

MINERAL GEOPOLITICS ; STRATEGIES AND POTENTIAL OF PAKISTAN

1. INTRODUCTION

- The global demand for critical minerals is on the rise
- Minerals carry huge potential due to its use in ~~renewable~~ energy, technology and defence systems.
- Thesis Statement

2. CONTEXT: THE GEOPOLITICAL IMPORTANCE OF MINERALS

3. PAKISTAN'S EXTENSIVE MINERAL POTENTIAL

3-1 Vast rare earth and metallic reserves, critical for defence sector

- Neodymium (Nd) and Praseodymium (Pr) in Northern Khyber Pakhtunkhwa
- Rare earth ores along the Himalayan belt

3-2 Copper and Gold reserves of Baluchistan

- Reko Diq deposits valued at \$500 Billion (World Bank)
- Saindak and Duddar projects producing copper and zinc

3.3 Non metallic and Energy minerals

- Thar coalfields in Sindh
- Marble and limestone reserves in Mohmand region
- Rock salt and gypsum in Punjab

3.4 Under explored regions

- Only 15% of national territory geologically surveyed (GSP report)

4. STRATEGIES TO MONETISE PAKISTAN'S MINERAL WEALTH

4.1 Attracting Foreign Direct Investment

- Pak-US mineral trade deals
- Saudi investment in mineral sector

4.2 Development of processing plants

- Minerals processing refinery at Dabeji economic zone in consideration

4.3 Institutional capacity building

- Minerals and Mines Act, 2025
- Modern technology and remote sensing softwares

4.4 Incentivizing local and international firms

- Tax breaks and infrastructure in Special Economic zones
- Joint ventures between multiple firms

5. POTENTIAL CHALLENGES TO OVERCOME

5.1 Threat of terrorism in mineral rich zones

→ Increase in activities of terror outfits like BLA and TTP.

5.2 Marginalization of local population

→ Inadequate share of revenues for local communities

5.3 Weakened sovereignty by awarding high stakes to foreign firms

→ 50% stake of Barrick Gold in Reko Dik mine

5.4 Balancing relations with China amidst US investment

6. RECOMMENDATIONS TO OVERCOME HURDLES

6.1 Fixed share allotted to local communities ~~where~~

6.2 Enhancing surveillance and security efforts

6.3 Strong and uncompromised contracts

7. CONCLUSION

- Mineral wealth presents a key resource for development of a country.
- By employing effective strategies, Pakistan can leverage its mineral potential geopolitically in the world.

Minerals are the currency of the new world order. The global race for acquiring rare earth minerals has begun. This is marked by the rise in its demand due to its use across various sectors of the economy. Pakistan has emerged as a key player in the global arena, owing to its vast reserves of critical minerals. Pakistan discovered reserves of metallic elements of neodymium ore in Northern areas of Khyber Pakhtunkhwa and the Himalayan belt. The metallic elements are widely used in renewable energy and defence sectors. Additionally, Pakistan holds gold and copper reserves in Baluchistan province. Gold is vital as a reserve currency while copper integral for electronic products. Furthermore, Pakistan holds non-metallic and energy minerals across Sindh, Punjab and KPK. In order to cash the benefits, Pakistan has undertaken several strategies. This involves, inflow of Foreign Direct Investment through trade deals, primarily with the U.S. Additionally, development of a refinery, coupled with incentives to foreign and local firms, in the special economic zones has been planned. Pakistan has also made strides in building institutional capacity within the mineral and mines

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department of the country. However, Pakistan faces several challenges in the form of rising terrorism, marginalization of the local population and weakened sovereignty.

Finally, ~~rising~~ increased U.S. presence poses a geopolitical and geostrategic threat to China, which has been a long time partner for the country. Pakistan needs to amplify counter terrorism measures and work towards an equitable distribution of resources for the country. It needs strong contracts to maintain leverage over its resources. Pakistan holds immense potential in metallic and non-metallic rare earth minerals and has adopted several strategies, locally and internationally, to capitalize on its resources.

At the onset, it has been established that Pakistan holds great ~~pot~~ untapped potential in minerals. The next section will provide context on the geopolitical importance of minerals. It will be followed by a discussion on the ~~presence~~ presence of the resources along with the strategies employed by Pakistan. The discussion will shift to potential challenges within the mineral sector, followed by some solutions. The essay will then

conclude by summarizing the discussion.

Minerals, especially rare earth minerals, are employed heavily across various sectors of the economy. Its applications range from missiles in defence, electronic vehicles and renewable energy technology to name a few. Following China's restrictions on ~~the~~ its exports of rare minerals, the global demand ~~was~~ surged. The US is a major importer of the minerals along with the European Union and other such countries. China possesses leverage in the global arena due to its resources. This also led to efforts by economies to diversify its sources of supply for minerals. Therefore, for the working and development of any economy, a consistent supply of minerals is imperative, highlighting its importance geopolitically in the world.

The rising demand opened opportunities for countries with reserves of critical minerals. Exploration of such reserves within Pakistan was welcomed by other countries. The next section

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of this essay will provide insights into the ~~enraging~~ reserves of mineral wealth of Pakistan.

Pakistan found wide ranging metallic elements and rare earth metals across its provinces. Metals like Neodymium (Nd) and Praseodymium were discovered in districts of Khyber Pakhtunkhwa, primarily Buner, Swat and Dir. Rare earth ores were discovered along the Himalayan belt as well. The elements are used in weapon systems ~~for~~ by companies like Lockheed Martin. The military industrial complex thrives on such minerals. The deposits in KP help to cater to global demand, ~~proving~~ ^{elevating} Pakistan's presence in the world as a key supplier.

Moreover, the country tapped into its Gold and Copper reserves in the Baluchistan province. The Reko Diq mine is valued at an approximate figure of \$500 Billion by the World Bank. Similarly, previously operating mines of Saindak and Budda have been producing copper and zinc for quite a while. Gold is a valuable asset

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that plays a role ~~see~~ in stabilizing the economy by acting as a reserve. It makes the mines invaluable for the country. Copper is used in electronics globally and has a steady demand. The minerals have the potential to induced growth in the economy and improve the current account balance of the country, putting Pakistan as a rising competitor, ^{improving its geopolitical} ~~in the global arena~~ importance.

Finally, Pakistan possesses potential in non-metallic and energy minerals as well. It has large deposits of coal in the fields of Thar in Sindh province. Coal is an integral resource for energy development. Similarly, there ~~are~~ ^{is a great potential} large ~~is an immense source~~ of limestone and marble, ~~in~~ in the Mohmand district of KPK. It is used widely in construction and development. The province of Punjab is also rich in rock salt and gypsum. These minerals ~~play~~ ^{are} are vital in various sectors of the economy. It ensures growth and development within the country. By improving the GDP and inducing growth, ~~it~~ it improves competitiveness in

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the world market and brings investment,
~~adding leverage to Pakistan in the world~~
~~map~~: opening key markets for the country.
~~country~~.

The potential of Pakistan in mineral wealth and its geopolitical implications is evident. The discovered reserves entail a small portion of minerals as majority of the territory remains unexplored. The next section of this essay will address some strategies initiated by Pakistan to capitalise on its minerals.