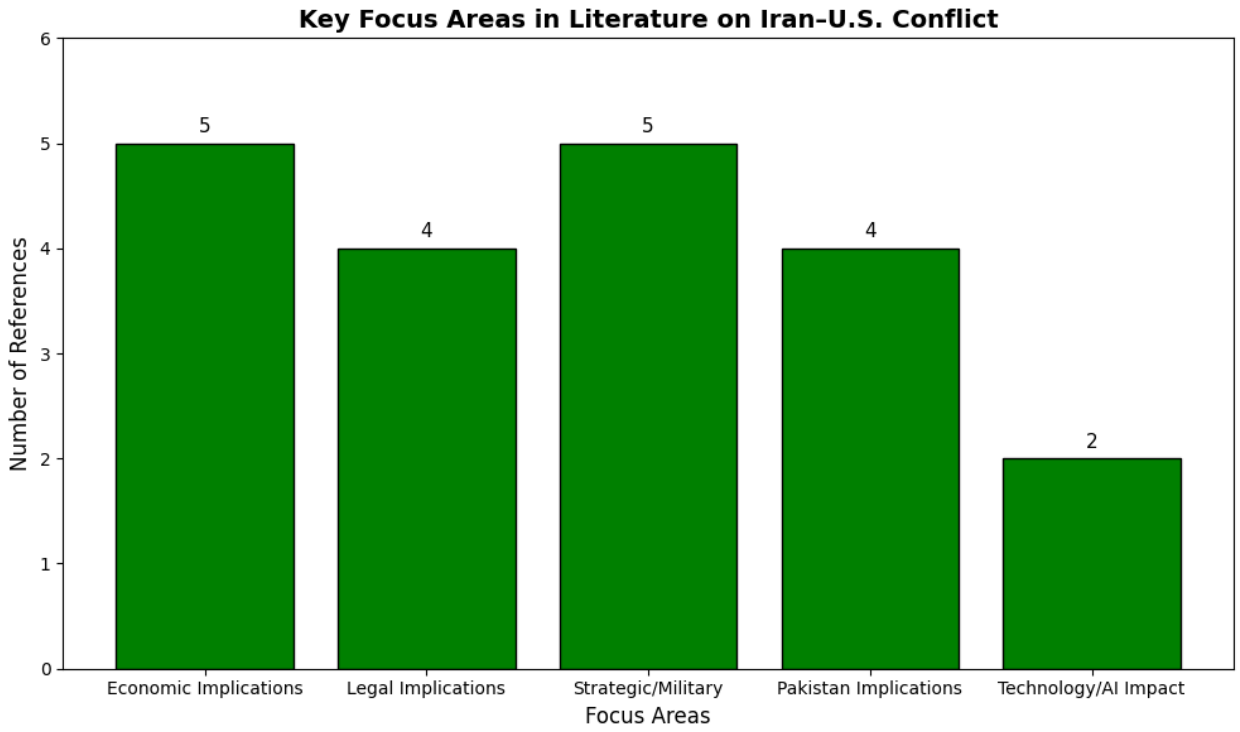
The legal aspect of this dispute will also be crucial. According to Arya pour (2025), Iran uses digital censorship and network management to evade international pressure, demonstrating how state adopting such measures contest established international legal norms. Ramrez (2025) explores how the artificial intelligence is deployed to monitor public discourse surrounding the Iran-Israel conflict, demonstrating how new technologies alter how international legal norms are perceived and hoe diplomatic discussions take place. Roohi (2025) they add to this by looking at old events, like the 1979 Iranian revolution, and it show how big changes in systems can affect how legal and diplomatic things work now. strategic analyses, like in the strategic comments editorial (2024), they go on to explain how when countries do things back and forth and show off their military, it affect power in the region, which have effects on stopping bad things, making friends, and making conflicts bigger, awareness and responsibility are key.

Also, Pakistan has chosen an important role since it has become a central focus of recent research. Jarrar (2026) they discuss the influence of fights in the region on how countries nearby make their decisions, such as adjusting trade policies and with whom they are friends, more investigation is required in this field. Salem, khan, Ansari, and Ehsan (20

Although much is written on this, there are still many large sections that are missing. Whereas much work has been done and continues to be done on the big money and legal aspects of the Iran, U.S. conflict, there are no studies that take all these findings and make them up into one large picture that depicts all the consequences to Pakistan and to the scholars themselves. This is very important and this is of great importance to us in the future.

in general, what is said about this it show that the Iran, U.S. conflict it is a complicated one with many components, and it have big impacts on the stability of the region, the safety of its economy, and the adherence of legal rules, which has never been done before. by simply looking into the already existing studies, this research it build on what was previously found to see what is happening between Pakistan and the united states, offering a way of doing things that put together economic, legal, and strategic ideas in a way that no one has never done before.

Graph Concept: Key Focus Areas in Recent Literature on Iran–U.S. Conflict



The chart shows how people talk about this big problems between Iran and the U.S. you know, and this continues to be an important topic. Mostly, people focus on money stuff and how countries plan their moves, which comes with many challenges. This is what people discuss a lot, as it often happens. Then it comes to what the law says and the specific ideas about Pakistan, and this affects many people every day. But then, when it comes to computers and that smart machine stuff, people don't talk about it as much, it remains less important. There is still much work to be done in this area, and we can only imagine what will happen next.

3. Methodology

The paper adopts qualitative and descriptive methods to conduct the research. This paper uses a method of analysis to examine the impact of the Iran-United States conflict on Pakistan and the United States, etc. The main purpose of it is to combine all the information available to us on this in the world, take a look at these important papers, and see all the figures of money and plans to actually get to know what happens with this big problem (Lie, 2025; Bukhara and The study summarizes information reported in 10 papers published between 2024 and 2026, including peer-reviewed articles, early versions of papers, and policy reports. The reason behind this type of doing things is to ensure that the findings reflect both ideas that come up in.

Data collection involves carefully reading each paper to identify the main ideas and place them into 3 broad groups: how it affects money, how it affects laws, and how it affects plans/military. Additional research is necessary in this field. The analysis compares and synthesizes findings, combining the results of other papers by comparing the ideas they present. The study finds similarities and differences in how they view money, understand laws, and plan. An example of this is how people's understanding of international sanctions can vary, including whether they are right or wrong under the law (Roohi, 2025). Guidelines on proper conduct is adhered to by ensuring that the work of them authors is presented properly and that their

methods are sound, such that the ideas of the study are well-illustrated and can be relied upon, which will give a clear picture of how the Iran, U.S. fight is confused and connected money, law and plan, as well as demonstrating what it mean to Pakistan and the united states (jarrah,

In general, the process that was picked enables a close examination of the different parts of big world fights by examining papers in a cautious manner, comparing things, and placing things into categories based on ideas. Through a mix of ideas in their papers and a clear way of putting things together, the study will provide a solid foundation for understanding what the fight means and how it can be useful in both Pakistan and the United States for planning.

Table 1: Methodology Framework for Analyzing Economic, Legal, and Strategic Implications of the Iran–U.S. Conflict

Component	Description
Research Design	Qualitative, analytical study focusing on synthesis of literature and policy analysis
Data Sources	10 scholarly sources (2024–2026), government reports, international trade & defense data
Sampling Method	Purposive sampling based on relevance, credibility, and thematic coverage
Data Collection	Systematic review, coding into economic, legal, strategic dimensions, and Pakistan focus on Pakistan
Analysis Technique	Comparative synthesis, thematic coding, pattern identification
Focus Areas	Economic implications, legal implications, strategic/military, Pakistan-specific, AI/Tech
Ethical Considerations	Accurate representation, transparency in source selection, and credibility verification

4. Results

This is the huge issue that is always between Iran and the United States, and it affects a lot of things. Economically, this whole mess is the reason that oil prices go up and down, and that is the reason that trade and their money reserves are very sensitive

From the legal side, how they try to enforce those sanctions and international rules has mixed results. Arya Pour (2025) documents that Iran uses internet controls and digital tools to circumvent its sanctions. This shows there are gaps in the laws that are supposed to ensure they follow the rules. Ramirez (2025) demonstrates that new technology, such as AI-based monitoring systems, has improved the ability to track violations, but it cannot fully resolve the unclear parts of the law regarding whether unilateral sanctions are even permissible. Roohi (2025) also argues that past events, such as the major changes after the 1979 Iranian revolution, still affect how they understand laws and how they try to enforce them today. So, the legal situation is constantly changing, with both Iran and the United States exploiting gaps in international law to advance their own plans, and this remains an important topic.

The way they flaunt their military and make friends keeps shifting the balance of power in the region, according to the Strategic Comments editorial (2024). The back-and-forth between Iran and the United States has been making both sides unwilling to initiate an attack but also making an attack by either party that much more likely. The U.S. Navy boats in the Persian

Pakistan's place in all this, both strategically and diplomatically, has become a very important part of how they deal with the problems from the conflict. Jarrar (2026) illustrates that Pakistan must handle pressure from both Iran and the United States, balancing its dependence on them for money, concerns about regional security, and international legal obligations. Saleem, Khan, Ansari, and Ehsan (2026) note that using technology and analytics to plan allows Pakistan to anticipate when things might worsen and

prepare to respond, but the room for error remains limited given the geopolitical sensitivity. Spruk (2026) also emphasizes that the U.S. must always consider its foreign policy goals, weighing the strategic benefits of stopping Iran against the financial and legal costs of making things worse.
in sum, what they indicate is that the Iran, U.S conflict has big ripple effects in many different aspects and this is an important aspect that people are affected in many ways, economically, trade, investments, and energy safety, legally, holes in international rules it creates both problems and opportunities to man oeuvre, and strategically, military (Khan, Munir, & Ahmed, 2020).

Table 2: Summary of Key Findings across Economic, Legal, Strategic, and Regional Dimensions

Dimension	Key Findings	Implications for Pakistan	Implications for the USA
Economic	Oil market volatility; trade disruptions; increased investment risk	Energy dependency; trade balance affected	Impact on global markets; cost of sanctions
Legal	Sanctions enforcement; digital censorship; loopholes in international law	Navigating legal obligations with both powers	Challenges in enforcing sanctions compliance
Strategic/Military	Military posturing; regional deterrence; asymmetric capabilities	Strategic balancing; risk of escalation	Force deployment; maintaining influence
Technology/AI	AI monitoring for sanctions; cyber capabilities influencing strategy	Policy analytics; risk assessment	Improved intelligence; strategic planning
Regional/Diplomatic	Ceasefires and negotiations are often temporary; alliances are influenced by power shifts	Mediator role: balancing relations	Diplomacy; regional influence

5. Discussion

The Iran-United States conflict affects many things, like how countries in the area are stable, and also money, stuff, and even the rules for laws, and this is especially true for Pakistan. Economically, this fighting always shows how it can mess up trade and how energy markets work, and it not only affects the countries right there but also the countries that have strong economic connections to Iran and the United States (Liu, 2025). Oil prices go up and down a lot, and with them, money sanctions make things uncertain for Pakistan, so the leaders they needs to come up with plans to stop big problems for their country's money and also how they get energy (Baig, 2025; Spruk, 2026). Also, other problems, like investors from all over the world not wanting to invest and money flying out of the country, make economic problems even worse, which shows how these regional fights are connected to markets everywhere (Bukhari & Mujaddid, 2025), and so on.

Legally speaking, when the United States simply imposes sanctions and discontinues trade without consultation, it raises big questions about whether a country is independent, whether it adheres to international law, and whether its outside-the-rules action is even right (Ramrez, 2025).

Strategically, this fight between Iran and the U.S. has changed how security operates in the region, forcing Pakistan to be very careful in its foreign policy (Strategic Comments Editorial, 2024). When armies move around in the Persian Gulf and Iran uses its special ways of fighting, it means countries need to plan for bad things and assess the risks (Jarrar, 2026). Pakistan's geographic proximity and longstanding ties to both countries

make the problems even bigger, so they need to be careful how they work together on security, share information, and align their plans. Also, new technologies, like AI and these advanced ways of looking at data, have brought new parts to strategic planning, helping countries watch for new dangers, guess what enemies will do, and make their answers better (Saleem, Khan, Ansari, & Ehsan, 2026), and this continues to be an important topic.

The combination of all these concepts it reveals that the sanctioning, legal, and strategic conditions of the whole world situation are all very complex, and that the long-term financial problems of the sanctions imposed on Iran, how the world laws are becoming understood in new ways, and the possibility of armies fighting more in the region, are all in general, what we discuss it demonstrates that the Iran-U.S. fight it is not just between the two countries; it actually cause problems to the neighboring countries, the money systems of the world and the rules of the world law, etc. Pakistan's clever positioning and its rule reforms demonstrate how it can respond to various pressures, underscoring the importance of being good at talking and making smart choices in the world's situations.

6. Conclusion

The Iran-United States conflict is still a major factor shaping how the Middle East and South Asia function, and so on. This study demonstrates that the issues resulting from this conflict are widespread, affecting not just the directly affected nations but also their neighbors, such as Pakistan, which must manage a variety of pressures. Economically, when energy prices fluctuate, trade is disrupted, and sanctions are imposed, things become vulnerable that influence not only the two countries but also entire regional markets and the stability of the global economy (Liu, 2025; Baig, 2025). Pakistan depends heavily on external energy sources and remains deeply integrated into expanding trade networks, necessitating contingency strategies to address associated vulnerabilities. This underscores how economic governance frameworks and global geopolitical dynamics remain deeply intertwined, constituting an enduring area of scholarly concern (Ramirez, 2025; Arya pour, 2025). From a juridical perspective, this study reveals the complexities inherent in enforcing international legal frameworks in the presence of unilateral sanctions. Alongside extraterritorial regulatory measures, states are responding in manners that increasingly contest conventional legal doctrines. Pakistan's stance in international relations demonstrates how difficult it is for middle-class nations to maintain their neutrality while upholding international law. They need new rules that can handle both routine and atypical challenges, given the way digital operations, data storage, and cyber tools are evolving, which makes legal compliance and major decision-making even more difficult (Roohi, 2025). This affects people in many ways.

Strategically, the conflict prompts countries to revise their military plans, how they build alliances with other countries, and their security plans for the region. Iran's distinctive tactics and the United States' display of military power heighten risks for countries in the region, especially Pakistan, which is close to both countries in terms of geography and politics, so it requires very careful, high-stakes moves (Strategic Comments Editorial, 2024; Jarrah, 2026). New technologies, such as smart computer systems for surveillance and predicting what will happen, provide new tools for anticipating enemy actions, using resources more effectively, and strengthening national security plans (Saleem, Khan, Ansari, & Ehsan, 2026). These developments show how modern world power plays are always changing, with technology and big plans mixing with economic and legal factors, and so on.

The Iran-U.S. conflict illustrates the many problems in how countries deal with one another today. Its economic, legal, and strategic effects have significant impacts on Pakistan and the United States, so a full understanding of what is happening in the region and the world is needed. By compiling what new books and papers say, this study highlights the importance of communicating with other countries proactively,

making sound rules, and having plans that can adapt to lessen the negative effects of conflicts between countries. People who make rules need to use comprehensive approaches that address economic weakness, ensure that international law is followed, and handle major risks effectively. Further scholarly inquiry is warranted to systematically explore how technological advancement, juridical frameworks, and geopolitical strategies cover the management of international conflicts. Such results would offer actionable insights for regional and global state actors seeking to navigate increasingly complex international circumstances

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