



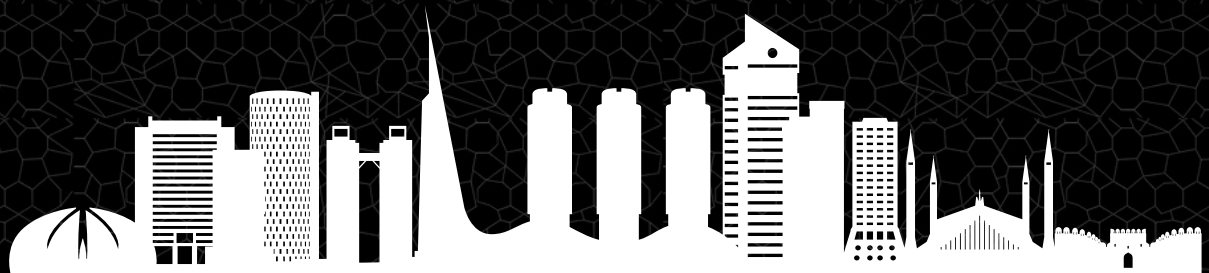
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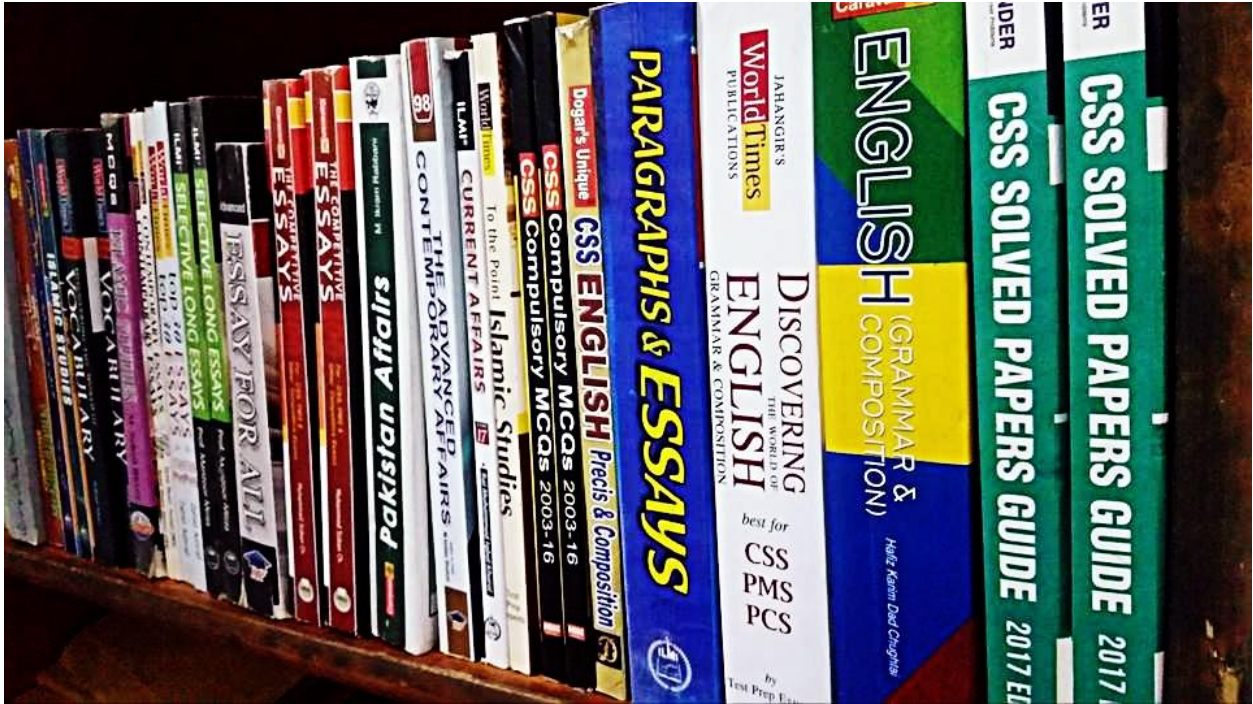
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PAKISTAN

Future Of Pak-India Elations By Najm Us Saqib

India's action in August 2019 and stripping Jammu & Kashmir of the autonomy it had been guaranteed, was a kind of fait accompli practically forced simultaneously upon the Kashmiri people and Pakistan to accept. From the 'doctrine of realism' to revisiting the LoC ceasefire agreement to an almost 'about turn' to refusing a dialogue with India until it reverses its decision to abrogate Article 370, one has seen a series of ideas emanating from Islamabad without any tangible result. Complete silence on the subject by New Delhi was expected as finally the 'integral part' had unilaterally been made so by adopting an integrally defying posture. Following the annexation of an internationally disputed territory, India tried to show its political and military superiority through violating Pakistan's territory in every possible way, provoking some correspondingly befitting response from its western neighbour. Pakistan behaved.

The latest action that showed New Delhi's intentions on having or not having any discussion on Kashmir or the nature of relations with Pakistan was India's 'accidental' firing of a version of the Brahmos cruise missile into Pakistan on March 9. On the other hand, the 'dossiers' presented by Pakistan providing conclusive proofs of India's nefarious designs including state-sponsored terrorism and well-drafted arguments placed before the world by Pakistani diplomats have fallen on deaf ears.

Over the past few decades, Pakistan has vehemently tried to achieve its objectives on a settlement of the Kashmir dispute. May it be the UN Security Council or General Assembly or UN Human Rights Commission, no substantive positive result came out. Even floating a number of proposals such as the Chenab formula or the LoC formula or 'proxies' or for that matter the Simla Agreement was unable to satisfy each other's desires. India would simply not budge, to say the least. The military route adopted in 1965 also was of no avail. The talk of an agenda of putting 'Kashmir' or 'Terrorism' first or 'Trade without

Kashmir' kept lurking on the negotiating tables along with levelling of serious allegations and raising voices of interference in each other's internal affairs.

Let us take a deep breath and accept that India has annexed Jammu & Kashmir while permanently putting an end to any discussion on the 'future settlement of the Kashmir dispute'. For PM Modi, the action of August 2019 was 'necessary to restore stability and bring economic prosperity to the region'. In the absence of any credible voice from the world against India's action, the subject matter has squarely been put to rest, proving at least one thing beyond any reasonable doubt. The deciding factors in any international dispute are not the international law or the UN system. Eco-military might be always right and the realpolitik bishop takes over all pawns of justice and fair play with impunity.

Ten factors indicate, compel and plead for a fresh approach by Pakistan to peacefully co-exist with its hostile, larger eastern neighbour.

One: The 'Waiting for Allah' approach on addressing issues is not going to work as neither the international community nor a few friendly countries are concerned about what happens between Pakistan and India, particularly on the Jammu & Kashmir dispute.

Two: India with all its ills is still the bigger eco-military power and hoping for it to disintegrate is a long shot.

Three: Having nuclear deterrence is by no means a tool to address and resolve issues.

Four: Dossiers, calls on the world, Press Releases, demarches and two-way allegations are likely to continue with no effect. The world has not heeded to even the unbiased reports on India's human rights' violations.

Five: No arrangement or proposal has worked. Now after the August 2019 actions by India, all future proposals on Kashmir are already made ineffective unless history, which seems to be on India's side, springs a surprise.

Six: Incidents like the arrest of Kulbushan Jadhav, Abhinandan's embarrassment, Samjhota Express and now the accidental missile firing is not likely to stop occurring. One will not be surprised if tomorrow India starts violating the LoC

again or creates further hurdles in the implementation of the Indus Waters Treaty.

Seven: There is no guarantee that after Modi, any new PM would have the political guts to reverse India's August 2019 actions or offer Jammu & Kashmir to Pakistan on a platter.

Eight: Internal divisions, political instability and striving for economic stability are likely to keep New Delhi and Islamabad busy at least for the foreseeable future. Commencement of bilateral trade without touching Kashmir could prove to be the right step in the right direction. But why would India take a step that goes in Pakistan's favour?

Nine: Major powers like the US, China, Russia or Europe are not going to forego India's usefulness in the economic field or its assumed police man's role in the region.

Ten: A final decision amongst 'selected', 'imported' or 'real' governments coupled with severe economic and security challenges are likely to keep Pakistan busy for a long time to come. There is hardly any time left to cry over spilt milk.

War between India and Pakistan does not seem to be an option anymore. Not on Kashmir at least. The lessons learned from previous wars and May 1998 have made the two arch-rivals a bit wiser. In any case, conquering Pakistan was never an objective for India particularly in view of its inability to handle streaks of separatist movements creating problems inside its own territory. India wants a 'compliant' Pakistan to pursue its national agenda and to keep pleasing its western masters in their China-containment pursuit.

Guessing and calculating another provocative 'adventure' from India seems to be a futile exercise unless both sides reach a kind of 'understanding' on not crossing the 'red-line'. A few skeptics believe that perhaps such an 'understanding' is already reached through the channels that revisited the Ceasefire Agreement. In any case, after experiencing the 'accidental' firing of a missile from India, it was time for Pakistan to draw a line and keep an adequate and proportionate response handy, just in case. There must be a limit to the doctrine of restraint. The fact remains that co-existing peacefully and focusing on addressing own issues is by far the best option.

Source: Published in The Nation

Population and Environment By Zeba Sathar

PAKISTAN'S booming population is at odds with its natural endowments. Environmental stress caused by an imbalance between rapid population growth and limited natural resources is one of the most frightening, but least discussed realities we face. Our already teetering economy — one which can barely generate the three million additional jobs it requires annually for new entrants into the labour force — faces the added threat of water and land shortages. It is a perfect storm waiting to happen — or have the clouds already burst?

Rises in temperatures associated with climate change, and a decline in rainfall, grab public attention and tend to overshadow the underlying and growing threat of the erosion of the projected size of the natural resource base, which informs Pakistan's National Conservation Strategy, approved in 1992. Even though tackling a rapidly growing population was part of the strategy, policymakers did not foresee that population growth rates would continue at their high levels and that we would add another 120 million to the population between 1981 and 2017. We are expected to add at least another 120m by 2050.

The first alarm bell is the shrinking water base. One direct manifestation of the nature-population imbalance can be seen in the stark decline in per capita water availability from 2,150 cubic metres, or CM, to 860CM between 1980 and 2017. A few simple calculations confirm this trend will continue: the total availability of water resources in Pakistan is currently estimated at 178 billion cubic metres (BCM). At the current growth rate, our population will expand to 242m by 2025 and 290m by 2035. Unless we improve our ability to store and conserve water, per capita water availability will fall to further scarcity levels of 730CM in 2025 and 600CM in 2035.

The second glaring imbalance is in the shrinking land base for agriculture and increasing need for food production. Rural areas have been hit hardest by water shortages and there has been a decline in cultivated land per capita from 0.5 acres in 1980 to 0.2 in 2017. Another striking trend is that while 62 per cent of those working in agriculture owned land in 2005, the equivalent proportion was down to 49pc in 2020. These changes alone directly impact livelihoods, evidenced by the shrinking size of agriculture as a source of income.

Across Pakistan, climate and population pressures will eventually lead to shortages in food.

Rural to urban migration is an immediate outcome of rural stress caused by dwindling natural resources, shrinking economic opportunities and a sharp increase in the numbers seeking work. Migration induced by decreasing agricultural opportunities and the attraction of selling rural land in response to population pressures is an adaptation strategy. However, carefully deliberated policy is required to reduce the stress on cities and towns that were not originally planned for this level of population increase. Improved public service delivery in smaller cities to reduce migratory stress on large urban centres is most definitely required.

There has been greater urban population growth than rural, which is increasing environmental challenges and causing shortages in urban areas. Rapid urban growth was a result of high urban fertility rates and rapid rural-to-urban migration until the late 1980s, when urban fertility rates finally began to decline. As a result, the rates of urban growth in 1951–1972 were close to 5pc per annum at their peak, compared to rural rates of 3.5pc. Urban growth rates have fallen since 1981, but continue to be more than 1pc to 2pc higher than rural areas due to internal migration. The urban population has already risen from 24m to 76m between 1980 and 2017 and will surpass the rural population by 2045.

Population growth is leading to massive overcrowding, high population densities and shortage of land to build upon because of the pressures of additional demand for housing. The number of housing units in urban areas has gone up from 3.6m to 12m units between 1980 and 2017. The quadrupling of housing demand is leading to steep rises in real estate costs and conversion of rural and zoned areas to housing projects.

Projecting forward to 2050, we expect 100m more Pakistanis to be living in urban areas even if there is a moderate decline in family size in the cities. But high population densities and pressures on already overstretched city municipal limits will continue to overload limited facilities, especially water for domestic use and sanitation.

Across Pakistan, climate and population pressures will eventually lead to shortages in food due to the negative impact on our ecology and biodiversity, and possibly also livelihoods, thereby exacerbating inequalities. Already better off

regions like the irrigated plains of Punjab and Khyber Pakhtunkhwa will build resilience against climate vagaries, while poorer desert and rain-fed regions in rural Sindh and Balochistan will succumb to pressures. Rising inequalities can lead to huge regional frictions based on the ever-increasing competition for largely limited resources and livelihood opportunities. The prospect of escalating water disputes is inevitable.

Can Pakistan break this cycle, following the example of several other countries in this region where breakthroughs of science, adaptation in agriculture, energy usage and governance, and economic adaptation took over? Importantly, most, if not all of them, did not also have to contend with the pernicious effect of high population growth rates. The lowering of population growth rates, which is a glaringly neglected national priority, would greatly relieve these pressures and mitigate economic and political threats.

The issue requires immediate policy attention and financing for the implementation of the 2018 Council of Common Interests-endorsed Plan of Action to tackle rapid population growth. The new national narrative on population, which has been approved by religious, political, and civil society leaders, supports maintaining a balance between resources and population numbers. What can be more critical than the need to emphasise the deleterious effects of a large, uncontrollably growing population, which is completely at odds with the natural resources we have?

The writer is Country Director, Population Council, Islamabad.

Published in Dawn, June 6th, 2022

One Nation, One Policy | Editorial

At a time when the country is at the crossroads of political and economic turmoil, the need for a broad-based dialogue is a jiff of fresh air. Ensuing uncertainty in the wake of economic crunch, primarily owing to skyrocketing oil and food prices, as well as a plummeting rupee, the call for an out-of-the-box solution is the need of the hour. Prime Minister Shehbaz Sharif's desire to kick-start a national dialogue is well within the realm, and should walk the talk. His submission that all stakeholders of the state must be on board in fomenting a consensual approach to the ills of the country is appreciated. This is where a grand huddle is required, and all sections of the society must be part of the new social contract. A policy that should spell out economic and strategic hallmarks for the next decade or so, and one that should not be influenced or hampered with the change of political guard cannot be delayed any further.

Shehbaz and the ruling coalition are here. Their thrust to rewrite a new Charter of Democracy and a grand consensus on economic reforms is public discourse. Pakistan has suffered at the hands of ad hoc policies, and one that was inconsistent in approach and lacked nation-building objectives. With a ballooning public debt and an ever growing budget deficit, no economy can sustain for long. So is the case with Pakistan. It is locked in an unending debt-servicing, leaving little for developmental expenditures. This is despite the fact that the country has immense potential, and is rich in natural resources as well as a buoying entrepreneurship. Information technology, textiles, agriculture and tourism are some of its cardinal strengths and are in need of a national strategy.

It's high time politicians across the board united and chalked out a road map for survival. The armed forces, judiciary, the media and the executive must come up with their input in an attempt to harness a civil approach towards the daunting challenges for times to come. This is how we can come up with a united response to some of the untenable demands of the donor agencies, as well as the great powers, who are out to subjugate the country. This call for dialogue is part of One Nation, One Policy; and must go ahead in all humility.

Published in The Express Tribune, June 7th, 2022.

Water Crisis in Pakistan By Beenish

Mahmood

Pakistan is experiencing devastating environmental issues such as air pollution, deforestation, climate change, water scarcity, and loss of biodiversity.

In an era of advancement, everyone knows of the problems being faced. But I question how many of us are actually working toward it! Are we all playing our part in protecting Mother Earth? Are we making any efforts to conserve the depleting resources?

Are we not guilty? Yes, we are! The need of the hour is to switch to sustainable ways of living and introduce transformative actions and techniques. A collective effort is required on behalf of the governmental organisations, NGOS, civil societies and local communities to curb the deteriorating impact on environment.

Water scarcity is a gargantuan problem. The Indus River is the 'lifeline' of Pakistan. It provides for almost 300 million people and the water required for agriculture, industrial use, energy production and human consumption. However, the river is being negatively impacted by rising temperatures, changes in weather patterns, reduced flows, habitat destruction and pollution.

In Lahore, almost 600 tubewells have been installed and 40 billion cubics are used every day which means a lot of water is wasted.

Karachi, a cosmopolitan city, is the ideal example of a polluted city. From sewage and drainage to the dirty public beaches and the infinite number of cars emitting smoke is resulting in air pollution. The massive infrastructure developed over the last 15 years or so has wiped out green spaces, hence leaving a desert-like condition where there is only a mirage of water but no water.

Climate change is perhaps the cause of all environmental issues. But something is also causing climate change. The answer is simple. It is human interference that is resulting in destroying the planet. The reckless exploitation of resources on behalf of humankind is causing unrest on Gaia.

The masses are literally tearing at each other. There is no water even to drink, let alone shower.

Life has become a hellfire for the masses. They drink from the coolers installed in the park, rest under the shade of the few trees left and shower in canals to get relief from the surging waves of heat.

Does this not imply how necessary it is to save water! Water is the essential ingredient to flourish in nature. Be it mankind, animals, plants, and insects all need water to survive. Without water, there will be no life on earth.

Water is the key to sustenance. All life will thrive only if there is water. It has a healing property.

Air pollution is the next biggest threat to the planet. The primary causes are transport and tobacco. Tobacco companies have a massive business. The sale of cigarettes is reaching alarming heights. Trees are being cut down to produce cigarettes. Moreover, they are hazardous to human health and are resulting in allergies and diseases such as asthma, lung cancer.

The smoke emitting vehicles have similar effects. However, where it is a necessity to have more than two cars in a family, it can only be addressed to use them economically so as to conserve petrol and simultaneously not sacrificing your needs.

Deforestation is also a cause for concern. Recently a wildfire broke out in Swat town of Khyber-Pakhtunkhwa destroying the forest completely. The cause of the fire is of course human intervention. A lit cigarette was thrown here and there or an unextinguished bonfire.

Trees are vital to keeping the ecosystem running. The ecosystem works in a domino effect. Hence, there is nothing useless. Everything is there for a purpose.

To conclude, it is essential to invest in nature-friendly techniques. Introducing ways to sync nature with the urban is the answer to our problems.

Heal the world, so that the planet is inhabitable by all species, for the earth will take its revenge if tampered with. So don't mess with nature!

Published in The Express Tribune, June 8th, 2022.

Energy Crisis | Editorial

OUR political class's strategic failures have once again brought us back to the days of relentless 'load-shedding'. Yet, instead of making a sombre assessment of the failed policies that have brought back these days of misery, our politicians are obfuscating the facts by pointing fingers at each other.

The truth is, the current energy crisis was a long time in the making. It could have been better prepared for had policymakers made smarter decisions over the past decade. The country needed to have been put on track for greater self-sufficiency through increased use of indigenous and renewable resources, but instead, bad planning paved the path to disaster.

In its previous tenure, the PML-N had attempted to overcome the power shortages and plan for the future by inviting foreign investors and lenders to help establish a series of power projects which would offer them guaranteed returns. These plants are run mostly on imported fuel. The policy not only drastically increased Pakistan's risk exposure to global supply shocks and adverse movements in international markets, it also created considerable surplus power generation capacity which had to be paid for in dollars even if it was never utilised.

Subsequently, the PTI government's strategy to devalue the dollar to contain the current account deficit had the side effect of triggering a surge in electricity generation costs, which increased as the dollar rose sharply against the rupee. Distribution companies also played a role in exacerbating problems by failing to contain line losses and improve recoveries during either government's tenure. Both governments also paid short shrift to renewable sources of energy like wind and solar, which Pakistan has ample potential to tap.

As fuel prices rose and the dollar strengthened over the past few months, electricity generation rapidly became more unaffordable. To top it off, stuck payments for power generation companies and shortages of fuel due to the PTI government's failure to arrange sufficient stocks in time worsened the bad situation, leaving the entire system unable to meet increased summertime demand.

There is, unfortunately, no short-term solution to the crisis the people currently face. The incumbent government is cash-strapped and in no position to magically cure the power sector's many structural issues. It is attempting to curtail demand with the restoration of a five-day workweek, but more will need to be done.

Read: Sweltering days, sleepless nights

The Covid-19 pandemic offered many lessons in work-from-home and hybrid arrangements, which can be reintroduced if residential areas can be guaranteed uninterrupted electricity. Another option would be to negotiate with traders to restrict commercial activities to daylight hours, which can help considerably in saving electricity.

For the long term, the political class urgently needs to work towards a multiparty consensus on the country's long-term energy goals. It is clear no single party can provide the solution to the chronic problems that plague Pakistan's energy sector.

Published in Dawn, June 8th, 2022

Saving Indus Water Treaty | Editorial

The historic Indus Water Treaty is often celebrated as a diplomatic miracle for surviving the harshest of weathers in the last six decades despite the estranged cousins repeatedly lockin their horns. However, the latest to add to their agenda of grievances is water, which has even made waves in Washington. A report before the White House lamented the increasing frequency of water disputes in South Asia and further sounded the alarm over the pressures on the validity of the agreement in the light of “disagreement over hydropower use.” Going by the heated buzz over plans to conserve water in our neighbourhood, Pakistan appears to have not made any headway as far as restoring the sanctity of the clauses is concerned. While India should be commended for paying heed to the precarious climatic situation and getting down to business before it runs out of time, fighting the onslaught of climate change should not mean tearing apart an internationally-recognised covenant. Pakistan is among the three most water-stressed countries around the world and is well on its way to bidding adieu to its natural resources by 2025. The emergency underway in Sindh has not just hit farmers downstream but disrupted the entire water table. Amid news of canal irrigation being rationed to serve the needs of both Punjab and farming communities in the south, cracking the disastrous implications for crop yield is not an arduous task. An overwhelming decrease of 26 per cent in the snowfall as well as the wrath of the usually kind Tibetan glaciers are just a foreword of the horror story that is about to unravel.

There has never been a far urgent need for Pakistan and India to sit together and deliberate upon the best possible way to step out of this seemingly never-ending tunnel. Let’s build dams together and plan out a mutually-beneficial line of action. Of course, acknowledging the existence of Muslims as equal partners would be excruciatingly painful for the bigoted premiership perched atop New Delhi. But if the common man walking on Indian streets wishes for the sprinkles of life to reach his children, he would be wise enough to force his government to rise above petty sloganeering. The same holds true for Islamabad because failure to set egos aside would only paint a landscape where everyone—young or old—walks around spitting feathers, canvas buckets in hand, looking for a drop of water everywhere.

Source: Published in Daily Times

FATF Plenary Meeting | Editorial

The Financial Action Task Force (FATF) is scheduled to meet this week, from June 14 to 17, 2022, in Berlin where it will be decided whether Pakistan has fulfilled all of the requirements needed to exit the list. According to sources, Pakistani officials appear to be quite hopeful of a positive outcome from the plenary meeting as they believe that there has been substantial progress that has been acknowledged by FATF members.

There is no denying that Pakistan has put in sincere efforts over the years to bring about the recommended structural changes. In fact, many experts are of the opinion that very few countries have been subjected to the kind of scrutiny which Islamabad has during the past four years. Additionally, it must be pointed out that Pakistan had completed most of its requirements, and the grey listing was extended over certain anti-money laundering measures, for which countries such as the UAE have also been included in the list.

Now that the authorities have played their part, it remains to be seen if the FATF community is satisfied with the progress. It is also important to recognise the efforts of the previous government when it comes to instituting key reforms during its tenure and bringing us so close to the finish line. Before Pakistan can be excluded from the list however, FATF is expected to send its team over for onsite inspection to take stock of the progress that has been made.

The signs appear to be positive all around with the German Ambassador to Pakistan, Bernhard Schlagheck also stating that he expects a positive verdict for Pakistan and that it is also likely that its GSP Plus status will be renewed. Removal from the list will come as a significant relief for Pakistan and will also perhaps reduce the challenges faced by the country when it comes to attracting foreign direct investment. Pakistan has had to endure a lot in terms of increased scrutiny and reputational damage and the hope is that this chapter can be closed once and for all.

Source: Published in The Nation

Foreign Policy Rethink | Editorial

LOCATED as the country is in a tough neighbourhood, and confronting multiple external and internal crises, it is essential that Pakistan's foreign policy is progressive and receptive to swiftly changing global realities, without compromising on principles. In this regard, Foreign Minister Bilawal Bhutto-Zardari's comments made at a think tank in Islamabad recently about the need to engage with India, as well as addressing the country's 'isolation' in the international arena, are food for thought.

Mr Bhutto-Zardari was of the view that disengagement with India had not worked in Pakistan's favour, while calling for a focus on economic diplomacy and engagement with this country's eastern neighbour. In particular, he said that disengagement — specifically after India unilaterally made changes to occupied Kashmir's special status in 2019 — had not helped the Kashmir cause, or addressed rising Islamophobia in India, while arguing that better ties could have aided Pakistan in tackling these key issues with that country.

Considering the sensitivity of the matter, the Foreign Office later said there had been no change in Pakistan's policy towards India, and that while this country desired constructive engagement, Delhi's "unabated hostility ... impeded the prospects of peace".

The matter of ties with India is indeed complicated. Pakistan's position on India-held Kashmir — as well as the condemnation of anti-Muslim violence under BJP rule and the recent vile remarks targeting the Holy Prophet (PBUH) — is a principled one. For there to be long-lasting peace in South Asia, the Kashmir issue needs to be resolved as per the wishes of the disputed region's people, while anti-Muslim violence and prejudice at the state level in India must end immediately.

Yet, in order to resolve these issues and other irritants, the option of engagement is better than sabre-rattling. That is why if either country offers dialogue, there should be a positive reception from the other, instead of an arrogant reaction. In the long term, engagement is the only way to achieve regional peace, with the alternative being perpetual confrontation.

Moving beyond the Pakistan-India relationship, this government — and all future dispensations — must adhere to a foreign policy that is flexible, yet does not compromise on national interests. Foreign policy should be above petty politics and party lines, putting Pakistan's interests foremost.

A focus on maintaining friendly relations with all neighbours, as well as trade and investment links with states further afield, will yield diplomatic dividends. Cementing relations with traditional allies such as China, Saudi Arabia, Turkey, etc and improving ties with the US, EU, Iran, Russia and others is important.

Admittedly, crafting a foreign policy that maintains a balance between all these actors is a considerable task, as some of these states are in direct confrontation with each other. But for Pakistan, the most viable option is to stay away from bloc politics, and maintain neutrality to ensure it does not get ensnared in other people's wars.

Published in Dawn, June 20th, 2022

Developing a Pakistan For the Future By S

Nayyar Uddin Ahmad

ALL past Pakistani civil and military rulers always focused on the longevity of their governments.

Thus, resulting in putting the cart before the horse i.e., personal interest before the development of the country.

Our rulers failed to plan for the future which has; in fact, taken Pakistan backwards; as in the economic race, if a nation is not moving forward, it is sliding backwards.

Nations can survive military occupation, but cannot survive economic collapse, as witnessed in the formation of 15 new states after the dissolution of the (erstwhile) Soviet Union in 1991, whose military might looked hapless to keep the country united.

As such, all current Pakistani civil and military leadership at the helm of the national affairs, must clearly understand that if no selfless emergent corrective actions are initiated, this sinking ship, Allah forbid, may not take long to touch the bottom of the sea.

Suggested steps for economic resurrection of Pakistan: Unity of the nation is the need of the hour.

No single political party or institution of Pakistan has the capacity to unite the nation. Moreover, this grave economic crisis of Pakistan will not allow any further waste of time and resources in the luxury of a care-taker government which after another 90 days will hold fresh elections.

Here, we must remember that expecting a different result by doing something again and again, without any change, is insanity.

And assuming, even if any party after the elections gets a simple or good majority, we know very well that somehow, our political parties badly lack the

required capable manpower, resources, will, capacity and planning to steer Pakistan out of this extraordinarily serious economic crisis.

Although, today it looks like an economic crisis for Pakistan, but in fact, it is a structural defect of our entire economic, political, judicial and governance systems, which were only installed to serve the one percent elite of Pakistan, that needs an immediate overhaul and revamping; and no amount of funds from the IMF or friends and not even the best Finance Minister on this planet can rescue Pakistan from this almost existential financial and security crises without overall reforms in almost every sector of society.

In this regard, Pakistan immediately needs a government (we may call it a national government or government of experts) which must be totally free of any influences of mafias and lobbies (foreign and local), because, that government will have to immediately embark upon the following extremely gigantic tasks:

Reforms to induct meritocracy in the civil, military and Judicial bureaucratic systems with its motto 'Recall the face of the poorest and the weakest person whom you may have seen and ask for yourself if the step you contemplate is going to be of any use to him.

' Taxation reforms with particular reference to digitalize the system to minimize corruption.

- Reforms in the governance system by making every division of the country an independent unit or province with maximum possible financial and administrative control
- Change of elections system wherein, before elections all political parties shall declare along with their manifestos, for the next four year-term, a list of best capable deserving and honest persons for the judgement of the general public, which shall vote only for that Party and not for individuals.

After the results of voting (to be held on EVM) every party should have representation according to their percentage of votes and the Party getting the maximum percentage should be allowed to form the government.

In this way, for example if a party gets 30 percent votes, the top 30 percent members notified in its list shall be automatically elected for the Assembly and there will be no voting for each member's election.

- Since, general public is crushed with almost daily increase in prices of every item, because businessmen increase their profits un-proportionately to the actual increase of prices of all such items (notwithstanding that some of them also indulge in thefts of national resources of water, electricity and gas in connivance with the employees of these utilities) like mineral water, POL marketing companies, textiles, cement, flour, wheat, cotton, rice, fertilizers, pesticides, transport, aviation, steel, automobiles, educational institutions charging exorbitant amounts of fee and all items connected with masses, it is proposed to counter this emergency situation, which is virtually killing (economically and otherwise too) the general public, a system and procedure must be devised to nationalize all such industries and businesses in the larger national interest.

Yes there will be lots of hue and cry, but let us now build a Pakistan for the poor also; because the best capitalist system failed in our country for the last 75 years to serve the 99 percent have-nots.

- To devise a 50-year development plan for Pakistan divided in 10 plans of five years each, in consultation with every stakeholder, particularly, the weakest sections of our society, like the farmers, labourers, women and the minorities.

This plan should be sacrosanct like our constitution and can be improved with the needs of times, but no political or other party can shelve it.

—The author writes on strategic, political, economic, current affairs & sports.

Source: Published in Pak Observer

Looming 6th Wave | Editorial

It was only a matter of time that the Covid-19 virus would strike back. With the country witnessing a sudden rise in cases over the past week, we could very well be on our way towards a sixth wave. The NIH has reported that 268 out of 12,513 tests conducted on 23 June came out positive with the southern part of the country recording more than half of these cases. Moreover, alarming reports indicate that the positivity ratio in Karachi has spiked to a massive 21.23% — with 138 new cases following 650 PCR tests. In light of the deteriorating situation, it is commendable that the Sindh government did not waste time in reinstating non-pharmaceutical intervention (NPI) guidelines for Karachi.

In an attempt to mitigate the rising trend of cases, the guidelines will include wearing of masks, social distancing at public gatherings, and the reduction of passenger occupancy in public transport to 70%. LEAs will also be checking vaccination cards in high-risk areas. While no hospitalisations have occurred as of yet in Sindh, there are some 80 Covid patients under intensive care across rest of the country. With successful vaccination campaigns being held in the past, there is no doubt that Sindh's DG Health will be able to bolster Rapid Response Units for Covid-19 sampling and vaccination, especially booster shots.

It seems that authorities have learnt from the past and are in control of the situation. But any laxity could lead to the situation getting out of hand. While authorities are playing their part, the responsibility also lies with citizens to cooperate. Only through mutual cooperation were we able to get past the deadliest of waves, and the same can be done now as well. We must stop believing in myths that the Covid-19 virus is gone for good and instead rely on scientific and expert knowledge on the matter. Covid-19 is here to stay. It will be less deadly with each passing year if we continue to vaccinate and take necessary precautions

Source: Published in Express Tribune

India blocks Pakistan's BRICS invitation By

Kamran Yousaf

India blocked an invitation to Pakistan for the "High level Dialogue on Global Development" held virtually on the sidelines of Brics meetings last week.

Leaders of two dozen non-member countries of the Brics format attended the meeting virtually, held on June 24.

What raised eyebrows was the absence of Pakistan from the meeting, a key strategic partner of China and part of the flagship Belt and Road Initiative.

There was no explanation from either China or Pakistan on the exclusion of Islamabad, but on Monday the Foreign Office finally issued the official version.

Without naming any country, FO spokesperson Asim Iftikhar said a member country of Brics was behind blocking an invitation to Pakistan.

"Pakistan congratulates China on the successful hosting of the BRICS meetings."

"We have noted that this year a 'High-level Dialogue on Global Development' was held as a Brics side event in which a number of developing/emerging economies were invited," read a FO statement.

"China being the host country engaged with Pakistan prior to the BRICS meetings, where decisions are taken after consultations with all Brics members, including extending an invitation to non-members. Regrettably, one member blocked Pakistan's participation," the spokesperson added.

Read: Sanctions 'a boomerang and double-edged sword,' says China's Xi

"However, we do hope that future engagement of the organisation would be based on the principles of inclusivity keeping in view the overall interests of the developing world and in a manner that is devoid of narrow geopolitical considerations," Iftikhar said.

The spokesperson said Islamabad appreciated Beijing's role in promoting the interests of the developing countries. Together with China, Pakistan had been a strong voice for global peace, shared prosperity and inclusive development.

"Pakistan is the current chair of G77+China and also part of a group of friends of the Global Development Initiative (GDI)."

"Pakistan and China are all-weather strategic partners and our iron brotherhood remains rock solid. The two countries are fully committed to take our all-round cooperation to higher levels both bilaterally and multilaterally."

"Pakistan stands ready to work with all developing countries, including the BRICS members for addressing the challenges faced by the global community."

Source: Published In Express Tribune

Under the Shadow of IMF | Editorial

The PML(N)-led coalition government faces serious challenges on the economic front. As the government prepares the budget, it is required to cope with a fast-growing deficit that has surged from Rs 2,565 billion in the first nine months to Rs 5,000 million in June. After total revenue clocked in at Rs 6,000 billion, only Rs 1,000 billion will be left with the government to utilize. The Public Sector Development Program (PSDP) for the next fiscal year has already been halved to Rs 480 billion under the IMF's instructions while the government is required to set Rs7,200 billion as the revenue target for 2022-23. As things stand there will be nothing left in the national kitty after repayment of debt and instalments.

The ambitious revenue target requires a meaningful reduction in government expenditure. On Tuesday the federal government belatedly ordered a 40-percent reduction in the fuel quota for all government employees, including cabinet members. The federal cabinet also decided to restore Saturday as a public holiday in an effort to save electricity. This is a good beginning but much more needs to be done. Not everybody in the government however seems to be convinced of the need for austerity. A report tells of the Religious Affairs Ministry having finalized a list of 200 employees for free Hajj this year which would cost Rs170 million of the taxpayer's money.

There is a need to put the major burden of new taxes on the rich rather than the common man who is already finding it difficult to make both ends meet. There is also a need to reduce indirect taxation. Instead of putting most of the burden on the salaried employees, attempts should be made to bring the extra-large trading community under the tax net. The real estate sector, which has continued to evade even minimal levels of taxation, should be made to pay the dues. Similarly agriculture should be brought under the tax net. All these sectors continue to enjoy tax immunity because they have strong lobbies in political parties. It is time the coalition comprising nine political parties puts party interests behind to bring the entire section of the population with taxable incomes under the net. This alone can rid the successive governments of the humiliation of begging friendly countries for loans or seeking the painful help of the Fund.

Source: Published in Pakistan Today

Pakistan Economic Survey | Editorial

A FIRST reading of the Pakistan Economic Survey 2021-22 reveals just how deep the impact has been on the country's economy of the Russia-Ukraine conflict. Without it, the conversation around Pakistan's challenges in the next fiscal year would decidedly have been very different.

The survey report, which documents the state of the economy up till roughly the same point as when the PTI government was pushed out, shows that the economy had continued on its path to a robust recovery from the days of the Covid-19 pandemic.

GDP growth actually exceeded the PTI government's set target of 4.8 per cent by registering at 5.97pc, helped by low interest rates and an expansive fiscal policy, growth in manufacturing and improved production of crops (apart from wheat). However, as the incumbent finance minister put it, this growth was 'unsustainable' as it had worsened the underlying imbalances in the economy by considerably heating it up.

Before the Ukraine crisis overshadowed everything, the government had started to feel the impact of inflation triggered by excess demand. Its decision to subsidise petrol and electricity and remove the petroleum levy and sales tax on POL products, "posed significant risks to fiscal sustainability in an already constrained fiscal environment". Savings and investment also remained low, while economic conditions were unable to attract either domestic or foreign direct investment in the economy.

It is commendable that the report, released under the PML-N, maintains objectivity and apports praise where it is due. This is quite positive, because if there is ever to be a 'charter of economy', it will have to start with rival parties at least acknowledging each other's efforts and achievements instead of trying to constantly undermine each other.

The survey's findings make it clear that it will not be in any party's control to set a firm direction for the economy for at least the next year. The document notes that the "surge in commodity prices and the increase in global interest rates will further reduce fiscal space, especially for oil and food-importing economies," of which Pakistan is one.

The explosive expansion in the country's trade deficit and its subsequent impact on the current account has already wreaked much havoc. Considering that Pakistan will have to import considerable quantities of expensive wheat as well this year due to a smaller crop, risk exposure to global markets will remain elevated. Inflation fuelled by higher prices of electricity and gas and global supply-side shocks in fuel and commodity prices will pummel the economy for months.

As the document notes, domestic instability is only exacerbating the crisis. If they cannot work together, political parties must at least exercise some restraint and allow for a needed economic correction to proceed unhindered. The times ahead are tough, and parties must show a greater sense of responsibility than is currently on display.

Published in Dawn, June 10th, 2022

Budget 2022-23: Evaluation in Perspective

By Sahibzada Riaz Noor

The Federal Budget 2022-23 is one of severe austerity. It could have been worse: there could have been oil rationing to stench the bleeding from the current account which is making the rupee tumble down the hill breaking Jack's crown.

TV analysts and economic commentators, the way they appear going for the budget with tongs and hammers, give the impression as if it was normal times and the annual financial statement of the government deserves no let or reprieve. It seems as if there is a lack of appreciation of the severity of the economic crises that this government has inherited or in their uncalibrated enthusiasm the media continues in the mode of the unreserved critics who measure each and all with the same rod irrespective of context or historicity.

The first and rather simple fact but one that is being ignored or deliberately underplayed with unexplained motives or with the implicit urge to indulge in unfair political point scoring is the fact that this budget is the artifact of a coalition government that has only been in office for no more than two months and therefore cannot in all reasonability be held accountable for the serious crisis-like situation it has inherited, especially the one relating to oil prices and the falling rupee value with depleting reserves.

The previous government, after entering into a solemn agreement with IMF to reduce oil subsidies by Rs4 per month until raising prices by Rs30 per litre by June 2022, reneged on its commitments which led to the IMF bailout package being put on hold giving one hard blow to market confidence delivering a mortal blow to the rupee value, already hit hard by a fast deteriorating current account. This was when its value fell by nearly Rs12-14 per dollar fuelling inflation unabated.

It is no coincidence that the relief on oil prices was given on the very eve of the no-confidence vote which was certain to pass. Although it was claimed that this bailout was backed up by available resources, the next government has not been able to identify the same except that it led to adding to the budget deficit.

This accentuated the already intense pressure on trade deficit due to unparalleled increases in international oil prices occasioned by both higher commodity prices as well as the oil crunch due to the Ukraine war.

The other facet of the budget is the very little resource space for development or poverty alleviation that is available due the near doubling of the debt burden. In the very beginning of its tenure, the PTI government without demure accepted two IMF conditions that has brought the economy to the present plight.

Firstly, the bank rate was increased from around 7 to nearly 13% in one go. While this was apparently done to arrest inflation and invite hot money, it led to debt liabilities to increase by nearly 100%. As a result during FY2022-23 out of the expected revenues of nearly Rs7.4 trillion, a whopping Rs3.6 trillion is taken up for debt servicing. Had the bank rate been kept around 8-9%, the debt liabilities would have been around Rs2.4 trillion which would have allowed oil prices to have been kept at around Rs180 instead of Rs240 per litre. The pressure on overall inflation would thus have been much lower and one could have avoided placing an expected higher burden on the common man. In addition poverty alleviation programmes, social spending, expenditures on agriculture and water resources development could have been enhanced.

At the outset of the previous government, the free floating of the dollar was implemented as an IMF conditionality. It goes without saying that IMF has always insisted as part of its stabilisation assistance programmes the determination of exchange rate by market forces. However, the strictness with which this condition has been enforced has often reflected the affability or otherwise of the recipient country's relations with America with its well-known influence over international financial matters or relations. Had our relations been on sound footings with powers-that-be, our then finance minister Shaukat Tareen would not have openly conceded that the attitude during negotiations of the IMF with the Pakistan team was unduly unmalleable.

Decontrol of exchange rates has its pluses and minuses. In an underdeveloped market, the extent to which exports can be increased thereby has to be weighed against the impact of devaluation on prices and the standards of living of the common man, particularly in the case of a low growth environment. Unfortunately due to structural and productivity issues neither exports and growth showed any considerable increase nor could inflation be contained. Inflation in Pakistan was

the third highest in the world and the late withdraw of oil subsidies will further fuel it. The targeted subsidy to the underprivileged is thus just and appropriate.

During the last four years our national debt has increased by \$20 billion, compared to the cumulative level of \$35 billion ever since 1951. This sharp rise in indebtedness was mainly due to steep increase in the bank rate besides large increases in commodity prices, particularly oil. But avoidable economic mismanagement by the previous government in not placing orders to purchasing oil when its prices had come down as low as \$35-40 per barrel and failure to place LNG orders at the right time led to considerable avoidable losses as well as power loadshedding during the hot season.

The budget 2022-23 thus must be analysed and evaluated in its proper economic and political context. That a political coalition whose main partners, undergoing unprecedented penal and legally questionable hardships during the last four years, finding an apolitical establishment, staked its all in trying to jack up an economy literally in the doldrums, with all its concomitant serious political costs, must have had very strong reasons of political survival and success to have hitched its horses to this rickety cart.

Thus this is a budget of holding ground, of avoiding the worst, of severe austerity. The political fallout can be serious for the government in case of rampant inflation and low growth. But the government must have calculated the pros and cons as even an alternate set-up would have had to face the same uphill task. What is of critical importance is to put back the country on IMF rails, to establish political stability and to give ample opportunity to the government to restore economic health, to creep back to growth and poverty alleviation and to hope for improvement of world commodity prices. In equal measure there is need to restore healthy democracy and become a robust economy and an acceptable normal partner in the international comity.

Published in The Express Tribune, June 14th, 2022.

An Analysis of Sri Lankan Economic Crisis

By Samad Raza Jaffry

SRI Lanka is struggling with an economic meltdown for the last two years. But today the situation has reached where Sri Lanka has witnessed a complete bankruptcy.

Sri Lanka currently does not have enough money to even buy the essential food items to feed its nation of 22 million people.

According to World Bank estimates, half a million people have plunged into poverty during this recent crisis.

People are on streets demanding a solution to the worsening economic crisis & difficulties and also the removal of the President of Sri Lanka, Gotabaya Rajapaksa as they claim that he was responsible for dragging the country into this worst economic crisis that the country ever faced in its history.

The crisis goes back all the way to 2019, when the current government came into power, they slashed the valuated tax to half in order to get popular support from the public.

As a result, tax revenues to the government came down. But this initiative, faced a lot of criticism from central bankers and other economists.

Similarly, they also cut down the prices of oil while it was going high in international markets.

Due to all these measures, the overall revenue of the country faced a massive setback. The tourism industry of Sri Lanka is considered as the backbone of its economy.

Tourists from all over the world contributes nearly US\$ 10 billion to the country's GDP. The state of emergency in Sri Lanka along with the Covid-19 pandemic has nearly crippled down its tourism industry where the revenue fell from US\$ 450 million to US\$ 2 million per month.

In 2021, Sri Lanka earned just US\$ 634 million from tourism compared to US\$ 3.5 billion in 2019.

This drastic fall in the revenue gave an extremely negative shock to the foreign exchange reserves of Sri Lanka which plummeted by almost 70% in the last two years.

The war between Russia and Ukraine has further worsened the situation of this industry as both countries are considered as the largest source of visitors for Sri Lanka.

The other reason considered for this economic crisis was the over night decision by the President to ban the use of chemical fertilizers and went into organic farming.

It is impossible for a country to go into complete organic farming in such a short span of time.

Thus, the decision resulted as disastrous for Sri Lanka and farmers from all over the country registered their protests against it.

The government has admitted that its foreign reserves have fallen to US\$ 2.31 billion leaving it unable to buy essential food, medicine and fuel. Queues have stretched for kilometres around most petrol stations in recent months.

But it is noted that despite the fall in foreign reserves, Sri Lanka has still debt obligations of roughly \$4 billion due in 2022.

Thus, takes the total external debt of Sri Lanka to US \$ 51 billion. Furthermore, the Federal Reserve Bank of America has started to increase its interest rate.

Therefore, the appreciating dollar will only make it difficult for countries like Sri Lanka, Pakistan and other Southeast East Asian countries to do debt servicing and buy commodities in the US dollar.

Hence, it can have a negative impact on the foreign exchange reserves of these countries. Sri Lanka is located at a highly important strategic route in the Indian Ocean.

Around two-thirds of the world's oil and half of the world's container shipments pass through the country's south.

This makes Sri Lanka an important player in the security of Sea Lines of Communication (SLC) in the Indian Ocean.

But now, Sri Lanka is passing through hard financial conditions and need immediate support.

This may be due to Sri Lanka's abstention from voting on a resolution condemning Russia's invasion of Ukraine made by United Nations General Assembly on March 22.

This issue may have worsen the situation to Sri Lanka. The only option available to the government is to go to the IMF program and seek loans.

This might help in overcoming short-term credits, restructuring the debt of Sri Lanka, and building confidence among foreign investors.

In the long-term perspective, the government should provide relief to farmers and mobilize them to start producing again because currently they are experiencing serious food crisis.

Therefore, it is the right time and opportunity for friendly countries to invest and support the financial institutions of Sri Lanka and thus win the hearts and minds of the public for times to come.

Similarly, India has also provided financial support in addition to 11000 MT rice. Pakistan, a traditional friend of Sri Lanka also needs to support Sri Lankan public in their difficult time.

Sri Lankan government has to undertake an economy-wide reform program that includes all types of government institutions, the central bank and the agriculture sector.

The government should bring all the relevant stakeholders including the opposition on one page in order to overcome the economic crisis in Sri Lanka.

—The writer is associated with the National Institute of Maritime Affairs. The views expressed are his own.

Source: Published in Pak Observer

Trade With Russia By Sikander Ahmed Shah **& Abid Rizvi**

PAKISTAN'S dependency on imported fuel represents a grave vulnerability to its energy security. This reliance on largely Western-adjacent sources of fuel raise concerns regarding the degree of influence this dependency accords foreign states over Pakistani policy, while compounding Pakistan's exposure to market volatility.

In this context, recent discussions have revolved around Pakistan importing fuel from Russia in order to ensure that domestic demand is met and to manage inflation; this proposition has, however, raised concerns regarding the international sanctions regime applied on Russia and the risks to Pakistan should it decide to address its fuel needs through Russian supplies.

While Article 41 of Chapter VII of the UN Charter empowers the UN Security Council to impose restrictions on economic relations in response to threats to international peace and security, these are unlikely given that Russia, being one of the five permanent members of the Security Council, enjoys the power to veto any binding UNSC resolution presented against it or a trading partner. In the absence of effective UN sanctions, therefore, the anti-Russian coalition has pivoted towards imposing more specific sanctions regimes.

The most burdensome of such sanctions have been levied by the EU on Russian oil imports by sea. These represent a non-trivial proportion of the bloc's trade with Russia; however, the EU continues to import Russian petroleum through pipelines, and has been reluctant to be more aggressive in its sanctions regime — largely because it depends on Russia for 40 per cent of its regional gas requirements — though it has committed to 'phasing in' these sanctions, but in a way that minimises their impact on EU economies.

Concurrently, the US has banned all Russian petroleum imports, while the UK intends to phase out Russian oil imports towards the end of 2022.

None of Pakistan's international law obligations preclude the country from purchasing essentials from Russia.

Financial restrictions have also been enacted on the international exercise of Russian wealth. Russia's central bank assets have been frozen, preventing it from accessing its international reserves estimated at around \$630 billion.

A complete transactions ban has also been imposed on four key Russian banks, with the country's access to the Society for Worldwide Interbank Financial Telecommunications — a global communication system linking financial institutions — also cut off. Russia will also likely be subjected to MFN suspension by the US, a step that will probably be adopted by the EU as well, enabling Western economies to levy punitive import tariffs or quotas on Russian exports.

The US Treasury department's Office of Foreign Assets Control is responsible for carrying out certain US sanctions against Russia imposed through a series of executive orders issued by the president and through federal legislation.

The US and the EU are also debating measures to prevent other countries from trading with Russia. The two principal measures under discussion are an attempt to develop consensus among Asian countries to put price caps on goods imported from Russia, with the aim of reducing Russian revenue, and the use of secondary sanctions meant to target countries and companies involved in trading with Russia.

These secondary sanctions, however, have yet to be imposed, as, firstly, the sanctioning countries do not wish to risk straining their ties with large, non-Western economies such as India and China. Secondly, imposing such second-order sanctions would contribute towards a global rise in the prices of essential commodities, which would impact the citizens of the very countries seeking to impose sanctions themselves.

It is in this context, therefore, that domestic discussions regarding trading in essentials — such as fuel or wheat — with Russia need to be embedded. This discussion necessarily cannot take place in a diplomatic vacuum, and Pakistan must consider the political capital to be gained — or lost — in dealing with Russia in this way.

From the international legal perspective, none of Pakistan's international law obligations preclude the country from purchasing essentials from Russia — particularly to offset the domestic cost-of-living crisis. While Pakistan and the EU have signed bilateral agreements, such as a 2004 agreement to cooperate on

partnership and development, and the 2019 Strategic Engagement Plan, and where all of Pakistan's policy actions under these — and other — EU programmes should comply with EU restrictive measures (ie the sanctions), these measures are non-punitive and are intended as interventions to prevent conflict or to respond to incipient or current crises.

Regardless of how hawkish the EU may be feeling, purchasing essential commodities to stave off an emerging cost-of-living crisis domestically does not fall within the scope of the measures.

The EU is one of Pakistan's top export markets, and has granted Pakistan special trade status — ie the Generalised Scheme of Preferences — to lower entry tariffs to Pakistani exports. This GSP-Plus status for Pakistan, which is already being reviewed for 2024-2034 as the current grant ends in 2023, is, however, predicated entirely upon Pakistan's status as a developing state and its compliance with international legal obligations relating to local issues of human rights, labour rights, environmental protections, narcotics control, and anti-corruption programmes. It is thus unlikely that Pakistan's purchase of Russian essentials would be germane to the continued grant of GSP-Plus status to Pakistan.

Countries including the US, China, India, Sri Lanka and the EU bloc continue to engage in trade with Russia despite the sanctions imposed, and Pakistan should be able to do the same — at least in the foreseeable future.

Earlier this year, the White House itself clarified that India's purchasing crude oil from Russia would not violate the sanctions regime; as recently as late May the EU has continued to engage with Russia over grain exports in an effort to reduce global food shortages.

While historically, Pakistan has geostrategically aligned itself with the West, this recent cost-of-living crisis will require Pakistani decision-makers to consider carefully the diplomatic costs of purchasing oil or wheat from Russia against the very real spectre of an economic meltdown.

Sikander Ahmed Shah is former legal adviser to Pakistan's foreign ministry, and faculty, Lums Law School. Abid Rizvi is an expert on international law.

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Grey-List Removal, FATF's Informal Nod

By Syed Qamar Afzal Rizvi

AFTER all, Pakistan is likely to move on the path of FATF's white listing as the Paris-based FATF body in its plenary session held in Berlin (June 14-17) gave its quasi nod regarding Pakistan's removal from the grey-list on the condition of its qualifying the on-site visit by the FATF delegation who will shortly visit Pakistan to make an objective appraisal of the reforms and initiatives taken by Pakistan in order to satisfy the FATF forum.

Being placed on the FATF grey-list since June-2018, Islamabad has been consecutively approaching the FATF body for its removal from the grey-list.

According to the statement issued by the FATF Board, "Pakistan has substantially completed all items on both its action plans, which showed that necessary political commitment was in place to sustain implementation and improvement in the future".

Minister of State for Foreign Affairs Hina Rabbani Khar said, "Our success is the result of four years of a challenging journey.

Pakistan reaffirms resolve to continue the momentum and give our economy a boost".

Marcus Pleyer, President of the international monetary watchdog said, "FATF is praising Pakistan for implementing the organisation's action plans — a clear indication that Pakistan is moving closer to getting off the "grey-list".

In the past, one line of thinking that prevailed in Islamabad reflects the impression that FATF listings are designed to pressure Pakistan into the US-driven geopolitical interests.

They argue that makes FATF's involvement more political than technical in nature, it is why that Time to Time, Pakistan has been arguing, "International bodies dealing with tax matters, corruption and illicit financing should be inclusive and representative.

They should not be used as instruments of pressure and coercion against developing countries.

” Already in a precarious economic situation with high inflation, rampant unemployment, a declining GDP, foreign exchange reserves at a mere \$12 billion, Gross Public Debt rising from 72% of the GDP at \$95 billion (2018) to 87% at \$112.8 billion currently, and external debt servicing charges of \$11.9 billion in 2019-20, the FATF grey-listing has hit the country hard.

The irony of the situation is that Khan, instead of taking the more difficult but infinitely more healthy and rewarding option of reining in his military and curbing its terror-happy ways, has opted to vent his frustration by baselessly accusing an international organization, the FATF, of pressure and coercion”.

Technically, the grey-list status is subject to close monitoring, but cooperating with international watchdog to address systemic deficiencies so that money laundering, terrorism funding and proliferation financing can be countered.

Pakistan is reported to have duly complied with 34 action points recommended by FATF, including clamping down on illegal money transfer services.

Needless to say, the global world order underwent a drastic geopolitical shift ushered in by the post 9/11 era and consequently Financial Action Task Force (FATF) became a lynchpin institution for monitoring counter-financing of terrorism, and money laundering.

It expanded its scope and power to categorize countries with weak financial institutions and urged them to comply action plan.

Pakistan was put into the grey-list for slow progress regarding compliance to the United Nations Security Council Resolutions (UNSCR-1617, 1267 and 1373).

Interestingly, as the global order swings towards a new shifting “from kinetic warfare towards non-traditional warfare, economic” policies are deliberately used to wage a war that can destroy the developing nations or the developing economies vindicated by the fact that the FATF remains a perpetual instrument of economic coercion against the poor nations..

Thus, over the years, many international organizations seemed to have been formed of promoting growth, stability and development.

Undeniably, these organisations might have had been established with honest intentions but the record is indicative of the fact that they have had been used as political and diplomatic weapons to coerce, tempt and bribe.

The FATF claims that it aims at reducing money laundering, terrorism financing and strategic flaws in the international financial system.

In 2018, FATF placed Pakistan on its grey-list of countries with weak mechanisms, and Pakistan agreed to work with the agency to strengthen them.

The placement made foreign firms more cautious about investing in Pakistan, which is dealing with a struggling economy and a balance-of-payment crisis.

Michael Kugelman, an expert on South Asian affairs at Washington's Wilson Centre, described FATF's approval of Pakistani efforts as a "giant leap forward" in its bid to exit the grey-list.

"Facing a worsening economic crisis and having been stuck on the list for four years, a status that has some reputational costs and may deter some investors, this couldn't come at a better time for Pakistan." "...

as investors/banks would no longer have to worry about any reputational risks associated with doing business with Pakistan while it's on a watch list for terrorist financing."

According to Adams Weinstein, a research fellow specialising in Pakistan and Afghanistan at the Quincy Institute said, "lifting Pakistan from the list will remove one more barrier to foreign direct investment, but many other self-inflicted ones will still exist. " Ostensibly, Pakistan's economy is dependent on international investors.

If the country remains out of the FATF's grey-list, it will positively continue to impact its imports, exports, and remittances, thereby removing bar to international loans.

Pakistan will also be in a better position to negotiate loans from the World Bank and the IMF

Sharing details of the FATF plenary session in Berlin, Pakistan's Minister of State on Foreign Affairs', Hina Rabbani Khar said, "during the meeting, the recommendations of the FATF's International Cooperation Review Group (ICRG) on Pakistan's 2018 and 2021 Action Plans were discussed".

She said on 2021 Action Plan related to money laundering issues, Pakistan had completed the entire seven-point action plan a year ahead of the prescribed timelines.

"This swift pace and progress is indicative of the comprehensive reforms and action that have been carried out by Pakistan in the AML/CFT domain and sustained momentum of our efforts," she maintained.

A neutral and objective appraisal regarding Pakistan's legal and structural reforms taken against money laundering and terror financing suggests that no country in the span of four years has taken so seriously about the FATF agenda as that of Pakistan.

This clearly indicates the seriousness and promptitude of the Pakistan government regarding the FATF demands.

FATF's pro-Pakistan findings must help negotiate with the IMF. It is virtually expected that by concluding its upcoming on-site visit, the FATF delegation will maintain its neutrality while appraising the Pakistani case and would finally approve the delisting of Pakistan from its grey-list.

The economic prosperity of Pakistan is core to the south Asian regional stability.

—The writer, an independent 'IR' researcher-cum-international law analyst based in Pakistan, is member of European Consortium for Political Research Standing Group on IR, Critical Peace & Conflict Studies, also a member of Washington Foreign Law Society and European Society of International Law.

Source: Published in Pak Observer

Geopolitical Conflicts and Economic Crusade

By Dr Muhammad Ali Ehsan

There is a unique way in which the US conducts its foreign policy and leads the rule-based order that it has built for the world. The US operates its foreign policy based on how well it is able to shape a given environment in any region. Be it Europe, Latin America, the Middle East, or Asia, the US foreign policy finger is in every pie and it makes sure that the prevailing environment in these regions not only tastes sweet but remains favourable to extend and further US interests. The US never takes decisions for any country, it only ensures that it creates and shapes the right environment in which countries take those decisions — invariably those decisions favour not only the US but the liberal international order that it has built and must be sustained.

Pakistan is not willing to talk to India unless it scraps its constitutional provisions related to Occupied Kashmir, not a likable stand. Pakistan standing up and trying to rebuild the Islamic bloc by holding the OICs foreign ministers' summit, speaking out against Islamophobia and asking the Muslim world to condemn Indian and Israeli state atrocities against the Kashmiris and Palestinians not likable. Pakistan wanting warm relations with Russia is not likable. Pakistan is not willing to allow American military presence within its borders not likable. And Pakistan standing up and telling the US that we will be a partner with you in peace but not in any war is not likable. So, what can the US do to a country which despite allowing a US finger in its every pie in the past suddenly starts sounding offensive, looking indifferent and tasting very bad? Well, the US does what it does best — works to change the very environment under which these decisions are being taken. This is just one example — what is coming next?

President Joe Biden is all set to visit Saudi Arabia in a few days' time. Saudi Arabia has already embarked on the road of liberal internationalism and all it needs now is to address some of Washington's human rights concerns, end the war in Yemen and instead of taking baby steps toward normalising its relations with Israel take a giant leap forward and join the Abraham Accords. All Saudi Arabia has to do is speak the American language of liberal internationalism and say that "the best way to address challenges is through cooperation and dialogue". Saudi Arabia leads the Gulf Cooperation Council and when Saudi Arabia takes a stand it means others follow suit. This will hardly be seen as US

interference in the Saudi spheres of influence, the decision will surely be of Saudi Arabia, all US will do is create the right environment in which that decision can be taken. Today, the US-driven order of liberal internationalism is seeking to crush all geopolitical conflicts under the weight of an economic crusade and all arch enemies are being motivated to take the big leap forward, forget about the history of their conflicts and just focus on the possibility of a brighter global economic future, all being structured by an 'enabling environment' being constructed by the US. The clear message from the largest economy in the world is clear— you can be either part of a liberal or an illiberal world. But what about the world's second largest economy — China?

Both China and Russia represent an illiberal world not because the people in both these countries are suffering but only because both these countries stand together in their declared opposition to US primacy in world affairs. Both countries advocate a multipolar world and not a US-inspired one in which states take decisions in an environment that primarily serves US interests. Both these countries consider US interference and engineering as the main factor behind all the coups, regime changes and coloured revolutions that take place around the world.

China's response to US geopolitical meddling, unlike Russia's, is most likely to remain measured and moderate. Trade with the US and Europe and also China's greater interdependence on the leading economies of the world makes it far more vulnerable to geopolitical disruptions and conflicts than Russia. So, the world can stay rest assured that China will remain Russia's partner but will not allow its economy to be crushed under any US-sponsored economic crusade. But even when China is setting itself up as a power that prefers to peruse more geo-economic than geopolitical goals, it may still be incited to do something different by none other than the world's third largest economy — Japan.

Japan is likely to become more assertive given what has happened to Ukraine which has handed over its nuclear weapons and despite western security, guarantees were still attacked. Japan continues to express fears of a military confrontation with China over its claims to the Senkaku/Diaoyu Islands in the East China Sea. Sixteen years earlier both China and Japan had identical defence budgets, but today, China's defence budget is five times bigger than Japan's and is projected to be nine times bigger by 2030. In March this year when President Zelensky addressed the Japanese parliament through a video link, he requested the Japanese to stand up for Ukrainian democracy. He also

expressed his concerns for the safety and security of Ukrainian nuclear plants and the potential use of nuclear weapons by Russia against Ukraine — both subjects that psychologically overwhelm Japanese thinking and decision-making. Consequently, Japan has ended up forwarding \$100 million in emergency humanitarian assistance and \$100 in loans to Ukraine.

Some Japanese commentators are also increasingly debating the 2021 statement of President Joe Biden who said that “American troops cannot and should not be fighting in a war and dying in a war that Afghan forces are not willing to fight themselves.” The question being asked in Japan is: what does this line of thinking mean for them? With the war in Ukraine forcing the US to shift its focus and resources away from Indo-Pacific where does this leave Japan in addressing its geopolitical insecurities? To up the ante, Japan expelled eight Russian diplomats and also became part of the world that is sanctioning Russia. Japan still contests and claims 4 Kuril Islands, a chain of islands spread over 750 miles occupied by Russia in the Far East, and has been a historical foe that has been invading the Russian mainland.

Both China and Russia contribute to Japan’s geopolitical insecurities and thus Japan is proposing to double its defence budgets which will be 2% of its GDP. Also, Japan is all set to host the G-7 summit in 2023. What the world waits to see is what will be the Japanese response if the war in Ukraine spills over to the Far East and to Taiwan. Will Japan still consider pushing the economic crusade under the US leadership or step aside and be part of a wider and multipolar world engaged in geopolitical competitions?

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Economic Future of Pakistan By Shakeel

Ahmad Ramay

Pakistan is searching for a plausible policy to overcome the economic crisis. The policy which can help to achieve the goal of sustainable development and maintain dignified place in the global community.

Pakistan has kick-started the process of dialogue, consultation and has engaged the policy institutes for assistance. Deliberations are going on with two specific objectives.

First, Pakistan is searching for economic opportunities where it has scope for engagement. Second, it wants a reliable and trusted partner, which can act as an anchor.

Fortunately, Pakistan has a galaxy of reliable and trusted friends including China, Indonesia, Turkey, the Gulf countries, Western friends, the US, etc, which can be good economic partners.

However, China stands out among all, due to its economic size, global clout and unique and all-weather relationship with Pakistan. Besides, China is already deeply engaged in economic cooperation through the China-Pakistan Economic Corridor (CPEC) and non-CPEC programmes.

It is a less known and discussed fact that before signing the CPEC deal, China's total investment in Pakistan was around \$15 billion. Huawei, Haier and Zong were among the major Chinese investors.

Huawei started its operation in 1998 and now it is one of the major taxpaying tech companies with \$43 million in 2018.

Apart from creating jobs (16,000 direct and 25,000 indirect), Huawei is also investing in talent and human resources development through the Huawei ICT Academies, Huawei ICT Competition and Seed for Future.

Haier is another Chinese company, which started its journey with \$45 million and now its operations are estimated to be worth \$1 billion. It is one of the leading brands in home appliances in Pakistan.

Zong helped Pakistan in revolutionising the telecom sector. It is the biggest data provider with 55% share and leading investor in the telecom sector with investment of \$2.2 billion.

Although the cooperation was going well, President Xi Jinping's visit to Pakistan in 2015 changed the whole dynamics. Pakistan and China signed the CPEC deal during his visit.

It is a comprehensive programme, which has answer for almost all economic challenges of Pakistan.

The first phase of CPEC assisted Pakistan in creating 85,000 jobs directly and 200,000 jobs indirectly by engaging more than 100 SMEs. It means 285,000 families benefited from the phase-I.

Besides, CPEC-related energy projects provided jobs to 23,000 people during the Covid-19. CPEC's contribution to managing load-shedding in Pakistan is a well-established and acknowledged fact.

It is expected that the second phase of CPEC will trigger a new era of economic growth and development. With emphasis on industrialisation, agricultural development and modernisation of science and technology, Pakistan will reap benefits of sustainable development.

Cooperation in social development will help Pakistan to reduce the inequalities in society.

Renewable energy (under CPEC and outside of CPEC) is another area where China is working to enhance its footprint.

Chinese companies, in partnership with Pakistani companies, have started to build Diamer-Bhasha Dam, which has multidimensional benefits.

It has storage capacity of 6.4 million acre feet (MAF) of water and will generate 4,500 megawatts of cheap electricity. It will create 16,000 jobs during the construction phase.

The dam will help Pakistan to irrigate 1.2 million acres of land, which will give a boost to employment for the unskilled labour.

Besides, it will help to combat food insecurity and raw material shortages for the industry through enhanced production of food and non-food products.

Dasu, Karot and Azad Pattan projects are prominent examples in the field of renewable energy.

In a nutshell, China, through CPEC and non-CPEC cooperation, has proved that it will stand by Pakistan, no matter what is the situation.

On the contrary, Pakistan's Western friends and allies in the war on terror did not show much interest in solving the country's economic problems. Rather, they used and are still using international organisations like FATF, IMF and other institutions to bend Pakistan.

Lessons to learn

It is not rhetoric; it is based on an analysis of the global political economy and power play. The analysis suggests two lessons for Pakistan.

First, no matter what Pakistan does, the US and the West will never stand with Pakistan, until it abandons CPEC and China, which is not possible.

Second, the US and West will prefer India over Pakistan, even if Pakistan abandons China. It has a strong economic rational.

It is a well-known fact that the US and China are entangled in an intense economic and trade war. Owing to the huge difference in market size, the US cannot compete with China.

China is a huge market of 1.4 billion people. It can face off the economic war by giving impetus to the domestic economy. China has already started the process

by adopting the dual circulation model and transiting people into the middle and upper class.

It is expected that 400-600 million people will be graduated to the middle class till 2035. HSBC claims that 160 million will be added till 2025.

Besides, it is expected that 300-400 million people will be graduated to the upper class. It means 800-1,000 million people will be changing the class, which will give a huge boost to the domestic consumption.

So, China can face any type of sanctions and sustain the high economic growth.

On the contrary, the US is a market of only 333 million people, which has no comparison with China. European countries, the traditional allies of the US, also cannot help much as their markets comprise only 750 million people. Moreover, both markets are saturated and don't provide much room for expansion.

In this situation, India emerges as the only option for the US. India is cognisant of the fact and is trying to exploit the situation.

For example, on the one hand, India is part of the Quad 2+2 and other Western initiatives and has refused to join the Belt and Road Initiative (BRI). Owing to this, India is enjoying a wavier on energy imports from the sanctioned countries.

On other hand, India is benefiting from China through the Asian Infrastructure Investment Bank, New Development Bank of BRICS, Shanghai Cooperation Organisation (SCO) and by enhancing trade. Trade between China and India reached \$125 billion in 2021.

In this context, Pakistan needs to devise a wise and smart policy by adhering to two fundamental principles.

First, Pakistan should stick firmly to the Pak-China relationship policy. Second, Pakistan should tell the US that it is ready to work with Washington for a mutually beneficial relationship but without any conditions.

The writer is a political economist

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EDUCATION

Revisiting the Benefits of Higher Education in Pakistan By Dr Muhammad Imran

Pakistan is in the middle of an economic (IMF negotiation, rising fuel cost and inflation), political (political instability and polarisation) and environmental (heatwaves and water scarcity due to climate change) crisis. However, there is no serious research and expertise produced by higher education institutions in Pakistan on how to address these challenges, in spite of billions of dollars being spent in the last 20 years.

The tragedy of higher education is that new universities have been established in the last 20 years, thousands of good and bad research papers have been published, with the number rising every year; thousands of local and international PhD students have graduated and novel programmes have been implemented by the Higher Education Commission (HEC). However, this knowledge and achievement have not translated into government actions and benefited wider society.

This is because a research-policy-society contract in higher education in Pakistan is lacking. Pakistan's economic, political and environmental crises has been widely researched in the developed world. However, this research has not been contextualised and transferred to Pakistan's governance, policy, and social environment.

Let me give the example of my own area of research in urban and environmental planning. Decades of global climate change research produced by the International Panel for Climate Change (IPCC) shows that Pakistan must act swiftly to protect its waterways, biodiversity and agricultural soil, which are critical for human security in our country. However, this quality research has never been translated into policies for food production, urban development patterns and energy consumption. There is no doubt that new ministries (Ministry of Climate Change) and departments (Environmental Protection Authority) have been established in the last 2 to 3 decades, new legislation has been passed, and

programmes (CNG cars, the Billion Trees project) have been initiated. Still, these actions are too little and too late without any robust evaluation and impact. In fact, these activities have become exercises in marketing and getting invitations and travelling to international forums.

Environmental NGOs have focused on advocacy and activism by organising walks and raising awareness. Their work has improved climate change coverage in the media, but they have failed to produce political leaders like Al Gore and activists like Greta Thunberg who can make climate change the core issue of the country. Therefore, the climate change debate is totally absent from national political priorities, policies, funding mechanisms and national media. Even Covid-19 failed to compel us to reflect and restructure our economy and budgets away from reliance on traditional consumption patterns.

The time has come for the HEC to reflect on its achievements and deficiencies, and then find ways to promote a research-policy-society contract for academics in Pakistan. The hundreds of academics of Pakistani origin working in universities in the developed world (over 100 are working in New Zealand universities and research institutes) can help to establish this contract. As a member of the academic community, I see three possible options for future action.

The first option is to continue research as usual as per the HEC's criterion of publishing in impact factor journals. This option is founded on the hope that political leaders will take some policy action while academics stay politically neutral. The HEC and universities can also invest in new ways to better communicate the results of academic research. However, this option naïvely assumes that published research will be translated into policy and actions, which is already happening on a small scale in different sectors.

As the second option, the HEC could promote social science research and advocacy, focusing on a better understanding of why transformative change has not occurred in different sectors and how to enable institutional, political and social change. To date, the HEC's research funding and scholarships have been dominated by natural science and technical disciplines. The research focus and funding would be extended to social science and humanities with this option. There is no doubt that social science needs more funding, but there is no evidence that exposing the powers and vested interests through social science research will lead to transformative actions within a reasonable timeframe.

The third is the radical option of changing the focus of research and associated funding to the holistic impact of research excellence. Publication impact factors, citation counts, download views, and H-indices can only be accepted if the published output positively changes society, the economy, and the environment. It would be unethical and irresponsible for the HEC and academics to publish research without making any difference in the social, economic and environmental crises Pakistan is facing now and in the near future. The HEC should consider only research that works closely with the governments and other stakeholders to tackle the societal problems through the co-creation of locally implementable knowledge. The third option is the only effective way to produce robust local research that addresses the tragedy of higher education in Pakistan.

Hope is always there but revisiting the HEC's policies on research and establishing a research-policy-society nexus could translate hope into action.

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One for Education | Editorial

Every political party makes a play for the hot seat by tooting the same horn: transformation using education. Now, such priority sloganeering may be construed as an inclination to earmark every available resource for the noble crusade but sadly, reality narrates a rather grim tale. Diametrically opposed to UNESCO's recommendation of a budgetary allocation between four to six per cent of the GDP, our much-talked-about share for public education dismally hovered well under two per cent last year.

More worrisome has been the rapidly declining trend as opposed to an already lower-than-expected budget of 1.9 per cent the year before. Does this mean that the modest increase registered in the literacy rate (0.4 per cent in two years) would also take a similar downturn soon? Such distressing indicators have come on the heels of a major controversy regarding the annual budget of the Higher Education Commission. Heated buzz over the wide gulf between the actual approved increase (0.3 per cent) and that unabashedly claimed by the Finance Ministry (67 per cent) has run rife.

No matter how earnestly the government may wish to improve "the quality and coverage of education," words cannot move mountains. An arduous determination needed to finally do something about the world's second-largest out-of-school children could only work if the state had loosened its drawstrings and carved out strategies to spread education to every nook and corner. At present, Pakistan is spending approximately 54 rupees on education incentives for ordinary Pakistani.

Quite a measly drop when times need an entire ocean. Can distributing laptops among bright students fulfil the needs of an over 71 per cent shortfall in the funds of the Higher Education Commission? While the recently announced pledge of Rs 65 billion is a heartening development, it cannot even begin to address the multifaceted requirements of the public sector educational institutions. The less said about the shambolic quality control, the better it would be for our collective conscience.

Playing tug-of-war over curriculum policies, a severe dearth of proficient educators, stumbling blocks in the form of frailing infrastructure and literally nonexistent facilities—the challenges remain many but the political will to whip up

a miracle can nowhere be found (even in the fine print). After all, to borrow the insight from HEC Chairman Tariq Beneri, “it must be realised that education is as much important as the country’s defense and security.”

Source: Published in Daily Times

Why Higher Education Confusion? By

Muneer Ahmed Mirjat

HIGHER education plays an important role in the socio-economic development of the countries.

In Pakistan, the Higher Education Commission was established in 2002 as a catalyst for developing a quality research culture in the higher education institutions.

During the last two decades, the higher education sector has given hope to the youth for better opportunities in terms of better jobs in the market.

Over the years, many individuals remained against the reforms the Higher Education Commission introduced and they tried to promote individual cases of failure to divert the attention of the youth and donors from this sector.

It is an established truth that investment made on the youth always repays, as the same has happened in the developed world, which secured progress through research and innovation.

After the Second World War, most nations focused on it and not only fulfilled their local demand for various products but also earned a lot from exporting such items.

As we struggled in the agriculture and industrial revolution, our policy-makers tried to join the ICT revolution which is still on.

Resultantly, most students are self-employed due to the opportunities made available through internet access at the national level.

There is a dire need to align all fragmented efforts of the Government to promote research culture in-country is the need of the hour.

Institutions like Pakistan Science Foundation, National Agricultural Research Council, Pakistan Council for Science and Technology etc.

, are a few institutions that work independently per their law with little or no direct liaison with other institutions like universities.

As a result, such fragmented efforts are not owned by any institution(s). The findings and expenses incurred on these remained without a return on investment.

On the one hand, spending on higher education and relevant initiatives is not increased as per demand, and on the other hand, highly skilled human resources are expected to be produced for universities and post-graduate institutions.

This week, it was reported that NUST has developed the first indigenous Microprocessor, although Microprocessor was invented more than 50 years ago.

Let us appreciate the scientists and researchers who have achieved this milestone and expect more such innovations in the future.

The NUST has provided resources, environment and support to all researchers for this achievement and other institutions can follow this good practice.

As the access to higher education increases over the years, and some institutions are opened without a proper market survey to determine the demand for the relevant programs, a major confusion is created for all graduates regarding relevant opportunities.

Like we spent very little or no time on the purpose of life, i.e. why are we here? In the same manner, students never think about it i.e. Why are they studying a specific subject?

There must be a proper analysis of the demand for specific skills in the market, and then programs may be designed.

The different varieties of nomenclature of degrees offered by the universities are creating another confusion for employers to whom they may hire.

The confusion in higher education does not end here. The interpretation of different professional councils of respective policies is another major cause of concern.

The federal and provincial recruitment bodies are often confused due to various degrees of nomenclature.

The solution is to have uniform nomenclature of degrees in different disciplines. The HEIs may conduct survey studies to assess demand for any planned discipline and then develop syllabus or course content.

The degree nomenclature should be according to the approved rules of the Pakistan Qualification Register and Undergraduate Education Policy if it is an undergraduate degree.

These details should be shared six months before admissions are announced. Through the Academic Committee of the Commission, Higher Education Commission may register that degree nomenclature with the proper code as per National Qualification Register.

It will help address all stakeholders' confusion relevant to all degrees. Sometimes, universities and employers blame the degree equivalence system for creating confusion in the letters issued to individuals for their foreign qualifications, although, a little effort is required to interpret those letters.

As there is always room for improvement; therefore, the equivalence system may be updated on the World Education Service (WES) pattern.

Moreover, most foreign qualifications have detailed information about the qualification in the same Diploma Supplement Form, which determines level, relevance and specialization areas.

Another major confusion these days is faced by the university teachers considering different appointment systems as a victimization tool, although each system is developed keeping specific outcomes in mind.

The incentive-based appointment systems are introduced worldwide to increase research productivity and innovation, but due to favouritism and other reasons, the faculty members are not comfortable with it.

The standards set by the HEC as Qualification, Publications and Experience are the minimum requirements; otherwise, universities are autonomous bodies and may stringent these requirements as per their requirements.

There is a need to have active involvement of all stakeholders for addressing various confusion, and using a database of queries, manuals and guides can help avoid confusion during studies and employment.

—The writer is Deputy Director at Higher Education Commission, Islamabad.

Source: Published in Pak Observer

NATO Expansion: Consequences of Another Conflict By Khadija Bilal

Reflecting on the history of World War I; we are well aware of how Europe was ravaged completely, millions of civilians became the victim of this war, economies were shattered and ruined, and the Soviet armies began directing all the states of central and Eastern Europe- moreover how the USSR began to exert its control on these states, by consolidating with the communists and suppressing all the non-communist political activities, the destruction of wartime cooperation with the Western Allies and the continual military occupation on each side of Germany, leading the Western allies to question their own political and national security. Such opposing circumstances ultimately led to the formation of NATO, whose sole purpose was to keep “America in, Russia out and Germany down.”

Consequently, in 1949, the first-ever military organisation was formed as a respite from the destruction and suffering of World War II in Western Europe and to consequently cease the expansion of communism all across Europe, today known as NATO (North Atlantic Treaty Organisation). Europe, as well as the USA, soon realized that if they didn't consolidate or strengthen themselves any sooner there might take place an unlikely invasion within Western Europe by the USSR and would ultimately grant a hold to Russia.

NATO, which began with the unification of 12 countries and gradually extended to 30 countries, is now about to accept Sweden and Finland as new members, as both of these European neutral states have simultaneously handed over their official applications to join NATO, for the sake of regional stability across Europe. No doubt Finland and Sweden have always supported NATO's significant actions but this time, Finland and Sweden showed their independent desires to join NATO, just after the Russian invasion of Ukraine.

Yet the addition of these two new members might lead to another conflict in Europe as the Russian invasion in Ukraine took place to prevent Ukraine from becoming a part of NATO and further to prevent it from seeking any sort of help from NATO, and there lies another possibility for Finland and Sweden, they might face the same ramification as Ukraine is now going through. Moreover, Russia is highly against all European countries becoming a part of NATO, as Russia would never allow the USA to dominate its power and control across Europe and leave Russia alone to endure misery.

Dating back in time when the USA and the USSR signed a Treaty, in order “to reduce the nuclear arms instead of creating an arms ceiling”; in this Treaty the USA confirmed to the USSR that the NATO’s expansion wouldn’t cross the boundaries of west Germany, yet here we are witnessing the USA assisting the expansion of NATO across Europe, as the USA only expressed such condition and never itself concluded it as a part of that Treaty, hence Russia can never claim its right to prevent European countries from becoming NATO members.

Maybe it’s time for a brief pause in NATO’s expansion, as the war within the Ukraine boundaries would consequently expand and the idea of isolating Russia and securing Europe might lead to the demolition of Europe and the USA’s dominance across Europe might end as well. NATO should overlook its military strategy with increasing Russian threats or should rather think twice before expanding NATO, which is said to be one of the major threats to peace.

As a consequence of Russia’s opposition to Ukraine, Ukraine never officially became a member of NATO hence it wasn’t in NATO’s authority to send its troops to Ukraine- moreover NATO members believed that NATO’s troops against Russia would lead to a crucial conflict between Russia and the West. Therefore America helped Ukraine by providing it with weapons worth \$400 million, to keep its very own purposes straight; first to keep this conflict within the boundaries of Russia and Ukraine, and second, to erode Russia’s economic and political strength.

Turkish president Tayyip Erdoğan has also opposed these two countries from becoming NATO members, as the Turkish government has claimed that these two European states relentlessly support Kurdish terrorists. As Sweden persistently funds the Kurds, hence Erdoğan says that accepting such states, which continually support such terrorist groups should not be allowed to become

a part of NATO, as the Kurdish party has always been the cause of conflicts within Turkey. No doubt Turkey is the second most influential state in NATO, after the USA, and the withdrawal of these two European states might not leave that deep effect as Turkey's.

Doubtlessly NATO has flourished and strengthened with the financial funding of the USA, as its incentive was to use NATO to assert its control all across Europe as both the USA and Europe have the largest economic and military power and they together possess half of the world's GDP. But in 2019, US former President Donald Trump thought it necessary for the USA to withdraw from NATO, claiming that the USA had spent 4 percent of GDP on the defence budget for NATO while the rest of the members have only spent 1 percent of their GDP, and he maintained that the USA had sacrificed too much for NATO; and now it was time for NATO to move on without the USA.

A turmoil arose in the US administration just after Trump claimed his desires, as such an act would let the USA lose its peaceful partnership and control across Europe and would prove to be an evident victory for Russia, moreover about 29 countries across Europe joined this alliance for the sake of the USA's defence after the 9/11 attack, and if the USA somehow withdrew from NATO, its worth would sway away.

After the Ukrainian War, Europe is facing a food, energy, economic and security crisis while on the other hand, the USA alongside Europe is isolating Russia from the rest of the international world. The idea of accepting Finland and Sweden would lead to more destruction in Europe and would be unfair to Ukraine not to accept it as a NATO member as well.

Maybe it's time for a brief pause in NATO's expansion, as the war within the Ukraine boundaries would consequently expand and the idea of isolating Russia and securing Europe might lead to the demolition of Europe and the USA's dominance across Europe might end as well. NATO should overlook its military strategy with increasing Russian threats or should rather think twice before expanding NATO, which is said to be one of the major threats to peace.

Source: Published in Pakistan Today

Ukraine and the Start of a Second Cold War

By Gideon Rachman

Since Russia invaded Ukraine, there has been much talk of the echoes of the second world war and the dangers of a third one. But the current global moment is much more like a return of the cold war.

Once again, the US is assembling a coalition of democracies to face off against a Russia-China axis. Once again, the dangers of a nuclear war are central to international politics. And once again, there is a large bloc of non-aligned countries — now generally referred to as the “global south” — that is intensively courted by both sides.

Many in the global south insist that Ukraine is a regional conflict that must not be allowed to disrupt or change the whole world. But policymakers in the Biden administration already frame the war in global terms. They see Russia and China as partners in a challenge to the “rules-based order”, upheld by the US and its allies. The battles in Ukraine are currently the central theatre of that wider struggle.

Viewed from Washington, security threats in Europe and Asia are now so deeply connected that the two continents are seen by officials as a “single operating system”. That is a pattern of thinking that is very reminiscent of the cold war, when America was always mindful that what happened in Vietnam or Korea could have effects in the divided city of Berlin or in the north Atlantic.

One big difference from the last cold war is that this time the Americans see China, not Russia, as their most serious rival. That belief has not been changed by the fact that it is Russian president Vladimir Putin who has launched a war. In fact, the China focus of the Biden administration intensifies the tendency to see the Ukraine war as not just about the security of Europe, but about the wider global order.

While there is some glib talk in the west about attempting to “do a Kissinger” — and once again engineer a split between Russia and China, as happened in the 1970s — few in Washington believe that is a plausible near-term prospect. On the contrary, US officials see China as very firmly in Russia’s corner. Dissuading

Beijing from translating its pro-Russian sentiments into direct military or economic support for Moscow remains a top American priority.

US allies in Asia — in particular Japan, South Korea and Australia — are also very alive to the implications of the Ukraine war for their own security. The worst-case scenarios for them would be that Russia's aggression emboldens China and distracts America — leading to a region-transforming Chinese invasion of Taiwan. The best case is that the Ukraine war revitalises the western alliance and US global leadership and causes China to back off in Asia.

In reality, however, Biden's people do not think that Russia's troubles in Ukraine have changed Chinese minds about the wisdom of a possible invasion of Taiwan. The Chinese, they believe, are more interested in figuring out where Russia has gone wrong — and adjusting their own plans accordingly. The need for overwhelming force in any military action is one likely lesson. Another is the need to protect China's economy from possible western sanctions.

In late May, Biden visited Japan and South Korea — and not for the first time suggested that the US would fight to defend Taiwan. (His administration was again forced to qualify the president's comments.) At the end of June, Nato will hold a summit in Madrid. Significantly, Japan, South Korea, Australia and New Zealand have all been invited to attend.

Pulling together a coalition of democracies is meant to improve the west's security position in both Europe and Asia. Countries such as Japan play an important symbolic and practical role in the struggle with Russia. They are vital to the sanctions effort — making it much harder for Moscow to find easy ways around sanctions. In return, the Asians are keen to see European countries play a bigger security role in Asia. Recent naval visits to the region, by the British, French, Germans and Dutch, have been welcomed.

But while the Americans are happy with the response of their most important north Asian allies to the Ukraine war, they are concerned by their failure to win the battle for opinion in south-east Asia. At a recent summit meeting with the Association of Southeast Asian Nations in Washington, some Asean leaders privately echoed Russian talking points about Nato's responsibility for the war in Ukraine and alleged "false flag" operations.

India is seen as an even more important challenge. The government of Prime Minister Narendra Modi has been careful to avoid taking sides on Ukraine, abstaining on the key UN votes and increasing oil imports from Russia. The Americans think that hectoring New Delhi on this subject is likely to be counter-productive. Instead, they are intent on gradually drawing India closer to them by emphasising the two countries' shared security interests in containing Chinese power.

Some historians now see the first and second world wars as two stages of the same conflict — separated by a generation of increasingly fragile peace. It may be that future historians will talk about the first and second cold wars — separated by a 30-year era of globalisation. The first cold war ended with the fall of the Berlin Wall in 1989. The second, it seems, began with the Russian invasion of Ukraine in February 2022.

Source: Published in Financial Time FT

China's Strategic Communication in Foreign Affairs

By Dr Rizwan Naseer

China's miraculous economic growth coupled with diplomatic stature triggered a debate in international academia about china's peaceful rise. The common question that the majority of the academics tried to answer was that will China rise peacefully? Brushing all their arguments aside, only one populist idea of John J. Mearsheimer dominated the academic debate "The rise of China will not be peaceful at all." Such a pessimistic approach toward China is perhaps understandable that the U.S. needs to contain China, otherwise China will replace the U.S. That has been acknowledged by the Fact Sheet: Indo-Pacific Strategy of the U.S. " The United States has modernized its longstanding alliances, strengthened emerging partnerships, and forged innovative links among them to meet urgent challenges, from the competition with China to climate change to the pandemic".

War in Ukraine has deviated the U.S. attention from Asia-Pacific for the time being but the U.S. will continue pouring in resources to augment AUKUS (a trilateral security agreement between Australia, the United Kingdom and the United States) and Quad (Quadrilateral security dialogue comprising of four countries: U.S, Australia, Japan and India) for impeding to counter China's growing influence regionally and globally.

Understanding the matter better

West-centric academia is mostly biased about China and they cannot be blamed for it because to maintain U.S. hegemony, they need a narrative in global academia that China can be a revisionist power. According to the power transition theory, a revisionist power is likely to change over the period and eventually end the current system. The U.S. had an enduring fear that China's rise will invoke a new international system winding up U.S. dominated system. The majority of the magazines and newspapers in the West are publishing against China.

China kept tolerating biased academic discourses for more than a decade but as the social media crowded with Anti-China rhetoric, it became a compulsion for China to defend her narrative. The U.S. policymakers and academia alike launched a massive anti-China campaign to undermine China's rise. The

U.S. indeed is very powerful in the narrative building due to its supremacy in the international arena. The U.S. academia and media publish articles about China and that are frequently quoted across the globe even in policy-making circles as well. Such an aggressive approach toward China could certainly undermine China's interests.

That is why China needed a concrete strategy to counter well-orchestrated propaganda. China's approach of adopting strategic communication which could overthrow false U.S. propaganda. China's reaction to the U.S. and West-centric propaganda especially on social media platforms was rubbished by a group of diplomats who made their presence on social media platforms.

The U.S. strategy to securitize the Belt and Road Initiative (BRI), terming its projects as a debt trap diplomacy of China undermined China's image as several other European and developing countries were cautious to engage with China. To defend their stance, Chinese diplomats came up with facts and figures and started challenging such narratives on social media platforms. Chinese diplomats used strategic communication to counter the false propaganda on social media. Even that was termed as wolf warrior diplomacy and cyber nationalism by certain quarters.

As this is an age of information, strategic communication (StratCom) is used as a tool to advance policy objectives. Strategic communication is a comparatively new term but due to its frequent use, it has become a buzzword. The primary objective of StratCom is about winning hearts and minds but China is using it to defend its Chinese stance on internal and external issues. The rationale is that if disinformation campaigns are not countered, the world would start believing what West-centric media and academia write. Some of the news shared by western media are so baseless that it invited a strong reaction from China. Some columnists and western media pundits describe the tone of "wolf warrior" as harsh, confrontational, belligerent, bellicose, rude, and so on. Whereas this is straightforward, without any ambiguity and condemnation of false propaganda.

The outbreak of Covid-19 sent a shockwave all over the world. There have been frequent accusations against China by the U.S, especially the former U.S. President Donald Trump labeled the Corona Virus as a Chinese virus deliberately to hold China accountable for the pandemic. A careful analysis provides that "The Wuhan lab leak theory had been dismissed by most scientists as a fringe conspiracy theory".

But Western media kept harping on the same string that Trump stated.

Those developing countries who had a colonial experience by the great powers and experienced exploitation are now looking toward China with the hope to come out of the economic crisis. China's economic engagement with Africa has changed the lives of millions of Africans. The infrastructure has been developed at a rapid pace and that creates numerous opportunities for youth in African nations.

Sophisticated propaganda to malign China is already underway that China acquires strategic assets in exchange for debts to African nations. Chinese diplomats are defending their foreign policy in Africa through diplomacy (digital diplomacy) which does not hold any colonial designs in the continent. Talking to locals, it becomes evident that China's investment is the source of prosperity for the African nations. China has a complete right to dispel any false propaganda against China.

Source: Published in Global Village Space

Washington's Indo-Pacific Strategy By

Shazia Anwer Cheema

While no less than 42 countries of the world were attending the 19th IISS Shangri-La Dialogue 2022 held in Singapore on June 10-12, Army Chief Gen Qamar Javed Bajwa was in China holding meetings with the Chinese military leadership. Pakistan refrained from the Singapore gathering this year even though it had been participating in the Dialogue in past.

There was, as expected, a heavy firework in the meeting. The speech of US Defense Secretary Lloyd Austin ignited the firework added to by Zhang Zhenzhong, the deputy chief of the Joint Staff Department in the Central Military Commission of China. I have been writing that since Joe Biden took the Oval Office, the apparent target is 'One China Policy' with the Taiwan issue thrown on the global stage once again. Encircling Chinese waters through Indo-Pacific Strategy, the US along, with its NATO allies, is aggressively playing in the region. Zhang was of the opinion that the US had already turned the Middle East and Europe into a mess, "does it want to mess up Asia-Pacific next?"

A deep analysis of the US working to curtail China reveals that QUAD, a strategic dialogue-based formation including the US, Japan, Australia and India; the Five Eyes (FVEY), an intelligence alliance comprising Australia, Canada, New Zealand, the UK and the US; multilateral UKUSA Agreement, a treaty for cooperation in signals intelligence to block the flow of information to and from China; AUKUS, a trilateral security pact between Australia, the UK and the US; and now Indo-Pacific Framework comprising the US, Japan, India, South Korea, Indonesia, Singapore, Malaysia, the Philippines, Vietnam, New Zealand and Brunei are too much to instigate China to respond. And this time China has strongly responded to these developments. China, which has a history of cool diplomacy, did not hide its reaction and stated that the US allies were trying to maintain the US hegemony, creating divisions and fanning confrontation in the region.

China believes that Washington's Indo-Pacific strategy is designed to trap the Asia-Pacific region into a geopolitical game and confrontation; and this situation is surely hampering ASEAN-centred regional cooperation architecture and seriously harms the overall and long-term interests of countries in the region.

Growing tension between the US and China is actually squeezing diplomatic space for Pakistan which needs cordial relations with both the US and EU for many reasons, foremost of all being the economy. It's because over 80% of total Pakistan's exports go to Europe and North America through the US and EU countries. IMF, World Bank and ADB are economic pliers that can cut oxygen pipes Pakistan's needs at the economic ventilator. FATF is another long story. China, on the other hand, ensures the strategic and geopolitical survival of Pakistan which has unfriendly neighbours at its eastern as well as western borders. Options are limited, with no grey zone left for Pakistan diplomatically.

The only project that can grow economic opportunities for Pakistan is CPEC, which is cent per cent funded by China; and even for military hardware, Pakistan has to look at China. If, as believed by China, the US strategy is designed to destroy peace in Asia-Pacific and fan military confrontation by sending warplanes to showcase its military might in the South China Sea, and launching military drills with allies for creating tensions in the region, then how long can Pakistan stand indifferent to such developments?

Enhancing Indian role in Washington's Asia-Pacific strategy alarms Pakistan, leaving virtually no place but to further consolidate the strategic partnership with China and enhancing military diplomacy and military-to-military cooperation with it. The recent daylong visit by Gen Bajwa makes him the only military leader to visit China on the invitation of President Xi. Gen Bajwa led Pakistan's tri-service delegation at the apex meeting held on June 12 while the Chinese side was led by Vice Chairman Central Military Commission of China General Zhang Youxia. I believe China has to look after Pakistan economically given that one of its strategically important partners in the Indo-Pacific water, Sri Lanka, has collapsed economically and China cannot afford to see the same scenes in Pakistan. Options are limited also for China, not just for Pakistan.

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War in Ukraine — And Its Consequences By **Ahmer Shehzad**

Ostensibly, Russian President Vladimir Putin imposed a war on Ukraine because of her unheeded security concerns over NATO's expansion around Russia and American-deployed nuclear forces in the Europe. In reality, Putin's objectives eyed bigger gains, including design for Russia's emergence as third power after USA and China. Ukraine's large untapped energy reserves also tempted Putin towards absorbing its Eastern areas having an estimated natural gas reserves of 5.4 trillion cubic metres and world's sixth largest coal deposits. Whereas, jeopardised European security and unhinged USA from the European continent were thought to be the dividends of this adventure. Historically, many in Russia, including Putin, never reconciled with independent Ukrainian existence which is perceived to be an indivisible part of the erstwhile Russian Empire.

In the three and half months of war, Russian forces have occupied almost 20% of the Ukrainian territory, and consolidated their grip on the Eastern Donbas region comprising Luhansk and Donetsk provinces, North Eastern Severodonetsk and port cities of Mariupol and Melitopol in the South. Ukraine which caters to a tenth of world's wheat consumption is under sea blockade with complete halt on export of millions of tons of grain through Black Sea leading to the global food crisis.

Notwithstanding sizeable territorial gains and denying sea access, Russia could not overrun Ukraine in days, as claimed, and initially failed in seizing North East of Ukraine. Because of that, Russia modified its campaign by concentrating it in the East and South, for bringing effects on the ground. Whereas Ukrainian forces, which successfully repulsed Russian assaults at multiple fronts, have now been significantly degraded. However, they remain resilient for the country's defence.

With Russia launching invasion on Ukraine and threatening European security, American leadership successfully healed the continent's Trump era related dissonance to create unified response to the Russian aggression. USA also convinced EU on seeking alternatives to Russian energy supplies. NATO rediscovered justification for existence after decades of debate. Trans-Atlantic unity thus enabled Ukraine in braving Russian aggression with continuous flow of NATO trainers, European volunteers, anti-armour, anti-aircraft hardware, lethal

artillery, surveillance drones, and calibrated intelligence. With American sanctions already strangling Russian economy, united Europe recently tightened bans on Russian gas and oil imports. However, this unity would remain major challenge for European endurance in outlasting Ukrainian conflict amid her burning energy needs in the global economy that is reeling with unseen peak inflations.

As Russia is already sitting on sizeable Ukrainian territory, 'escalate to de-escalate' may not come into play even in usage of tactical nuclear weapons; however, nuclear bellicosity would remain at high pitch. Emergent scenario thus appears a battle of calibrated proxies with exacerbating global energy and food crises, if the invasion continues. While Putin still enjoys sizeable domestic approval, proxies in play around Russia and the economy under stress, he would attempt legitimising occupation on areas under siege through diplomacy. Few seasoned policymakers of Europe and USA also support this convenient outcome to end war, much to the disapproval of Ukrainian and American leadership.

America on her part would not unwisely invest in Ukrainian compulsion of bringing pre-war territorial status, but would like Russia getting bogged down in a long-drawn war in her neighbourhood by continuously enhancing space for proxies. Such stratagem would economically and militarily wane Russia, fail her design of challenging USA and contain Putin much below the global stature – meaning strategic defeat for him. To counterbalance the much evident American strategy, Putin continues to play threat of nuclear usage in the entire spectrum of the conflict.

In American calculus, pinning down Putin would also deter China from the militarism over Taiwan. Recent congressional approval of a \$40 billion aid package – which features \$700 million earmarked for weaponry to Ukraine, including HIMARS lethal Multi Rocket Precision Artillery system – illustrates that American will to keep Russia embroiled in the war. Similarly, the UK is poised to reinforce Ukrainian struggle by providing tracked M 270 multiple launch rocket systems. As fighting capacity of Ukrainian forces is recouped, Western military support would always be measured to avoid antagonising Russia too far.

As the war progresses in its fourth month, Russian grinding assaults are pulverising Eastern Ukrainian cities and emptying them by inflicting deaths on the population. Putin has managed to grab energy-rich region of Ukraine and has

acquired ability to create global food catastrophe potentially leading to famine, particularly for Africa, by choking the Black Sea trade route.

Despite such destruction, Putin's ambition of decimating regime, weakening European security and American influence, all failed. Because he could never employ overstated nuclear formidability as a factor in the conventional conflict, and misread America through the prism of lapsed Trump era. Eventually, his urge for reviving imperialist prestige and creating relevance vis-à-vis the rising China succumbed to the negativity he earned for Russia.

American leadership, while nudging Russia under economic sanctions, has domestic vulnerabilities related to impact of unprecedented high petrol cost, 40-year high inflation and much anticipated recession on the midterm polls in November this year. To offset such adverse impact on Democrats, there could be significant shift in US policies towards China and Iran, rather Russia, against what Putin would like to see. USA is contemplating lifting trade tariffs on China to bring commodities prices down in her market, and may bring Iranian oil in the global supply chain provided that the US-Iran negotiations on nuclear programme sail successfully.

To curtail adverse effects of punishing sanctions that may impact Putin's militarism, Russia would employ much feared famine in Africa coupled with 22 million tons of wheat blocked at Ukrainian ports as leverage to compel the West to ease sanctions. Ukrainian wheat feeds roughly 400 million people per annum in Africa, Central America and the Middle East. The UN through Turkey is negotiating with Russia for shipping of stranded Ukrainian grains to the world market. Putin's war is adding to the global food crisis, particularly in Africa; and if it is allowed to progress to catastrophe, it could trigger starvation, immigration and political instability. To forestall this global upheaval, USA has set aside \$5 billion for helping crisis-hit countries other than initiating identification of alternate routes for Ukrainian grain export.

On the energy, which is the backbone of Russia's market-based economy, realignment of oil trade with China, India, Africa and South Africa would carve out breathing space for Russian economy. Since the initiation of war, mutual trade with China, mainly oil export has surged by 28%. China has invested \$50 billion for importing surplus daily Russian oil production. However, in the long run, China whose economy is interdependent with that of the US would be constrained to continue with it. India which is the 3rd largest oil consumer after

USA and China has ramped up import of much discounted Russian oil. India has bought more than 40 million barrels of Russian oil since the invasion of Ukraine, with daily shipments having surpassed 740,000 barrels per day.

To deal in this complex world, Pakistan which is already burdened under enormity of economic challenges would need to pursue long-term sustainable policies free of political convenience. Availing Western and Russian concessions simultaneously may not be a possibility. However, shift in American policy approach towards Iran, if materialised, may afford multitude of energy related opportunities to reduce our economic predicaments.

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How Ukraine Will Win By Dmytro Kuleba

As Russia's all-out war of aggression in Ukraine drags on for a fourth consecutive month, calls for dangerous deals are getting louder. As fatigue grows and attention wanders, more and more Kremlin-leaning commentators are proposing to sell out Ukraine for the sake of peace and economic stability in their own countries. Although they may pose as pacifists or realists, they are better understood as enablers of Russian imperialism and war crimes.

It is only natural that people and governments lose interest in conflicts as they drag on. It's a process that has played out many times throughout history. The world stopped paying attention to the war in Libya after former leader Muammar al-Qaddafi was toppled from power, in 2011. It disengaged from Syria, Yemen, and other ongoing conflicts that once generated front-page news. And as I know well, the rest of the world lost interest in Ukraine after 2015, even as we continued to fight Russian forces for control over the eastern part of the country.

But Russia's current invasion is graver than its past one, and the world cannot afford to turn away. That's because Russian President Vladimir Putin does not simply want to take more Ukrainian territory. His ambitions don't even stop at seizing control of the entire country. He wants to eviscerate Ukrainian nationhood and wipe our people off the map, both by slaughtering us and by destroying the hallmarks of our identity. He is, in other words, engaged in a campaign of genocide.

To avoid growing weary of the war and falling for misleading narratives, the West needs to understand exactly how Ukraine can win, and then support us accordingly. This war is existential, and we are motivated to fight. Properly armed, our forces can stretch Putin's troops—which are already exhausted—past the breaking point. We can counterattack Russian forces in both Ukraine's south and Ukraine's east, pressuring Putin to decide which of his gains to protect. To succeed, however, the United States and its European allies must swiftly supply our country with appropriate numbers of advanced heavy weapons. They must also maintain and increase sanctions against Russia. And, critically, they need to ignore calls for diplomatic settlements that would help Putin before he makes serious concessions.

Compromising with Russia may seem tempting to some abroad, especially as the costs of the war grow, but bowing to Putin's aggression will help him destroy more of our nation, embolden his government to carry out attacks elsewhere in the world, and allow him to rewrite the rules of the global order. His approach to talks could change; if we succeed in pushing back Russian troops far enough, Putin may be compelled to come to the table and deal in good faith. But getting there will require that the West exercise patient dedication to one outcome: a complete and total Ukrainian victory.

WON'T BACK DOWN

From the minute Russian forces poured across Ukraine's borders, some Western commentators have called for a compromise with Moscow. We are used to these kinds of suggestions and heard them many times between 2014 and 2022. But today's war is different from the war that raged before February, and in recent weeks these calls have started coming from prominent foreign policy elites. In early June, French President Emmanuel Macron told journalists that the West "must not humiliate Russia" so that it can "build an exit ramp" for the country to end the war. Speaking to the World Economic Forum in May, former U.S. Secretary of State Henry Kissinger went further, arguing that Ukraine should cede territory to Russia in exchange for peace.

These declarations are premised on the idea that Ukrainians, no matter how well they fight, cannot defeat Moscow's forces. But that notion is wrong. Ukraine has proved its mettle by achieving important victories in the battles of Chernihiv, Kharkiv, Kyiv, and Sumy, causing Putin's blitzkrieg to fail spectacularly. Winning these fights has come at a huge price for Ukrainians, but we understood that the price of losing them would have been far, far higher. We know what Russian victory means for our villages and towns. Look no further than Bucha, where hundreds of Ukrainians were brutally slaughtered by occupying Russian troops in March.

Unfortunately, Putin's sick imperialism means that Moscow also remains committed to the war despite the shockingly high costs. Russia has already lost three times as many soldiers as the Soviet Union did during ten years in Afghanistan, but it is continuing to sacrifice its troops in an attempt to seize the eastern provinces of Donetsk and Luhansk (together known as the Donbas) and to maintain control over the south of Ukraine. The death count may soon extend beyond just Russia, Ukraine, and even Europe. By blockading Ukrainian grain to

try to force sanctions relief, Putin could provoke famines across the developing world.

Ukraine urgently need more heavy weapons to turn the tide.

Despite the carnage, Russia's president appears to be in a good mood. According to leaders who have recently spoken to Putin, he is sure that his "special operation" will, as we heard he told one European leader, "achieve its goals." It isn't hard to see why: Russian invaders have been able to crawl forward in the Donbas by resorting to total artillery terror. Putin has begun comparing himself to Peter the Great—perhaps the Russian empire's most famous conqueror. It's an ominous declaration, one that suggests that Putin will not settle for control over the Donbas or for control over Ukraine as a whole.

The most effective way to end Putin's expansionism, of course, is to stop it in eastern Ukraine, before he can go further, and to kick his occupying forces out of southern Ukraine, which he plans to annex. This fact requires helping Ukraine defeat Putin on its own battlefield. U.S. President Joe Biden's administration has made some groundbreaking decisions that can help us accomplish this task, including a historic new lend-lease program that makes it easier for the United States to supply Ukraine with weapons. Answering Ukrainian President Volodymyr Zelensky's call, the United States decided in May to also provide us with four multiple-launch rocket systems. My counterpart and friend U.S. Secretary of State Antony Blinken has been closely engaged in crafting these steps, and Ukraine's military leaders have been in active contact with U.S. Secretary of Defense Lloyd Austin. General Mark Milley, the chairman of the U.S. Joint Chiefs of Staff, has also been very supportive of our cause.

This assistance has been a crucial first step, for which we are grateful. Yet we wish it had been provided much earlier, and it is still too little. Now it is time to turn political decisions into real game-changing actions. Russian artillery outguns ours by one to 15 at the most crucial parts of the frontline, so a few U.S. rocket systems will not be nearly enough for us to gain the upper hand. We urgently need more heavy weapons from various sources to turn the tide in our favor and save lives. Our most pressing needs are for hundreds of multiple-launch rocket systems and various 155-mm artillery pieces. These weapons would allow us to suppress Russia's artillery barrage. But stopping artillery is not Ukraine's only concern. We also need antiship missiles, tanks, armored vehicles, air defense, and combat aircraft to be able to launch effective counterattacks.

In short, we need weapons that prove that the West is committed to helping us actually win—rather than to just not letting us lose.

LIVE FREE OR DIE HARD

Since the invasion began, Ukraine has repeatedly tried to find a diplomatic settlement with Russia. But Putin has rejected any meaningful talks because he expects that Western support for Ukraine will wane as the war grinds on. It's natural to feel worn out by months of full-scale war. But Russia's war is driven by genocidal intent, and so Ukraine and the whole of the West simply cannot agree to Russia's demands. As Putin declared two days before the invasion, Ukraine's very existence is a mistake—the Soviet Union, he said, “created” Ukraine by casually drawing boundaries on a map—and our country must be erased. In his view, Ukrainians can either become Russians or die.

Putin has made good on this promise. After taking territory, Russian forces have looked through kill lists drawn up by the Federal Security Service and knocked on doors. They have tortured and executed people who teach Ukraine's language and history, civil society activists, human rights defenders, former Ukrainian soldiers, local authorities, and plenty of others. They have changed road signs from Ukrainian to Russian, destroyed Ukrainian monuments, banned Ukrainian television, and prohibited the Ukrainian language from being used in schools.

In Putin's view, Ukrainians can either become Russians or be killed.

We in Ukraine are not surprised by this brutal campaign. We have a deep knowledge of Russia and have watched for centuries as Russian intellectuals and state-controlled media incited hatred toward our nation. We have also seen how Moscow's animosity extends beyond our borders. Russian media routinely condemns other neighboring states, the West more broadly, and a variety of minority groups—including Jews and LGBTQ people. The Russian political elite has a generalized, deep-seated loathing of others.

This hatred is yet another reason why the West cannot afford to wave the white flag. A Russian military victory would not just enable the torture, rape, and murder of many more thousands of innocent Ukrainians. It would undermine liberal values. It would free up Russia to menace central Europe. Indeed, it would allow Russia to threaten the Western world at large. There is nothing more dangerous for the European Union and NATO than having an emboldened Russia or pro-Russian proxy across more of its eastern borders.

Thankfully for Europe and the United States, Ukraine is fighting this dark force, and it is motivated to keep doing so until it wins. But we cannot succeed alone, and the West must understand the stakes and consequences of our failure. If we lose, there will not just be no more Ukraine; there will be no prosperity or security in Europe.

BAD TO WORSE

It is unrealistic to suggest that Ukraine sacrifice its people, territory, and sovereignty in exchange for nominal peace, and these recent calls for compromise are merely a byproduct of a growing fatigue. I have spoken with a number of decision-makers in African, Arab, and Asian states. Some of them started our conversations by affirming their support for our cause before making a hard pivot, politely proposing that we simply stop resisting. It's an unthinkable proposition, but their reasoning is simple: they want the grain trapped in our ports by Russia's naval blockade, and they are willing to sacrifice Ukrainian independence to get it. Other policymakers peddling concessions have expressed concerns about similar Russian-provoked economic crises, including spiraling inflation and energy prices.

But although rising food and energy costs are serious problems, giving in to Moscow is no solution—and not only because of what it will mean for Ukrainians. Russia is a revanchist country bent on remaking the entire world through force. It actively works to destabilize African, Arab, and Asian states both through its own military and through proxies. These conflicts have created their own humanitarian crises, and if Ukraine loses they will only grow worse. In victory, Putin would be emboldened to stir up more unrest and create more disasters across the developing world.

The West must cut off Russian access to the international maritime shipping industry.

Putin's increased aggression wouldn't be limited to the developing world. He would meddle with more vigor in U.S. and European politics. If he succeeds in conquering Ukraine's south, he may march deeper into the continent by invading Moldova, where Russian proxies already control a slice of territory. He could even trigger a new war in the western Balkans, where increasingly antagonistic Serbian elites have looked to Russia for inspiration and support.

The West must therefore not suggest peace initiatives with unacceptable terms and instead help Ukraine win. That means not just providing Ukraine with the heavy weaponry it needs to fight off Moscow's forces; it also means maintaining and increasing sanctions against Russia. Critically, the West must kill Russian exports by imposing a full energy embargo and cutting off Russian access to the international maritime shipping industry. The latter step may seem difficult to carry out, but it is, in fact, highly achievable: Russia's export-oriented economy relies heavily on foreign fleets to deliver its goods abroad, and the fleets could stop serving the country.

These economic measures are key. Sanctions have undermined the Russian economy and impeded its ability to continue the war. But Moscow still feels confident about its decision, and so the West cannot afford any sanctions fatigue—regardless of the broader economic costs.

THE PATH TO VICTORY

Despite Ukraine's early successes, it may be hard for Western policymakers to envision how we can defeat Russia's larger and better-equipped forces. But we have a pathway to victory. With sufficient support, Ukraine can both halt Russia's advance and take back more of its territories.

In the east, Ukraine can gain the upper hand with more advanced heavy weapons, allowing us to gradually stall Moscow's crumbling invasion in the Donbas. (The Kremlin's gains in this region may make headlines, but it is important to remember that they are limited and have resulted in extremely high Russian casualties.) The pivotal moment will come when our armed forces use Western-provided multiple launch rocket systems to destroy Russia's artillery, turning the tide in Ukraine's favor along the entire frontline. Afterward, our troops will aim to take back pieces of land, forcing Russians to retreat here and there.

On the battlefield in the south, the armed forces of Ukraine are already carrying out counterattacks, and we will use advanced weapons to further cut through enemy defenses. We will aim to put the Russians on the edge of needing to abandon Kherson—a city that is key to the strategic stability of Ukraine. If we advance in both the south and the east, we can force Putin to choose between abandoning southern cities, including Kherson and Melitopol, in order to cling onto the Donbas, and abandoning newly occupied territories in Donetsk and Luhansk so he can hold the south.

When we reach this moment, Putin will likely become more serious about cease-fire negotiations. Our goal will still be to get Russian forces out of Ukraine, and keeping up the pressure may push Putin to accept a negotiated solution that entails Russian troops withdrawing from all occupied territories. Putin, after all, pulled Russian troops from the areas around Kyiv after encountering enough setbacks at the hands of our forces. If our military grows stronger and more successful, he will have good reasons to do so again. For example, it will be easier to present a retreat as an act of goodwill before further negotiations, instead of as an act of embarrassing necessity, if it is organized rather than hasty. Putin could even claim that the “special operation” has successfully achieved its goals of demilitarizing and denazifying Ukraine, whatever this means for him. By publishing images of destroyed Ukrainian units and equipment, Putin’s propaganda machine will reinforce a message of success. Propaganda can also help Putin present the withdrawal as a sign of his humane treatment of Russian soldiers and as a wise step toward peace in general.

But if Putin remains intransigent, Ukraine can proceed farther into Luhansk and Donetsk until he is willing to negotiate in good faith or until our army reaches and secures Ukraine’s internationally recognized border. And whether Russian troops choose to retreat or are forced to, Ukraine will be able to speak with Russia from a position of strength. We can seek a fair diplomatic settlement with a weakened and more constructive Russia. It ultimately means that Putin will be forced to accept Ukrainian terms, even if he denies it publicly.

THE ONLY THING TO FEAR IS FEAR ITSELF

Some Western decision-makers are also wary of doing too much to help Ukraine because they are scared of what Putin might do if he is roundly defeated on the battlefield. In their view, an angry, isolated Russian president might start new campaigns of international aggression. They worry that he will generally become more dangerous and difficult to deal with. Some fear that he might even use his country’s formidable nuclear arsenal.

But Putin is not suicidal; a Ukrainian victory will not lead to nuclear warfare. Such fears may be deliberately fueled by the Kremlin itself for strategic purposes. Putin is a master of gaslighting, and I am sure that Russians themselves are peddling worries of a cornered Putin in order to weaken Western support for Ukraine.

The United States and Europe shouldn’t fall for it. Actual experience shows that whenever Putin faces a failure he opts to downplay and conceal it, not to double

down. Finland and Sweden's applications for NATO membership, for example, were a clear political defeat for Putin, who claimed that he launched his invasion of Ukraine to prevent further NATO enlargement. But it wasn't followed by any escalation. Instead, Russian propaganda minimized its significance. The Kremlin claimed that the withdrawal from Kyiv, another clear failure, was a gesture of "goodwill" to facilitate negotiations. The same pattern will apply to a broader battleground defeat. (The strength of his propaganda apparatus will help minimize the domestic backlash Putin faces for losing in Ukraine.)

We can force Putin to choose between abandoning southern cities and abandoning the Donbas.

Instead of focusing on Putin's feelings, the United States and Europe should focus on practical steps to help Ukraine prevail. They should remember that a Ukrainian victory would make the world more secure. It would deplete Russian forces, making it harder for Moscow to meddle in Africa, Asia, Latin America, and the western Balkans. It would promote global stability more broadly by strengthening international law and demonstrating to other would-be aggressors that barbarism ends poorly. The West, then, must give Kyiv what it needs to push Russian invaders back.

Committing to Ukraine's victory will have one final advantage: it will eliminate the uncertainty in the long-term strategies of the United States and Europe toward Russia, girding them for the long haul and helping them no longer be plagued by war fatigue. They will see that our mission—substantially weakening Russia—will enable them, and the rest of the world, to seriously negotiate with a humbled and more constructive Moscow.

We look forward to this day; any war ends with diplomacy. But that moment has not yet come. Right now, it is clear that Putin's path to the negotiating table lies solely through battleground defeats.

Source: Published in Foreign Affairs

Why War Fails By Lawrence Freedman

On February 27, a few days after Russia invaded Ukraine, Russian forces launched an operation to seize the Chornobaivka airfield near Kherson on the Black Sea coast. Kherson was the first Ukrainian city the Russians managed to occupy, and since it was also close to Russia's Crimean stronghold, the airfield would be important for the next stage of the offensive. But things did not go according to plan. The same day the Russians took over the airfield, Ukrainian forces began counterattacking with armed drones and soon struck the helicopters that were flying in supplies from Crimea. In early March, according to Ukrainian defense sources, Ukrainian soldiers made a devastating night raid on the airstrip, destroying a fleet of 30 Russian military helicopters. About a week later, Ukrainian forces destroyed another seven. By May 2, Ukraine had made 18 separate attacks on the airfield, which, according to Kyiv, had eliminated not only dozens of helicopters but also ammunition depots, two Russian generals, and nearly an entire Russian battalion. Yet throughout these attacks, Russian forces continued to move in equipment and materiel with helicopters. Lacking both a coherent strategy for defending the airstrip and a viable alternative base, the Russians simply stuck to their original orders, with disastrous results.

Ukrainian President Volodymyr Zelensky has described the Chornobaivka battle as a symbol of the incompetence of Russia's commanders, who were driving "their people to slaughter." In fact, there were numerous similar examples from the first weeks of the invasion. Although Ukrainian forces were consistently outgunned, they used their initiative to great advantage, as Russian forces repeated the same mistakes and failed to change their tactics. From the start, the war has provided a remarkable contrast in approaches to command. And these contrasts may go a long way toward explaining why the Russian military has so underperformed expectations.

In the weeks leading up to the February 24 invasion, Western leaders and analysts and the international press were naturally fixated on the overwhelming forces that Russian President Vladimir Putin was amassing on Ukraine's borders. As many as 190,000 Russian troops were poised to invade the country. Organized into as many as 120 battalion tactical groups, each had armor and artillery and was backed by superior air support. Few imagined that Ukrainian forces could hold out for very long against the Russian steamroller. The main question about the Russian plans was whether they included sufficient forces to

occupy such a large country after the battle was won. But the estimates had failed to account for the many elements that factor into a true measure of military capabilities.

Military power is not only about a nation's armaments and the skill with which they are used. It must take into account the resources of the enemy, as well as the contributions from allies and friends, whether in the form of practical assistance or direct interventions. And although military strength is often measured in firepower, by counting inventories of arms and the size of armies, navies, and air forces, much depends on the quality of the equipment, how well it has been maintained, and on the training and motivation of the personnel using it. In any war, the ability of an economy to sustain the war effort, and the resilience of the logistical systems to ensure that supplies reach the front lines as needed, is of increasing importance as the conflict wears on. So is the degree to which a belligerent can mobilize and maintain support for its own cause, both domestically and externally, and undermine that of the enemy, tasks that require constructing compelling narratives that can rationalize setbacks as well as anticipate victories. Above all, however, military power depends on effective command. And that includes both a country's political leaders, who act as supreme commanders, and those seeking to achieve their military goals as operational commanders.

Putin's invasion of Ukraine has underscored the crucial role of command in determining ultimate military success. The raw force of arms can only do so much for a state. As Western leaders discovered in Afghanistan and Iraq, superior military hardware and firepower may enable forces to gain control of territory, but they are far less effective in the successful administration of that territory. In Ukraine, Putin has struggled even to gain control of territory, and the way that his forces have waged war has already ensured that any attempt to govern, even in Ukraine's supposedly pro-Russian east, will be met by animosity and resistance. For in launching the invasion, Putin made the familiar but catastrophic mistake of underestimating the enemy, assuming it to be weak at its core, while having excessive confidence in what his own forces could achieve.

THE FATE OF NATIONS

Commands are authoritative orders, to be obeyed without question. Military organizations require strong chains of command because they commit disciplined and purposeful violence. At times of war, commanders face the special challenge of persuading subordinates to act against their own survival

instincts and overcome the normal inhibitions about murdering their fellow humans. The stakes can be extremely high. Commanders may have the fate of their countries in their hands and must be deeply aware of the potential for national humiliation should they fail as well as for national glory if they succeed.

Military command is often described as a form of leadership, and as outlined in treatises on command, the qualities sought in military leaders are often those that would be admirable in almost any setting: deep professional knowledge, the ability to use resources efficiently, good communication skills, the ability to get on with others, a sense of moral purpose and responsibility, and a willingness to care for subordinates. But the high stakes of war and the stresses of combat impose their own demands. Here, the relevant qualities include an instinct for maintaining the initiative, an aptitude for seeing complex situations clearly, a capacity for building trust, and the ability to respond nimbly to changing or unexpected conditions. The historian Barbara Tuchman identified the need for a combination of resolution—“the determination to win through”—and judgment, or the capacity to use one’s experience to read situations. A commander who combines resolve with keen strategic intelligence can achieve impressive results, but resolve combined with stupidity can lead to ruin.

Not all subordinates will automatically follow commands. Sometimes orders are inappropriate, perhaps because they are based on dated and incomplete intelligence and may therefore be ignored by even the most diligent field officer. In other cases, their implementation might be possible but unwise, perhaps because there is a better way to achieve the same objectives. Faced with orders they dislike or distrust, subordinates can seek alternatives to outright disobedience. They can procrastinate, follow orders half-heartedly, or interpret them in a way that fits better with the situation that confronts them.

To avoid these tensions, however, the modern command philosophy followed in the West has increasingly sought to encourage subordinates to take the initiative to deal with the circumstances at hand; commanders trust those close to the action to make the vital decisions yet are ready to step in if events go awry. This is the approach Ukrainian forces have adopted. Russia’s command philosophy is more hierarchical. In principle, Russian doctrine allows for local initiative, but the command structures in place do not encourage subordinates to risk disobeying their orders. Inflexible command systems can lead to excessive caution, a fixation on certain tactics even when they are inappropriate, and a lack of

“ground truth,” as subordinates dare not report problems and instead insist that all is well.

Russia’s problems with command in Ukraine are less a consequence of military philosophy than of current political leadership. In autocratic systems such as Russia’s, officials and officers must think twice before challenging superiors. Life is easiest when they act on the leader’s wishes without question. Dictators can certainly make bold decisions on war, but these are far more likely to be based on their own ill-informed assumptions and are unlikely to have been challenged in a careful decision-making process. Dictators tend to surround themselves with like-minded advisers and to prize loyalty above competence in their senior military commanders.

FROM SUCCESS TO STALEMATE

Putin’s readiness to trust his own judgment in Ukraine reflected the fact that his past decisions on the use of force had worked out well for him. The state of the Russian military in the 1990s before he took power was dire, as shown by Russian President Boris Yeltsin’s 1994–96 war in Chechnya. At the end of 1994, Russian Defense Minister Pavel Grachev reassured Yeltsin that he could end Chechnya’s effort to secede from the Russian Federation by moving Russian forces quickly into Grozny, the Chechen capital. The Kremlin viewed Chechnya as an artificial, gangster-infested state for which few of its citizens could be expected to sacrifice their lives, especially when confronted with the full blast of Russian military power—misguided assumptions somewhat similar to those made on a much larger scale in the current invasion of Ukraine. The Russian units included many conscripts with little training, and the Kremlin failed to appreciate how much the Chechen defenders would be able to take advantage of the urban terrain. The results were disastrous. On the first day of the attack, the Russian army lost over 100 armored vehicles, including tanks; Russian soldiers were soon being killed at the rate of 100 a day. In his memoirs, Yeltsin described the war as the moment when Russia “parted with one more exceptionally dubious but fond illusion—about the might of our army . . . about its indomitability.”

The first Chechen war concluded unsatisfactorily in 1996. A few years later, Vladimir Putin, who became the ailing Yeltsin’s prime minister in September 1999, decided to fight the war again, but this time he made sure that Russia was prepared. Putin had previously been head of the Federal Security Service, or FSB, the successor to the KGB, where he began his career. When apartment

buildings in Moscow and elsewhere were bombed in September 1999, Putin blamed Chechen terrorists (although there was good reason to suspect the FSB was seeking to create a pretext for a new war) and ordered Russian troops to gain control of Chechnya by “all available means.” In this second Chechen war, Russia proceeded with more deliberation and ruthlessness until it succeeded in occupying Grozny. Although the war dragged on for some time, Putin’s visible commitment to ending the Chechen rebellion was sufficient to provide him with a decisive victory in the spring 2000 presidential election. As Putin was campaigning, journalists asked him which political leaders he found “most interesting.” After citing Napoleon—which the reporters took as a joke—he offered Charles de Gaulle, a natural choice perhaps for someone who wanted to restore the effectiveness of the state with a strong centralized authority.

The taking of Crimea confirmed Putin’s status as a shrewd commander. By 2013, Putin had gone some way toward achieving that end. High commodity prices had given him a strong economy. He had also marginalized his political opposition at home, consolidating his power. Yet Russia’s relations with the West had worsened, particularly concerning Ukraine. Ever since the Orange Revolution of 2004–5, Putin had worried that a pro-Western government in Kyiv might seek to join NATO, a fear aggravated when the issue was broached at NATO’s 2008 Bucharest summit. The crisis, however, came in 2013, when Victor Yanukovich, Ukraine’s pro-Russian president, was about to sign an association agreement with the EU. Putin put intense pressure on Yanukovich until he agreed not to sign. But Yanukovich’s reversal led to exactly what Putin had feared, a popular uprising—the Maidan movement—that ultimately brought down Yanukovich and left Ukraine completely in the hands of pro-Western leaders. At this point, Putin resolved to annex Crimea.

In launching his plan, Putin had the advantages of a Russian naval base at Sevastopol and considerable support for Russia among the local population. Yet he still proceeded carefully. His strategy, which he has followed since, was to present any aggressive Russian move as no more than a response to pleas from people who needed protection. Deploying troops with standard uniforms and equipment but no markings, who came to be known as the “little green men,” the Kremlin successfully convinced the local parliament to call a referendum on incorporating Crimea into Russia. As these events unfolded, Putin was prepared to hold back should Ukraine or its Western allies put up a serious challenge. But Ukraine was in disarray—it had only an acting minister of defense and no decision-making authority in a position to respond—and the West took no action

against Russia beyond limited sanctions. For Putin, the taking of Crimea, with hardly any casualties, and with the West largely standing on the sidelines, confirmed his status as a shrewd supreme commander.

But Putin was not content to walk away with this clear prize; instead, that spring and summer, he allowed Russia to be drawn into a far more intractable conflict in the Donbas region of eastern Ukraine. Here, he could not follow the formula that had worked so well in Crimea: pro-Russian sentiment in the east was too feeble to imply widespread popular support for secession. Very quickly, the conflict became militarized, with Moscow claiming that separatist militias were acting independently of Russia. Nonetheless, by summer, when it looked like the separatists in Donetsk and Luhansk, the two pro-Russian enclaves in the Donbas, might be defeated by the Ukrainian army, the Kremlin sent in regular Russian forces. Although the Russians then had no trouble against the Ukrainian army, Putin was still cautious. He did not annex the enclaves, as the separatists wanted, but instead took the opportunity to get a deal in Minsk, intending to use the enclaves to influence Kyiv's policies.

To some Western observers, Russia's war in the Donbas looked like a potent new strategy of hybrid warfare. As analysts described it, Russia was able to put its adversaries on the back foot by bringing together regular and irregular forces and overt and covert activities and by combining established forms of military action with cyberattacks and information warfare. But this assessment overstated the coherence of the Russian approach. In practice, the Russians had set in motion events with unpredictable consequences, led by individuals they struggled to control, for objectives they did not wholly share. The Minsk agreement was never implemented, and the fighting never stopped. At most, Putin had made the best of a bad job, containing the conflict and, while disrupting Ukraine, deterring the West from getting too involved. Unlike in Crimea, Putin had shown an uncertain touch as a commander, with the Donbas enclaves left in limbo, belonging to no country, and Ukraine continuing to move closer to the West.

UNDERWHELMING FORCE

By the summer of 2021, the Donbas war had been at a stalemate for more than seven years, and Putin decided on a bold plan to bring matters to a head. Having failed to use the enclaves to influence Kyiv, he sought to use their plight to make the case for regime change in Kyiv, ensuring that it would reenter Moscow's

sphere of influence and never again contemplate joining either NATO or the EU. Thus, he would undertake a full-scale invasion of Ukraine.

Such an approach would require a huge commitment of armed forces and an audacious campaign. But Putin's confidence had been boosted by Russia's recent military intervention in Syria, which successfully propped up the regime of Bashar al-Assad, and by recent efforts to modernize Russia's armed forces. Western analysts had largely accepted Russian claims about the country's growing military strength, including new systems and armaments, such as "hypersonic weapons," that at least sounded impressive. Moreover, healthy Russian financial reserves would limit the effect of any punitive sanctions. And the West appeared divided and unsettled after Donald Trump's presidency, an impression that was confirmed by the botched U.S. withdrawal from Afghanistan in August 2021.

When Putin launched what he called the "special military operation" in Ukraine, many in the West feared that it might succeed. Western observers had watched Russia's massive buildup of forces on the Ukrainian border for months, and when the invasion began, the minds of U.S. and European strategists raced ahead to the implications of a Russian victory that threatened to incorporate Ukraine into a revitalized Greater Russia. Although some NATO countries, such as the United States and the United Kingdom, had rushed military supplies to Ukraine, others, following this pessimism, were more reluctant. Additional equipment, they concluded, was likely to arrive too late or even be captured by the Russians.

Less noted was that the Russian troop buildup—notwithstanding its formidable scale—was far from sufficient to take and hold all of Ukraine. Even many in or connected to the Russian military could see the risks. In early February 2022, Igor "Strelkov" Girkin, one of the original Russian separatist leaders in the 2014 campaign, observed that Ukraine's military was better prepared than it had been eight years earlier and that "there aren't nearly enough troops mobilized, or being mobilized." Yet Putin did not consult experts on Ukraine, relying instead on his closest advisers—old comrades from the Russian security apparatus—who echoed his dismissive view that Ukraine could be easily taken.

As soon as the invasion got underway, the central weaknesses in the Russian campaign became apparent. The plan was for a short war, with decisive advances in several different parts of the country on the first day. But Putin and his advisers' optimism meant that the plan was shaped largely around rapid

operations by elite combat units. Little consideration was given to logistics and supply lines, which limited Russia's ability to sustain the offensive once it stalled, and all the essentials of modern warfare, including food, fuel, and ammunition, began to be rapidly consumed. In effect, the number of axes of advance created a number of separate wars being fought at once, all presenting their own challenges, each with their own command structures and without an appropriate mechanism to coordinate their efforts and allocate resources among them.

The first sign that things were not going according to Putin's plan was what happened at the Hostomel airport, near Kyiv. Told that they would meet little resistance, the elite paratroopers who had been sent to hold the airport for incoming transport aircraft were instead repelled by a Ukrainian counterattack. Eventually, the Russians succeeded in taking the airport, but by then, it was too damaged to be of any value. Elsewhere, apparently formidable Russian tank units were stopped by far more lightly armed Ukrainian defenders. According to one account, a huge column of Russian tanks that was destined for Kyiv was initially stopped by a group of just 30 Ukrainian soldiers, who approached it at night on quad bikes and succeeded in destroying a few vehicles at the head of the column, leaving the rest stuck on a narrow roadway and open to further attack. The Ukrainians successfully repeated such ambushes in many other areas.

Ukrainian forces, with Western assistance, had undertaken energetic reforms and planned their defenses carefully. They were also highly motivated, unlike many of their Russian counterparts, who were unsure why they were there. Agile Ukrainian units, drawing first on antitank weapons and drones and then on artillery, caught Russian forces by surprise. In the end, then, the early course of the war was determined not by greater numbers and firepower but by superior tactics, commitment, and command.

COMPOUNDING ERRORS

From the outset of the invasion, the contrast between the Russian and Ukrainian approaches to command was stark. Putin's original strategic error was to assume that Ukraine was both hostile enough to engage in anti-Russian activities and incapable of resisting Russian might. As the invasion stalled, Putin appeared unable to adapt to the new reality, insisting that the campaign was on schedule and proceeding according to plan. Prevented from mentioning the high numbers of Russian casualties and numerous battlefield setbacks, the Russian media have relentlessly reinforced government propaganda about the war. By contrast,

Ukrainian President Volodymyr Zelensky, the initial target of the Russian operation, refused offers from the United States and other Western powers to be taken to safety to form a government in exile. He not only survived but stayed in Kyiv, visible and voluble, rallying his people and pressing Western governments for more support, financial and military. By demonstrating the overwhelming commitment of the Ukrainian people to defend their country, he encouraged the West to impose far more severe sanctions on Russia than it might otherwise have done, as well as to get supplies of weapons and war materiel to Ukraine. While Putin stubbornly repeated himself as his “special military operation” faltered, Zelensky grew in confidence and political stature.

Putin’s baleful influence also hung over other key strategic decisions by Russia. The first, following the initial setbacks, was the Russian military’s decision to adopt the brutal tactics it had used in Chechnya and Syria: targeting civilian infrastructure, including hospitals and residential buildings. These attacks caused immense suffering and hardship and, as could have been predicted, only strengthened Ukrainian resolve. The tactics were also counterproductive in another sense. Combined with the revelations about possible war crimes by Russian troops in areas around Kyiv, such as Bucha, Russia’s attacks on nonmilitary targets convinced leaders in Washington and other Western capitals that it was pointless to try to broker a compromise settlement with Putin. Instead, Western governments accelerated the flow of weapons to Ukraine, with a growing emphasis on offensive as well as defensive systems. This was not the war between Russia and NATO claimed by Moscow propagandists, but it was rapidly becoming the next closest thing.

An unbroken string of poor command decisions left Putin with few options. A second key strategic decision came on March 25, when Russia abandoned its maximalist goal of taking Kyiv and announced that it was concentrating instead on the “complete liberation” of the Donbas region. This new objective, although it promised to bring greater misery to the east, was more realistic, and it would have been yet more so if it had been the initial aim of the invasion. The Kremlin also now appointed an overall Russian commander to lead the war, a general whose approach would be more methodical and employ additional artillery to prepare the ground before armor and infantry moved forward. But the effect of these shifts was limited because Putin needed quick results and didn’t give the Russian forces time to recover and prepare for this second round of the war.

The momentum had already swung from Russia to Ukraine, and it could not be turned around quickly enough to meet Putin's timetable. Some analysts speculated that Putin wanted something that he could call a victory on May 9, the Russian holiday marking the end of the Great Patriotic War, Russia's victory over Nazi Germany. As likely, though, was his and his senior military commanders' desire to make territorial gains in the east before Ukraine could absorb new weapons from the United States and Europe. As a result, Russian commanders sent units that had just been withdrawn from the north back into combat in the east; there was no time to replenish the troops or remedy the failings exhibited in the first phase of the war.

In the new offensive, which began in earnest in mid-April, Russian forces made few gains, while Ukrainian counterattacks nibbled away at their positions. To add to the embarrassment, Russia's Black Sea flagship, the Moskva, was sunk in an audacious Ukrainian attack. By May 9, there was not a lot to celebrate in Moscow. Even the coastal city of Mariupol, which Russia had attacked mercilessly since the start of the war and battered into rubble, was not fully captured until a week later. By that time, Western estimates were suggesting that a third of the initial Russian combat force, both personnel and equipment, had been lost. Rumors had circulated that Putin would use the holiday to announce a general mobilization to meet the army's need for manpower, but no such announcement was made. For one thing, such a move would have been deeply unpopular in Russia. But it would also have taken time to get conscripts and reservists to the front, and Russia would still face chronic equipment shortages.

After an unbroken string of poor command decisions, Putin was running out of options. As the offensive in Ukraine completed its third month, many observers began to note that Russia had become stuck in an unwinnable war that it dared not lose. Western governments and senior NATO officials began to talk of a conflict that could continue for months, and possibly years, to come. That would depend on the ability of the Russian commanders to keep a fight going with depleted forces of low morale and also on the ability of Ukraine to move from a defensive strategy to an offensive one. Perhaps Russia's military could still salvage something out of the situation. Or perhaps Putin would see at some point that it might be prudent to call for a cease-fire so he could cash in the gains made early in the war before a Ukrainian counteroffensive took them away, even though that would mean admitting failure.

POWER WITHOUT PURPOSE

One must be careful when drawing large lessons from wars with their own special features, particularly from a war whose full consequences are not yet known. Analysts and military planners are certain to study the war in Ukraine for many years as an example of the limits to military power, looking for explanations as to why one of the strongest and largest armed forces in the world, with a formidable air force and navy and new equipment and with recent and successful combat experience, faltered so badly. Before the invasion, when Russia's military was compared with Ukraine's smaller and lesser-armed defense forces, few doubted which side would gain the upper hand. But actual war is determined by qualitative and human factors, and it was the Ukrainians who had sharper tactics, brought together by command structures, from the highest political level to the lowlier field commanders, that were fit for the purpose.

Putin's war in Ukraine, then, is foremost a case study in a failure of supreme command. The way that objectives are set and wars launched by the commander in chief shapes what follows. Putin's mistakes were not unique; they were typical of those made by autocratic leaders who come to believe their own propaganda. He did not test his optimistic assumptions about the ease with which he could achieve victory. He trusted his armed forces to deliver. He did not realize that Ukraine was a challenge on a completely different scale from earlier operations in Chechnya, Georgia, and Syria. But he also relied on a rigid and hierarchical command structure that was unable to absorb and adapt to information from the ground and, crucially, did not enable Russian units to respond rapidly to changing circumstances.

The value of delegated authority and local initiative will be one of the other key lessons from this war. But for these practices to be effective, the military in question must be able to satisfy four conditions. First, there must be mutual trust between those at the senior and most junior levels. Those at the highest level of command must have confidence that their subordinates have the intelligence and ability to do the right thing in demanding circumstances, while their subordinates must have confidence that the high command will provide what backing they can. Second, those doing the fighting must have access to the equipment and supplies they need to keep going. It helped the Ukrainians that they were using portable antitank and air-defense weapons and were fighting close to their home bases, but they still needed their logistical systems to work.

Third, those providing leadership at the most junior levels of command need to be of high quality. Under Western guidance, the Ukrainian army had been

developing the sort of noncommissioned officer corps that can ensure that the basic demands of an army on the move will be met, from equipment maintenance to actual preparedness to fight. In practice, even more relevant was that many of those who returned to the ranks when Ukraine mobilized were experienced veterans and had a natural understanding of what needed to be done.

But this leads to the fourth condition. The ability to act effectively at any level of command requires a commitment to the mission and an understanding of its political purpose. These elements were lacking on the Russian side because of the way Putin launched his war: the enemy the Russian forces had been led to expect was not the one they faced, and the Ukrainian population was not, contrary to what they had been told, inclined to be liberated. The more futile the fight, the lower the morale and the weaker the discipline of those fighting. In these circumstances, local initiative can simply lead to desertion or looting. By contrast, the Ukrainians were defending their territory against an enemy intent on destroying their land. There was an asymmetry of motivation that influenced the fighting from the start. Which takes us back to the folly of Putin's original decision. It is hard to command forces to act in support of a delusion.

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Can Putin Survive? By Vladislav Zubok

On May 9, 2022, a column of tanks and artillery thundered down Moscow's Red Square. Over 10,000 soldiers marched through the city's streets. It was Russia's 27th annual Victory Day parade, in which the country commemorates the Soviet Union's triumph over Nazi Germany in World War II. Russian President Vladimir Putin, presiding over the ceremonies, gave a speech praising his country's military and fortitude. "The defense of our motherland when its destiny was at stake has always been sacred," he said. "We will never give up." Putin was speaking about the past but also about the present, with a clear message to the rest of the world: Russia is determined to continue prosecuting its war against Ukraine.

The war looks very different in Putin's telling than it does to the West. It is just and courageous. It is successful. "Our warriors of different ethnicities are fighting together, shielding each other from bullets and shrapnel like brothers," Putin said. Russia's enemies had tried to use "international terrorist gangs" against the country, but they had "failed completely." In reality, of course, Russian troops have been met by fierce local resistance rather than outpourings of support, and they were unable to seize Kyiv and depose Ukraine's government. But for Putin, victory may be the only publicly acceptable result. No alternate outcomes are openly discussed in Russia.

They are, however, discussed in the West, which has been near jubilant about Ukraine's success. Russia's military setbacks have reinvigorated the transatlantic alliance and, for a moment, made Moscow look like a kleptocratic third-rate power. Many policymakers and analysts are now dreaming that the conflict could ultimately end not just in a Ukrainian victory; they are hoping Putin's regime will suffer the same fate as the Soviet Union: collapse. This hope is evident in the many articles and speeches drawing comparisons between the Soviet Union's disastrous war in Afghanistan and Russia's invasion of Ukraine. It appears to be a latent motivation for the harsh sanctions imposed on Russia, and it underlines all the recent talk of the democratic world's new unity. The war, the logic goes, will sap public support for the Kremlin as losses mount and sanctions destroy the Russian economy. Cut off from access to Western goods, markets, and culture, both elites and ordinary Russians will grow increasingly fed up with Putin, perhaps taking to the streets to demand a better future. Eventually, Putin and his regime may be shunted aside in either a coup or a wave of mass protests.

This thinking is based on a faulty reading of history. The Soviet Union did not collapse for the reasons Westerners like to point to: a humiliating defeat in Afghanistan, military pressure from the United States and Europe, nationalistic tensions in its constituent republics, and the siren song of democracy. In reality, it was misguided Soviet economic policies and a series of political missteps by Soviet leader Mikhail Gorbachev that caused the country to self-destruct. And Putin has learned a great deal from the Soviet collapse, managing to avoid the financial chaos that doomed the Soviet state despite intense sanctions. Russia today features a very different combination of resilience and vulnerability than the one that characterized the late-era Soviet Union. This history matters because in thinking about the war in Ukraine and its aftermath, the West should avoid projecting its misconceptions about the Soviet collapse onto present-day Russia.

The Soviet Union did not collapse for the reasons Westerners like to point to. But that doesn't mean the West is helpless in shaping Russia's future. Putin's regime is more stable than Gorbachev's was, but if the West can stay unified, it may still be able to slowly undermine the Russian president's power. Putin grossly miscalculated by invading Ukraine, and in doing so he has exposed the regime's vulnerabilities—an economy that is much more interdependent with Western economies than its Soviet predecessor ever was and a highly concentrated political system that lacks the tools for political and military mobilization possessed by the Communist Party. If the war grinds on, Russia will become a less powerful international actor. A prolonged invasion may even lead to the kind of chaos that brought down the Soviet Union. But Western leaders cannot hope for such a quick, decisive victory. They will have to deal with an authoritarian Russia, however weakened, for the foreseeable future.

CREATIVE DESTRUCTION

In the United States and Europe, many experts assume that the collapse of the Soviet Union was preordained. In this narrative, the Soviet Union had long been fossilized economically and ideologically, its military overextended. It took time for the economic flaws and internal contradictions to tear the state apart, but as the West increased pressure on the Kremlin through military buildups, the country began to buckle. And as national self-determination movements in the constituent republics gained steam, it began to break. Gorbachev's attempts at liberalization, well intentioned as they were, could not save a dying system.

There is some truth to this story. The Soviet Union could never successfully compete militarily or technologically with the United States and its allies. Soviet

leaders performed Sisyphean labor to catch up with the West, but their country always lagged behind. On the battlefield of ideas and images, Western freedom and prosperity did help accelerate the demise of communist ideology, as younger Soviet elites lost faith in communism and gained a keen interest in coveted foreign goods, travel, and Western popular culture. And the Soviet imperial project certainly faced discontent and disdain from internal ethnic minorities.

Yet these were not new problems, and by themselves, they were not enough to rapidly force the Communist Party out of power at the end of the 1980s. In China, communist leaders faced a similar set of crises at roughly the same time, but they responded to rising discontent by liberalizing the Chinese economy while using force to put down mass protests. This combination—capitalism without democracy—worked, and the leaders of the Chinese Communist Party now rule cynically and profit from state capitalism while posing under portraits of Karl Marx, Vladimir Lenin, and Mao Zedong. Other communist regimes, such as the one in Vietnam, made similar transitions.

In reality, the Soviet Union was destroyed not so much by its structural faults as by the Gorbachev-era reforms themselves. As the economists Michael Bernstam, Michael Ellman, and Vladimir Kontorovich have all argued, perestroika unleashed entrepreneurial energy but not in a way that created a new market economy and filled shelves for Soviet consumers. Instead, the energy turned out to be destructive. Soviet-style entrepreneurs hollowed out the state's economic assets and exported valuable resources for dollars while paying taxes in rubles. They siphoned revenues to offshore sites, paving the way for oligarchic kleptocracy. Commercial banks quickly learned ingenious ways to milk the Soviet state, leading the central bank to print more and more rubles to cover the commercial banks' financial obligations as the government deficit expanded. In 1986 and 1987, as vodka sales and oil prices fell and the country reeled in the wake of the Chernobyl nuclear disaster, the Ministry of Finance printed only 3.9 billion and 5.9 billion rubles, respectively. But in 1988 and 1989, when Gorbachev's reforms were enacted, the injections of ruble liquidity increased to 11.7 billion and then to 18.3 billion.

It took decades for tens of millions of former Soviet citizens to develop postimperial identities.

Gorbachev and other reformers plowed ahead anyway. The Soviet leader delegated more political and economic authority to the 15 republics that constituted the union. He removed the Communist Party from governance and

authorized elections in each of the republics for councils vested with legislative and constitutional authority. Gorbachev's design was well meaning, yet it magnified economic chaos and financial destabilization. Russia and the other republics withheld two-thirds of the revenues that were supposed to go to the federal budget, forcing the Soviet finance ministry to print 28.4 billion rubles in 1990. The Soviet ruling class, meanwhile, decomposed into ethnic clans: the communist elites in the various republics—Kazakhs, Lithuanians, Ukrainians, and others—began to identify more with their “nations” than with the imperial center. Nationalist separatism rose like a flood.

The change of heart was particularly striking in the case of the Russians. During World War II, the Russians had done most of the fighting on behalf of the Soviet Union, and many in the West saw the communist empire as a mere extension of Russia. But in 1990–91, it was primarily tens of millions of Russians, led by Boris Yeltsin, who tore down the Soviet state. They were an eclectic group, including liberal-minded intellectuals from Moscow, provincial Russian apparatchiks, and even KGB and military officers. What united them was their rejection of Gorbachev and his failing governance. The Soviet leader's perceived weakness, in turn, prompted an attempted coup in August 1991. The organizers put Gorbachev under house arrest and sent tanks into Moscow in hopes of shocking people into submission, but they failed on both fronts. Instead, they hesitated to use brutal force and inspired mass protests against the Kremlin's control. What followed was the self-destruction of the Soviet Union's power structures. Yeltsin pushed Gorbachev aside, banned the Communist Party, and acted as a sovereign ruler. On December 8, 1991, Yeltsin and the leaders of Belarus and Ukraine declared that the Soviet Union had “ceased to exist as a subject of international law and geopolitical reality.”

But without Yeltsin's declaration, the Soviet Union might have soldiered on. Even after it ceased to formally exist, the empire continued to live for years as a common ruble zone with no borders and customs. Post-Soviet states lacked financial independence. Even after national independence referendums, followed by celebrations of newfound freedom, it took decades for tens of millions of former Soviet citizens outside Russia to develop postimperial identities, to think and act like citizens of Belarus, Ukraine, and the other new states. In this sense, the Soviet Union proved to be more resilient than brittle. It was no different from other empires in that it took decades, not months, to disintegrate.

LEARNING FROM THE PAST

Putin is deeply familiar with this history. The Russian president once declared that “the demise of the Soviet Union was the greatest geopolitical catastrophe” of the twentieth century, and he has structured his regime to avoid the same fate. He recognized that Marx and Lenin were wrong about economics, and he energetically worked to figure out how Russia could survive and thrive under global capitalism. He brought in capable economists and made macroeconomic stability and having a balanced budget among his top priorities. During the first decade of his rule, soaring oil prices filled Russia’s coffers, and Putin quickly finished paying back the \$130 billion in debt Russia owed to Western banks. He kept future debts to a minimum, and his government began to accumulate reserves in foreign currency and gold. Those precautions paid off during the global financial crisis of 2008, when Russia was able to comfortably bail out corporations vital to its economy (all of which were run by Putin’s associates).

After Putin annexed Crimea in 2014, the United States imposed sanctions on Russian oil and other industries, and oil prices plummeted as much as they did under Gorbachev. But the Russian government reacted skillfully. Under the leadership of Central Bank Chair Elvira Nabiullina and Finance Minister Anton Siluanov, the government allowed the ruble to devalue, restoring macroeconomic stability. After a brief dip, the Russian economy rebounded. Even during the COVID-19 pandemic, the country maintained strict fiscal discipline. While Western states printed trillions of dollars to subsidize their economies, Russia increased its budget surplus. The government’s economists “are holier than the Pope in applying” the approach advocated by the International Monetary Fund, said Dmitry Nekrasov, a former Russian state economist. “During the last ten years there has been no country in the world that would have conducted such a consistent, conservative, and hard-principled policy drawn on [a] liberal model of macroeconomics.” By 2022, Putin’s state had accumulated more than \$600 billion in financial reserves, one of the largest stashes in the world.

But for Putin, the primary purpose of this sound financial policymaking was not to earn international plaudits or even to help ordinary Russians keep their savings. The point was to bolster his power. Putin used the accumulated reserves to restore the sinews of the authoritarian state by building up the security services, expanding Russia’s military and armament industry, and paying off the head of Chechnya, Ramzan Kadyrov, and his paramilitary—another pillar of the Kremlin’s dictatorship.

Putin energetically worked to figure out how Russia could thrive under global capitalism.

When Putin decided to invade Ukraine earlier this year, he believed Russia's large reserves would allow the country to ride out whatever sanctions resulted. But the West's financial response was far harsher than he expected—even ardent anti-Russian hawks in the West were surprised. The West and its allies cut off a number of major Russian banks from SWIFT, the international payment clearing network, and froze \$400 billion in Russian international reserves that were physically stored in G-7 countries. Washington and its allies also blocked a host of manufacturing companies from working with the Russian government or Russian businesses. Over 700 Western manufacturing and retail corporations walked out of Russia on their own, shamed by public opinion in their home countries. Large international transportation and financial firms and intermediaries stopped working with companies linked to Moscow. The decoupling is unlike anything the world has seen since the blockades of Germany and Japan during World War II.

In the West, these actions were met with euphoria. Pundits declared that Russia's currency would collapse and that there would be broad protests. Some even speculated that Putin could be toppled. But none of those scenarios came to pass. The ruble did initially tank, but Nabiullina and Siluanov acted quickly to save it. The Russian state suspended the currency's free convertibility and decreed that 80 percent of the oil revenue made by Russian companies and other exporters (including revenue made in dollars) had to be sold to the central bank. It banned Russian citizens from wiring more than \$10,000 abroad per month, quashing the panicky rush to convert rubles to dollars, and the Russian currency eventually bounced all the way back to pre-invasion levels. Had Gorbachev been assisted by such expertise, the Soviet Union might have survived.

Russia's entrepreneurs, meanwhile, are learning how to adapt to their new reality. Many of the front doors to the international economy have shut, but Russia's businesspeople—including those who run its arms industry—know how to use backdoors to find what they need. Russian businesses also still enjoy legal access to multiple major economies, including those of China and India, both of which remain willing to do business with Russia. There is little economic reason for them not to: the strength of the ruble makes it profitable to buy Russian energy and other materials at a discount. The Russian government can then tax these profits and enforce their conversion to rubles, further maintaining

the country's solvency. In the short term, then, it is unlikely that the West's harsh sanctions will kill the ruble and force the Kremlin to yield.

DIVIDE AND CONQUER

Western penalties may not be shifting Moscow's thinking. But they are unmistakably hurting parts of Russia's population: namely, the country's elites and the urban middle class. Governments, universities, and other institutions around the world have canceled thousands of scientific and scholarly projects with Russian researchers. Services that were woven into the lives of many white-collar Russians—from Facebook to Netflix to Zoom—are suddenly unavailable. Russians cannot upgrade their MacBooks or iPhones. It has become extremely hard for them to get visas to enter the United Kingdom or the European Union, and even if they succeed, there are no direct flights or trains that can take them there. They can no longer use their credit cards abroad or pay for foreign goods and services. For the country's cosmopolitans, Russia's invasion has made life quite difficult.

At first glance, this might seem to bode ill for Putin. During the Soviet political crisis of 1990–91, members of the middle and upper classes played a huge role in bringing about the collapse of the state. Hundreds of thousands of educated Soviets rallied in the main squares of Moscow and St. Petersburg, demanding change. A new Russian elite, one that embraced nationalism and cast itself in opposition to the Soviet old guard, gained power after elections held in 1990. The country's knowledge workers and intelligentsia teamed up with this new elite to help bring the empire down.

But Gorbachev tolerated, and arguably encouraged, such political activism. Putin does not. Unlike Gorbachev, who allowed opponents to contest elections, Putin has worked to prevent any Russians from emerging as credible threats—most recently, by poisoning and then arresting the opposition leader Alexei Navalny in August 2021. There have been no demonstrations against the war on the scale that Gorbachev allowed, thanks in no small part to the ruthless efficiency of Russia's security services. The enforcers of Putin's police state have the power and the skills needed to suppress any street protests, including through intimidation, arrests, and other assorted punishments, such as hefty fines. And the Russian state is aggressively pushing to control its people's minds. In the first days after the invasion, Russia's legislature passed laws criminalizing open discussion and the dissemination of information about the war. The government forced the country's independent news outlets to shut down.

But these are just the most visible tools of Putin's system of control. Like many other authoritarians, the Russian president has also learned to exploit economic inequality to establish a firm base of support, leaning into the differences between what the Russian scholar Natalya Zubarevich calls "the four Russias." The first Russia consists of urbanites in large cities, many of whom work in the postindustrial economy and are culturally connected to the West. They are the source of most opposition to Putin, and they have staged protests against the president before. But they constitute just one-fifth of the population, by Zubarevich's estimate. The other three Russias are the residents of poorer industrial cities, who are nostalgic for the Soviet past; people who live in declining rural towns; and multiethnic non-Russians in the North Caucasus (including Chechnya) and southern Siberia. The inhabitants of those three Russias overwhelmingly support Putin because they depend on subsidies from the state and because they adhere to traditional values when it comes to hierarchy, religion, and worldview—the kinds of cultural positions that Putin has championed in the Kremlin's imperialist and nationalist propaganda, which has gone into overdrive since the invasion of Ukraine began.

Putin, then, doesn't need to engage in mass repression to keep himself in command. Indeed, recognizing the seeming futility of opposing the state, many members of the first Russia who are truly fed up with Putin are simply fleeing the country—a development that Putin openly supports. He has declared their departure to be "a natural and necessary self-purification of [Russian] society" from a pro-Western "fifth column." And so far, the invasion has done little to erode his support among the other three Russias. Most members of those groups do not feel connected to the global economy, and they are therefore relatively unbothered by Russia's excommunication by the West via sanctions and bans. To maintain these groups' support, Putin can continue to subsidize some regions and pour billions into infrastructure and construction projects in others.

He can also appeal to their conservative and nostalgic sentiments—something Gorbachev could never do. Russia's turbulent history has led most of its people to want a strong leader and consolidation of the country—not democracy, civil rights, and national self-determination. Gorbachev, however, was no strongman. The Soviet leader was driven by an extraordinarily idealistic vision and refused to use force to maintain his empire. He mobilized the most progressive groups of Russian society, above all the intelligentsia and urban professionals, to help him

yank the Soviet Union out of its isolation, stagnation, and conservative moorings. But in doing so, he lost the support of the rest of Russia and was forced out of office, leaving behind a legacy of economic crisis, statelessness, chaos, and secession. The life expectancy of Russians dropped from 69 years in 1990 to 64.5 years in 1994; for males, the plunge was from 64 years down to 58 years. Russia's population declined, and the country faced food shortages. It is no wonder that so many Russians wanted a strongman like Putin, who promised to protect them from a hostile world and to restore the Russian empire. In the weeks after the invasion of Ukraine, the Russian people's knee-jerk reaction was to rally around the tsar, not to accuse him of unprovoked aggression.

UNDER PRESSURE

None of this bodes well for Westerners who want Putin's system to fall—or for the Ukrainians fighting to defeat the Russian military machine. But even though the Soviet Union's collapse may not offer a preview of Russia's trajectory, that doesn't mean the West's actions will have no impact on the country's future. There is a consensus among both Western and savvy Russian economists that in the long term, the sanctions will cause Russia's economy to shrink as supply chain disruptions mount. The country's transportation and communications industries are especially vulnerable. Russia's passenger aircraft, fastest trains, and most of its automobiles are made in the West, and they are now cut off from the companies that know how to service and maintain them. Even official government statistics indicate that the assembly of new cars in Russia has fallen precipitously—at least partly because Russian factories are cut off from foreign-made parts. The Russian military-industrial complex may continue to go on unimpeded for now, but it, too, will eventually face shortages. In the past, Western companies continued to supply Russian arms manufacturers, even after Russia annexed Crimea. Now, if for ethical reasons alone, they won't.

The Russian energy sector has largely escaped the penalties, and as prices soar, it is making more money on exports than it did before the war. But eventually, energy output will also deteriorate, and the energy sector, too, will need spare parts and technological upgrades that only the West can properly offer. The Russian authorities have admitted that the country's oil output declined by 7.5 percent in March and may go down to levels not seen since 2003. Selling energy is likely to become a problem as well, especially if the European Union can wean itself from Russian oil and gas.

Putin denies that this will happen. At a meeting with the heads of the energy corporations, he referred to Western sanctions as “chaotic” and asserted that they would hurt Western economies and consumers more than Russians because of inflation. He even spoke about Europe’s “economic suicide” and promised to stay ahead of the West’s anti-Russian actions. He has also convinced himself that the West no longer calls the shots in the global economy, given the world’s increasing multipolarity. He is not alone; even Russian economists who oppose Putin are convinced that as long as the country’s finances are in good shape, the rest of the world—including some Western companies, traders, and intermediaries—will risk violating the sanctions to do business with Russia. As the global economy sags under the weight of the war and as international shock over the invasion fades, they believe that Russia’s relationship with the world will return to normal, just as it did after 2014.

A fall in energy profits will not undermine the resilience of Putin’s regime. But the West appears prepared to keep going. One day before Putin celebrated Victory Day, the G-7 leaders issued a declaration in support of Ukraine in which they recognized the country as an ally of the West and pledged financial support, a steady supply of arms, access to NATO intelligence, and, critically, continued economic pressure on Russia. The key of the declaration was, indeed, an announcement that they would work toward “Russia’s isolation across all sectors of its economy.” It echoes what Ursula von der Leyen, the head of the European Commission, described as the EU’s goals: to stop Russian banks “from operating worldwide,” to “effectively block Russian exports and imports,” and to “make it impossible for the [Russian] Central Bank to liquidate its assets.”

It won’t be easy to maintain this level of unity, nor will it be easy to expand the pressure to more of Russia’s sectors—such as by instituting an EU embargo on Russian oil and gas. Several countries, including Hungary (whose prime minister, Viktor Orbán, remains one of Putin’s few friends in Europe) as well as Germany and Italy, are aware that an energy embargo would deal a huge blow to their economies. And even if Europe does institute an energy ban, it will not lead to an immediate crisis in Russia. The Soviet Union, after all, experienced a drastic drop in oil revenues in the late 1980s, but that is not what bankrupted the country. It was, instead, Gorbachev’s loss of control over the central bank, the ruble, and the country’s fiscal mechanisms. As long as Putin retains power over these assets and follows professional advice, a fall in energy profits will not undermine the resilience of his regime.

But if the West is serious about stopping Putin, it will have to try to keep up the pressure anyway. The longer the sanctions go on and the harsher they grow, the more the West's anti-Russian economic regime will be implemented and internalized by other actors in the global economy. States and companies outside the West will grow more concerned about secondary sanctions. Some of the businesses may even worry about their reputations. The Chinese telecommunications giant Huawei has already suspended new contracts with Russia. Indian firms that indicated a readiness to buy Russian oil at a 30 percent discount are now under intense pressure to back off.

Only a hardcore determinist can believe that in 1991, there were no alternatives to the Soviet collapse.

If the sanctions regime does drag on and becomes institutionalized, the West may yet succeed in undermining Putin's system. Moscow's talented economists will eventually become unable to shield the country from devastating macroeconomic impacts. Even with trillions of dollars in investment in infrastructure projects or other stimulus measures, the Russian state will be unable to overcome the effects of exclusion as the costs of these projects, especially with the accompanying corruption, balloon. Without foreign know-how, the efficiency of producing Russian goods and their quality will return to where they were in the early 1990s. The three Russias dependent on the state for their livelihoods will then acutely feel their country's growing weakness and isolation in a way that, for now, they do not. People may even struggle to put food on the table. This would all seriously undermine Putin's story: that he is the essential leader of a "sovereign and great Russia," which has "risen from its knees" under his tenure.

In the long term, it is possible to imagine this seriously weakening the Russian state. Separatism could rise or return to some regions, such as Chechnya, if the Kremlin stops paying their residents' bills. Tensions will generally grow between Moscow—where money is amassed—and the industrial cities and regions that depend on imports and exports. This is most likely to happen in Eastern Siberia and the mid-Volga, oil-producing regions that could find themselves forced to give ever-larger shares of shrinking profits to the Kremlin.

Still, even a much weaker Russia is not destined to suffer a Soviet Union-style breakup. National separatism is not nearly as much of a threat to present-day Russia, where roughly 80 percent of the country's citizens consider themselves

to be ethnic Russians, as it was to the Soviet Union. Moscow's strong repressive institutions could also ensure that Russia does not experience regime change, or at least not the same kind of regime change that took place in 1991. And Russians, even if they turn against the war, would probably not go on another rampage to destroy their own state.

The West should nonetheless stay the course. The sanctions will gradually drain Russia's war chest and, with it, the country's capacity to fight. Facing mounting battlefield setbacks, the Kremlin may agree to an uneasy armistice. But the West must also stay realistic. Only a hardcore determinist can believe that in 1991, there were no alternatives to the Soviet collapse. In fact, a much more logical path for the Soviet state would have been continued authoritarianism combined with radical market liberalization and prosperity for select groups—not unlike the road China has taken. Similarly, it would be deterministic for the West to expect that a weakened Russia would fall. There will at least be a period in which Ukraine and the West have to coexist with a weakened and humiliated but still autocratic Russian state. Western policymakers must prepare for this eventuality rather than dreaming of collapse in Moscow.

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The New Energy Order By Jason Bordoff **and Meghan L. O'Sullivan**

In the wake of Russia's invasion of Ukraine, the world appears to be at an inflection point. Business leaders have declared the acceleration of deglobalization and sounded the alarm about a new period of stagflation. Academics have decried the return of conquest and hailed the renewal of transatlantic ties. And countries are rethinking almost every aspect of their foreign policies, including trade, defense spending, and military alliances.

These dramatic shifts have overshadowed another profound transformation in the global energy system. For the last two decades, the urgent need to reduce carbon emissions has gradually reshaped the global energy order. Now, as a result of the war in Ukraine, energy security has returned to the fore, joining climate change as a top concern for policymakers. Together, these dual priorities are poised to reshape national energy planning, energy trade flows, and the broader global economy. Countries will increasingly look inward, prioritizing domestic energy production and regional cooperation even as they seek to transition to net-zero carbon emissions. If countries retreat into strategic energy blocs, a multidecade trend toward more energy interconnectedness risks giving way to an age of energy fragmentation.

But in addition to economic nationalism and deglobalization, the coming energy order will be defined by something that few analysts have fully appreciated: government intervention in the energy sector on a scale not seen in recent memory. After four decades during which they generally sought to curb their activity in energy markets, Western governments are now recognizing the need to play a more expansive role in everything from building (and retiring) fossil fuel infrastructure to influencing where private companies buy and sell energy to limiting emissions through carbon pricing, subsidies, mandates, and standards.

This shift is bound to invite comparisons to the 1970s, when excessive government intervention in energy markets exacerbated repeated energy crises. The dawning era of government intervention won't be a bad thing, however, if managed correctly. Appropriately limited and tailored to address specific market failures, it can forestall the worst effects of climate change, mitigate many energy security risks, and help manage the biggest geopolitical challenges of the coming

energy transition. The current energy crisis has refocused the world's attention on geopolitical energy risks, forcing a reckoning between tomorrow's climate ambitions and today's energy needs and offering a preview of the tumultuous era ahead. How governments respond to these challenges, brought into sharp relief by Russia's invasion of Ukraine, will shape the new energy order for decades to come.

WORSE THAN THE DISEASE

The story of the 1970s energy crises is in part a story of government overreach. Even before six Gulf members of the Organization of the Petroleum Exporting Countries (OPEC) cut production and instituted an oil embargo against the United States and other countries that supported Israel during the 1973 Yom Kippur War, Washington had actively sought to manage U.S. oil markets. In 1959, for instance, President Dwight Eisenhower set quotas on oil imports in order to protect American producers. These quotas had their intended effect, allowing U.S. producers to flourish and boost supply throughout the 1960s. But they did not protect consumers from rising costs. As Americans took to the suburbs, buying ever larger homes and cars, oil consumption outpaced supply, and prices eventually began to rise.

To keep prices in check, President Richard Nixon tried a number of policies. In 1971, at the same time that his administration ended the gold standard, he imposed a series of wage and price controls, including on oil and gas. But these measures only increased demand for oil while pushing down domestic supply. By the winter of 1972–73, fuel shortages had forced some school districts to close on various days, and the media was warning of a looming energy crisis. In the spring of 1973, Nixon relented and revoked Eisenhower's oil import quotas, at the same time urging Americans to conserve gasoline. Yet by June, several months before the Arab oil embargo, nearly half the gas stations in the country reported problems operating normally, and drivers were struggling to find fuel.

Instead of dialing back the government's role in energy markets, Nixon dialed it up, and the cure proved worse than the disease. In November 1973, Nixon created a federal program through which government officials determined how to allocate propane, heating oil, jet fuel, diesel, and other fuels. The effort, according to William Simon, who headed the Federal Energy Office at the time, was "a disaster." It was against this backdrop of government intervention that the Arab oil embargo led to panic buying and lines at gas stations across the country.

The story of the 1970s energy crises is in part a story of government overreach. The end of the 1970s saw yet another oil crisis, fueled by many of the same forces. In late 1978, a popular uprising in Iran brought oil production there to a standstill, causing shortages in the United States and other countries and sending prices skyward. As they had during the previous crisis, federal price controls and efforts at allocation only made things worse. Americans waited in gas lines once again, were restricted to fueling up on certain days, and listened as President Jimmy Carter delivered his famous “crisis of confidence” speech.

Among the lessons learned from these failures was that too much government micromanagement of the energy economy can backfire. Carter began deregulating energy prices, a process that President Ronald Reagan then accelerated. Gradually, over the next few decades, the U.S. government pared back its role in the energy economy: it phased out import quotas, ended oil and gas price controls, and scrapped the allocation system.

To be sure, the government also enlarged its role in other energy-related areas, instituting fuel economy standards and lower speed limits, subsidizing synthetic fuels and home weatherization initiatives, creating the Strategic Petroleum Reserve, and expanding leasing for exploration and production in the Gulf of Mexico and Alaska. Its increasing use of sanctions against energy-producing nations has been another exception to the general rule. Nevertheless, many of the most significant changes to the energy sector since the crises of the 1970s—such as deregulating natural gas sales and creating competitive power producers and wholesale power markets—have been guided by a bipartisan consensus that energy security and low costs are best ensured by simply allowing the market to operate on its own.

GATHERING STORM

The energy crisis triggered by Russia’s invasion of Ukraine could become the worst in half a century. Many analysts have already drawn comparisons with the 1970s oil crises, but there are important differences. To begin with, the global economy is less energy intense. Economic growth has outpaced growth in energy use, so the world now uses much less energy per unit of GDP. Moreover, many more companies distribute oil globally today than did in the early 1970s, when just a handful of firms controlled most of the world’s oil trade. As a result, energy supply chains are now more durable.

That said, the current energy crisis goes well beyond oil and could thus affect a wider slice of the economy. Energy sources of all kinds stand to be disrupted by the turmoil. Russia is not only the world's largest exporter of oil and refined petroleum products but also the dominant supplier of natural gas to Europe and a major exporter of coal and the low-enriched uranium used to power nuclear plants, not to mention many other commodities. With coal, gasoline, diesel, natural gas, and other commodity prices all near record highs, further disruption of Russian energy supplies, whether initiated by Russia or Europe, would accelerate inflation, invite recession, demand energy rationing, and force business shutdowns.

The global energy system was under stress even before Russian President Vladimir Putin decided to invade Ukraine. Europe and other parts of the world faced power generation challenges as more and more of their electricity came from intermittent sources such as solar and wind. At the same time, years of poor returns and increased climate pressures had reduced investment in oil and gas, resulting in limited supplies. COVID-19-related supply chain problems compounded the scarcity and added to pricing pressures. In 2021 and early 2022, soaring natural gas prices pushed some European utilities into bankruptcy and forced governments to subsidize energy bills. Things could have been even worse, but warmer-than-expected weather in Europe and Asia eased some of the demand for energy.

Since the outbreak of the war in Ukraine, energy markets have been even more volatile. Credit markets have tightened, leaving little liquidity to support the buying and selling of oil, and both supply and demand have experienced large shocks. Many buyers have steered clear of Russian oil, concerned about Western banking and financial sanctions as well as the potential stigma of doing business with Russia. Already, the International Energy Agency estimates that Russia is producing around one million fewer barrels per day, a number that could climb if the European Union follows through with its plan to ban all Russian crude oil, gasoline, and diesel by the end of the year. Speculation that more sanctions could be on the horizon, coupled with OPEC's reluctance to backfill lost Russian oil supply, has pushed prices higher still.

As of late May, oil was trading at well over \$100 per barrel. U.S. gasoline prices reached a record high that month (not adjusted for inflation), and rocketing diesel prices raised the costs of shipping and food. U.S. natural gas prices climbed to their highest level since 2008, nearly doubling since the start of the year.

Consumers in Europe and elsewhere face an even sharper emergency as a result of record natural gas prices. Such prices would be higher still were it not for two powerful factors that are at least temporarily moving the market in the opposite direction. COVID-19-induced lockdowns in China have seriously dented global energy demand, and the United States and its international partners have released unprecedented amounts of oil from their strategic reserves. For the time being, the volume flowing from strategic stockpiles roughly offsets the loss of supply from Russia.

But the worst is likely yet to come. When Chinese lockdowns ease, oil demand will surge, pushing up prices. The same will be true for natural gas prices, which in turn affect electricity and heating prices. Although Russian gas has largely continued to flow to Europe, Moscow has cut sales to Finland, Poland, and Bulgaria; curbed exports through Ukraine and to a Gazprom subsidiary seized by Germany; and threatened to sever supplies to all European countries that do not pay in rubles. A complete cutoff of Russian gas supplies to Europe is still unlikely, but hardly unthinkable, and would probably lead to shortages, energy rationing, and the shuttering of energy-intensive industries.

Any additional sanctions would have second- and third-order effects on the global energy system. Already, the turmoil in markets for liquefied natural gas, which has increasingly flowed toward Europe because of higher prices there, has left Asia looking for alternative energy sources. Coal, an abundant and comparatively cheap substitute for natural gas, has won out. China and other countries have boosted coal production amid rising fears of global energy shortages, taking some of the pressure off global gas markets. Without Asia's increased production of coal, Europe would be less able to cope with the loss of Russian gas. But greater reliance on coal has pushed its price to record highs as well, leaving lower-income countries such as India and Pakistan struggling to meet their energy needs in the midst of deadly heat waves. High prices for natural gas, used to produce fertilizer, are also driving up food prices that were already rising because of disruptions in Russian and Ukrainian agricultural exports.

SAFE AND SECURE

These cascading emergencies demand a reevaluation of the lessons from the 1970s about the right balance between government involvement and market autonomy. Reliance on market forces has yielded enormous benefits over the last 40 years, making energy more affordable and accessible, increasing

economic efficiency, and boosting energy security by enabling competitive pricing to shift supplies into markets where they are most needed. Today's crises, however, highlight certain market failures that can only be addressed with greater government intervention.

Three market failures in particular reveal the need for a bigger role for government in the effort to achieve the dual goals of enhanced energy security and a timely transition to net-zero carbon emissions. First, the private sector lacks sufficient incentives to build the infrastructure and other assets that most countries need to ensure their energy security. Second, market forces alone cannot encourage the building of the infrastructure required for a more orderly energy transition—infrastructure that by definition may be obsolete before private companies have achieved a full return on investment. And third, private firms and individuals lack strong enough incentives to curb emissions whose costs society bears.

The first of these failures has been painfully illustrated by Europe's vulnerability to the disruption of Russian energy exports. To achieve energy security, countries need a range of options for purchasing energy, a diversity of energy supplies, and adequate reserves in case of emergency—all of which require greater government intervention. Free markets often do a good job of ensuring that consumers have a range of options for sourcing energy. When supplies are disrupted in one location, whether by a natural disaster or political upheaval, free trade in highly integrated and well-functioning commodity markets allows buyers to find alternatives and thereby avoid shortages. (This practice was more difficult in the early 1970s, when oil was sold in long-term contracts rather than traded globally as a commodity.) But as the current European energy crisis makes clear, switching to alternative energy sources for political, economic, or diplomatic reasons is only possible when the infrastructure—ports and terminals with excess capacity, for example—is in place to allow for the switch. The private sector lacks incentives to invest in such infrastructure because disruptions are unpredictable and private companies will not bear the full cost to society of the resulting dislocations. Governments therefore need to step in.

The coming energy order will be defined by government intervention on a scale not seen in recent memory.

Lithuania is a case in point. Nearly a decade ago, the country built a floating liquefied natural gas terminal, aptly named "Independence." The terminal allowed the Baltic state to reduce its dependence on Russian natural gas and negotiate

better prices from Gazprom. But the commercial operation of the terminal alone would not have justified its costs, especially since it has often operated well below capacity. The terminal could be financed only thanks to loan guarantees and other forms of aid from the Lithuanian government, in addition to loans from the European Investment Bank. This decision to invest in energy security infrastructure is paying dividends today, enabling Lithuania to become the first European country to completely cease importing Russian gas after Putin's invasion of Ukraine.

Germany is also looking to liquefied natural gas to reduce its dependence on Russian gas. Russia has long been Germany's cheapest source of natural gas, leading Germany to gradually increase its imports from there and by 2021 to source more than half the gas it used from Russia. Now, to bring non-Russian gas into the country, Berlin has earmarked three billion euros to support the development of four floating liquefied natural gas import terminals. Businesses and consumers will have to pay more for their energy going forward, but the government will have created the infrastructure to enable a more diverse natural gas supplier base.

These moves by Lithuania and Germany build on recent efforts by the European Commission to ensure more competition in gas markets and provide direct funding for pipeline improvements and liquefied natural gas infrastructure—investments that private firms alone had little incentive to make. As a result, Europe's natural gas market is more resilient today than it was when Russia cut gas flows in 2009.

The dawning era of government intervention won't be a bad thing, if managed correctly.

Government-owned stockpiles such as the U.S. Strategic Petroleum Reserve are another tool for energy security that cannot be delivered solely by the market. (In Europe, many governments do not hold reserves but instead require companies to maintain above-normal levels of inventory.) Although such stockpiles can help ease shortages in a crisis, they also require infrastructure that private companies are unlikely to build on their own. U.S. President Joe Biden's administration has released enormous amounts of oil from the Strategic Petroleum Reserve, for instance, but the government's ability to release even more to calm global prices is limited by a shortage of available ports and terminals. In the past, such infrastructure constraints were uncommon. Yet the shale boom that made the

United States a net energy exporter has dramatically increased demand for port space, which is now mostly claimed by the private sector. For government stocks to increase total global supply rather than simply displace private-sector barrels, additional ports and terminals are needed that may see limited use outside of energy crunches. Given that there is little commercial rationale for infrastructure that is only occasionally used, governments must play a role in developing it, as a major report by the Department of Energy recommended in 2015.

Governments may also need to intervene in energy markets beyond those for oil and gas. The critical minerals needed for a successful energy transition, such as lithium, nickel, and cobalt, are likely to be in short supply as electric vehicles become more prevalent and as solar, wind, batteries, and other forms of low- and zero-carbon infrastructure proliferate. One answer would be to mine more of them. To date, U.S. companies have largely avoided producing and processing critical minerals because of the environmental costs associated with doing so and the easy availability of foreign sources. But having determined that several of these minerals are critical for national security, the Biden administration is now offering incentives to boost their domestic production. Additional government involvement may be needed, too. Private developers are understandably nervous about making large investments that could take a decade or more to pay off while major efforts are underway to find alternatives to these minerals or to commercialize their recycling. The U.S. government might consider guaranteeing such markets, as it did for COVID-19 vaccines, to ensure the production of critical minerals on a larger scale.

Government intervention to enhance energy security need not be limited to subsidies, tax breaks, and other incentives. Diplomacy, too, can help secure adequate energy supplies in a crisis. When Europe faced natural gas shortfalls last winter, for example, the United States sent envoys to Japan and South Korea, among other places, to persuade them to forgo some natural gas cargoes that could then flow to Europe instead. The United States also encouraged Qatar to allow its gas to be sold to European buyers, third-party transactions that were often prohibited by destination clauses in long-term contracts.

TIMED OUT

The second market failure that necessitates government intervention in energy markets stems from the relatively short time frame that the world has to achieve its climate goals. New oil and gas assets that are needed to ensure energy security during the transition may need to be retired before the companies can

pay their investors back. After all, what company would risk capital to keep the lights and heat on in the near and medium term while policymakers make increasingly ambitious pledges to render the necessary infrastructure obsolete? To the extent that any companies are willing to make those investments, they should not have to bet against the world's ability to reach its climate goals. Moreover, such investments should not create obstacles to climate action by strengthening economic forces that oppose faster progress because they have vested financial interests in today's energy system.

Creative policymaking can help meet today's energy needs without undermining tomorrow's energy transition. Governments might, for instance, designate certain types of oil and gas installations as "transition assets" and take a more active role in helping private companies build them. Assets such as regasification terminals and pipelines that are needed today but are at risk of being stranded if the goal of net-zero emissions is achieved by 2050 might also be required to be "transition ready"—that is, built equipped for carbon capture technology or for low-carbon fuels such as hydrogen and ammonia—and governments might bear some of the additional costs in the early years.

Alternatively, governments could develop innovative tools to plan for obsolescence. For instance, they might favor the permitting of hydrocarbon infrastructure investments with shorter payback periods, condition that permitting on having a right to pay to wind down the asset after a specified time, or shorten the payback period by lowering the cost of capital for private firms in exchange for the right to retire the asset after the investment yields a certain return.

Governments will need to take great care in adopting such policies. They should be limited to hydrocarbon projects deemed necessary for near-term energy security needs. And they should favor projects with more versatile uses, such as those that can deliver clean energy or might redirect energy to other destinations. Moreover, policymakers must carefully assess what components of the oil and gas industry are really suitable for transition-ready projects, so that untested claims that some oil and gas projects can be "hydrogen ready," for example, do not become a loophole for companies to exploit. Finally, governments should require project developers to meet the strictest emissions standards—for methane leaks, for example—so that infrastructure can have the smallest carbon footprint possible.

OWN THE PROBLEM

The third market failure that necessitates greater government intervention in the energy market is by now the most familiar: private firms and individuals do not bear the full costs to society of the carbon and other pollutants they emit. Governments must therefore require producers and consumers to “internalize” these costs, through carbon pricing or other mechanisms. Stronger government climate policy, including carbon taxes, subsidies, mandates, and standards, is necessary to achieve rapid reductions in carbon emissions. As the most recent report from the UN Intergovernmental Panel on Climate Change made clear, time is running short to avoid the most severe consequences of climate change. If emissions are not slashed immediately, it will not be possible to limit the rise in global temperature to 1.5 degrees Celsius, the threshold above which the worst environmental, health, economic, and other effects will occur. And as the impacts of climate change become more frequent and severe, the urgency of government action will grow.

Market forces alone cannot deliver a sufficiently low-carbon economy. Without greater government intervention, real and anticipated shortages of natural gas will translate into greater coal use, for instance, as the current crisis has already demonstrated. This may have been an acceptable response to energy insecurity in the 1970s, when G-7 countries committed to ramping up coal production and trade in the face of oil shortages. But as the most carbon-intensive fuel, coal is no longer an appropriate alternative, even if it is a workable substitute for Russian gas.

As the impacts of climate change become more frequent and severe, the urgency of government action will grow.

The problem of dirty fuels replacing cleaner ones in times of upheaval also highlights an even greater challenge: that of delivering low-carbon energy to developing countries whose need for energy is growing rapidly. Developed countries will need to help make private investment in low-carbon energy for developing countries less risky. To achieve net-zero emissions by 2050, more than 70 percent of the clean energy investment in developing and emerging markets must originate from the private sector, according to the International Energy Agency. Governments must do more to help mobilize that capital. For example, institutions such as the World Bank and the U.S. Development Finance Corporation could lend to local banks at affordable rates, finance projects in local currency, and expand the availability of loan guarantees. These institutions could

also lend to project developers directly. Capital from development finance institutions can go a long way toward spurring private investment.

The good news is that in the long term, many of the government actions needed to reduce emissions—in particular by reducing demand for oil and gas—will also boost energy security. That is in part because energy security comes not just from producing more oil but from using less of it. Fifteen years ago, the United States imported two-thirds of the oil it consumed; in 2021, it exported more oil than it imported. Yet Americans remain just as vulnerable to gasoline price hikes when global oil supplies are disrupted. Households in Europe would similarly be more secure if they consumed less natural gas, either by using substitutes or being more energy efficient. Here, too, there is a role for government: public information campaigns and incentives for efficiency-related investments can help drive the technological and behavioral changes needed to conserve energy during crises.

EUROPE'S 9/11

A more expansive role for government is likely to be a defining feature of the new global energy order that will emerge from the Russia-Ukraine crisis. And just as greater government intrusion into energy markets had profound economic, political, and geopolitical ramifications in the 1970s, such activity will be transformational today—although not in a negative way, if done right. Structured and managed properly, greater government engagement in the energy and climate realm can help smooth the volatility of markets, mitigate the risks that will inevitably arise from the energy transition, and shorten the path to net-zero emissions.

To the extent that they enhance energy security, for instance, well-crafted government policies can reduce the risk of populist backlash, such as France's "Yellow Vest" protests, against climate initiatives. By the same token, more options for sourcing energy will diminish the geopolitical leverage that may accrue to traditional oil and gas producers in the short term, before the energy transition is complete. As we warned in these pages earlier this year, if Western governments leave these decisions to the market, low-cost suppliers such as Russia and the Arab Gulf countries will end up producing a greater share of the world's oil and gas during the multidecade period in which consumption falls but remains substantial. This dynamic could be particularly problematic if pressures to curb fossil fuel investment lead to a decline in production by Western energy firms even as demand rises or plateaus. But if Western governments can

facilitate investment in transition assets, over time they can reduce both carbon emissions and dependence on traditional producers that may exploit the transition for their own economic and geopolitical benefit.

Government efforts to secure financing for clean energy projects in emerging markets can also reduce another set of risks: those stemming from the growing rift between developed and developing countries. In the absence of such measures, the resentment of poor and middle-income countries toward rich ones that refuse to finance fossil fuel projects in the developing world—even as they scramble to secure more oil and gas to offset their own losses from the current crisis—will continue to build, compromising cooperation not just on climate change but on other critical issues such as pandemic preparedness, conflict resolution, and counterterrorism. That the burden of a warming climate falls disproportionately on the very countries that have the least responsibility for global emissions only exacerbates their rancor.

Most important, government intervention to accelerate the reduction of carbon emissions can prevent some of the climate change outcomes that have the worst geopolitical and security implications. As the U.S. National Intelligence Council concluded last year, climate change will amplify strategic competition over the Arctic, stoke conflict over water resources and migration, and potentially spark new kinds of geopolitical disputes as countries unilaterally test and deploy large-scale geoengineering initiatives. The emissions reductions needed to prevent these outcomes cannot be achieved without government action.

Certainly, greater government intervention in energy markets is not always desirable. As the U.S. experience in the 1970s showed, governments that go too far toward national planning or unconstrained industrial policy will squander the many benefits of the free market. To be successful, policymakers must narrowly tailor their policies toward specific market failures. As Alexander Hamilton wrote, “In matters of industry, human enterprise ought, doubtless, to be left free in the main; not fettered by too much regulation; but practical politicians know that it may be beneficially stimulated by prudent aids and encouragements on the part of the government.”

Some European countries have already gone too far in their response to the present crisis. Spain and Portugal have approved caps on natural gas prices that are just a fraction of the market price. Some Democrats in the U.S. Congress have proposed a measure that would prohibit price increases during national

energy emergencies declared by the president. As recent history suggests, such price controls will be counterproductive.

In taking a more active role in energy markets, governments must resist the temptation to direct their energy sectors in the ways that those with nationally owned companies do. The U.S. government, for example, allocates permits to companies that wish to export natural gas, but it does not direct where that gas goes—market forces do. A more active role for government that favors some countries over others risks politicizing the energy trade and reducing the ability of global markets to allocate resources efficiently.

Without government intervention, the world will suffer a breakdown in energy security or the worst effects of climate change—or both.

Governments must also be careful about relying too heavily on energy diplomacy, especially that which seeks to influence what should be market-based decisions about buying and selling energy. Recent American efforts to free up supplies of liquefied natural gas for Europe by discouraging Asian purchases were justified in a crisis, but caution should be exercised going forward. Injecting politics into otherwise commercial matters risks undermining the faith of U.S. trading partners in the sanctity of long-term contracts, which could ultimately hurt U.S. companies, undermine investment, or risk retaliatory efforts to politicize trade in other goods and services.

Also risky are aggressive government efforts to achieve energy security by disconnecting from the global energy economy. Some members of the U.S. Congress, noting that the United States now exports more energy than it imports, advocate curbing U.S. exports of oil and gas in order to meet American energy needs first. Such actions would likely backfire, undermining energy security as well as free trade. Diversifying supply by stimulating domestic production of key commodities can bring benefits, but so too does integration into a well-supplied and flexible energy market. Energy self-sufficiency may seem like a route to security, but it would be highly inefficient and impose unnecessary costs. It would also leave the United States without the necessary global energy linkages to meet demand in the event of a future crisis or dip in U.S. shale production.

Finally, governments must avoid inflaming domestic partisan divisions, which in the United States are already deep with regard to the question of the role of government. In the years to come, a growing number of legislative proposals aimed at boosting energy security, smoothing the transition to net-zero

emissions, and coping with climate change promise more political flash points and partisan wrangling. American leaders must therefore make a concerted effort to build a bipartisan and broad-based coalition in support of these measures, one that includes everyone from environmentalists to the oil and gas industry. Another coalition of strange bedfellows existed two decades ago, before the shale boom, when the United States imported huge quantities of oil from sometimes unstable regions that posed a national security threat. A broad spectrum of interests, each motivated by different arguments, pulled together then to push the United States to consume less oil. Today, a similar coalition could be built around the need for an integrated strategy that ensures both climate security and energy security.

Europe has called the Russian war in Ukraine its 9/11. The terrorist attacks of that day brought about a new security order that dominated the international landscape for 20 years and is still a dominant feature of world affairs. One legacy of the Ukraine war will be a new energy order, originating in Europe but radiating to the farthest reaches of the global economy. It will be defined by the dual imperatives of energy security and climate action. Pursuing them at the same time, without allowing one to compromise the other, will require harnessing the power of markets. But it will also require a much more expansive role for government to leverage, shape, and steer those markets, correcting the failures thrown into sharp relief by today's crisis. Without government intervention, tailored and restrained but nonetheless increased, the world will suffer a breakdown in energy security or the worst effects of climate change—or both.

Source: Published in Foreign Affairs

The US Paradigm Shift Over China By

Azhar Azam

The basic premise of the US umbrage toward China is the growing intolerant view of the White House that Beijing has evolved into Washington's rival with openness of its market and support. This conviction leads to thinking: America can obstruct China's development too and pale the East Asian country's international approbation by scaling back cooperation, imposing economic and technological sanctions and building alliances.

More recently, the misguided construct — China pursues to replace America as the world hegemon through economic, diplomatic, military and technology prowess — has intensified within the US. Washington seems to be frustrated by the failure of its “China Fantasy” — draw the Asia giant to the Western liberalisation and make it more like the West — and is undertaking an unabashed approach to rein in Beijing. The US diplomats have openly warned Chinese economic growth and defence and space capabilities can threaten America's global economy, hegemony and interests. Since 1974 when Deng Xiaoping addressed the United Nations General Assembly to Xi Jinping, every Chinese leader has denied seeking hegemony regardless how powerful Beijing becomes.

China's consistent stance and diplomatic engagement has largely persuaded the world to defy America's paradigm shift on alleged Chinese ambitions to dominate the global economic, technological and strategic ecosystem. Washington piggybacks to supercharge Chinese growth. It's albeit pre-1978 China. The International Monetary Fund estimated that the country had seen a growth of 6% as it patted rural enterprises and private businesses, liberalised foreign trade and investment, relaxed state control and invested in industrial production and education. The efforts paid off and the Chinese economy expanded at an average real growth rate of more than 9% in the coming years. In the 1990s, some analysts even predicted the Chinese economy will be “larger than” that of the US in about 20 years.

A “surprise conclusion” of the Fund in 1997 found China's increased worker efficiency — as well as expansion of new factories, manufacturing machineries and communication systems — provided an impetus to China's economy. The “newest” economic wonder in Asia then actualised in “the most impressive

miracle of any economy in the history” in recent times. On assuming office, President Joe Biden quickly accused China of practising economic “abuses and coercion”, walking back from his promise to unite American nation that is now more divided than in the Vietnam War. His China policy says Beijing is “taking advantage of the openness” of the US economy and “dominate key strategic sectors”.

Biden, at least, lacks the moral ground to slate Chinese economic expansion for he, during his first trip to Beijing in 1979, had personally witnessed the changes that were being taken to “spark China’s remarkable, absolutely remarkable transformation”. The young member of a US Foreign Relations Committee had sought America and the West to stop debating whether a “rising China” was in its or the wider world’s interest as such a state “is a positive, positive development” for everyone. For a world going through unprecedented turbulence and transformation, unrestricted cooperation between China and the US isn’t discretionary; it’s absolute imperative. As the Beijing-Washington relationship runs out of room for further deterioration, extensive efforts are urgently required to get the most critical relations back to normal.

Already, the intensifying China-US rivalry has impeded bilateral cooperation on major global challenges such as vaccine distribution and economic and peace crises management. Tariffs are aggravating uncertainty over international trade and global supply chains. The Asia-Pacific is being forced to choose between economic interests with China and security guarantees of the US. In his call with Xi this March, Biden reiterated the US doesn’t aim to change China’s system, doesn’t want a cold war with China, doesn’t support “Taiwan’s independence”, and the US-led coalitions aren’t targeted against China. He assured his Chinese counterpart about his eagerness to hold candid dialogue and closer cooperation, vouching to remain committed to one-China principle. Biden’s assurances to manage competition between the two countries, maintain open lines of communications with China and follow up on the conversations are good; but not good enough to set the course for a better world in the 21st century.

Tempus fugit! In the “critical period ahead”, some tangible actions are needed from both sides to demonstrate they really intend to restore trust and seek cooperation from one another. Unfortunately, the US president’s avowals to handle differences and strategic risks haven’t been reflected in the China-US talks. From Alaska and Tianjin to Singapore summit, the Biden administration continues to touch upon every single issue that pollutes the climate of

cooperation and exposes disproportionate disparities between the two world's biggest economies. China is a country with "significant economic and strategic interests" for America and the world.

The US needs to wake from its slumber of swallowing up any country that it feels could challenge its global hegemony. Washington should act like a responsible international state, which has the mettle to stomach the rise of developing countries and take them along for a stable and thriving world. It's no more an era that can endure another cold war-defined world order. Coming out from the shock of China's rise and a change of both perception about Beijing and the adversarial aspect of the Washington's China policy will help Biden to engage in a meaningful dialogue with the Middle Kingdom.

Source: Published in Express Tribune

The Hollow Order (Rebuilding an International System That Works) By Philip Zelikow

There they were, meeting in Beijing on February 4: Chinese President Xi Jinping and Russian President Vladimir Putin. Shortly before the start of the 2022 Winter Olympics, the two leaders released a remarkable 5,300-word joint statement about how the partnership between China and Russia would have “no limits.” The document went on at length about the two nations’ commitment to democracy. It called for a universalist and open world order, with the United Nations at the center. It stressed a commitment to international law, inclusiveness, and common values. It did all this even though Russia, as Xi and Putin both knew, was sending tanks and missile launchers to the Ukrainian border.

By comparison, the September 1940 joint statement issued by Germany, Italy, and Japan was a model of candor. The Axis powers were at least truthful when they announced that it was “their prime purpose to establish and maintain a new order of things.” Russia, meanwhile, has described its war against Ukraine as one of liberation. It decided that the country’s Jewish president was a Nazi. It declared that there was really no such thing as “Ukraine.” And it argued that a NATO alliance with a U.S. force commitment in Europe that was only one-seventh as large as it had been at the height of the Cold War was now an existential threat.

In their statement, China and Russia achieved peak hypocrisy. But the existing world order, which aspired to build a global commonwealth, had already been failing. The free world’s leaders had long ago started favoring performative commitments over the real action needed to safeguard the planet from crises. They expanded NATO without meaningfully responding to increasing Russian aggression. Distracted and chastened by misadventures in the Muslim world, Washington in particular disengaged from practical deeds, even as its rhetorical commitment to the international order varied. The United States’ high defense spending had more to do with satisfying domestic constituencies than with supporting any positive strategy. The world’s transition from fossil fuels to renewable energy sources was based on hollow pledges and private action. As

support for globalization waned, the United States and other countries retreated from trade agreements and neglected international institutions for civilian and common economic action. The world's drive in the early years of this century to improve global health and human development petered out.

The emptiness of the supposed international system was especially obvious at the end of 2019, when the COVID-19 pandemic broke out. Charged with unprecedented global responsibilities, China and the United States stepped down, not up. Beijing withheld crucial information about the outbreak. Washington withdrew from the World Health Organization just when it most needed U.S. leadership. Wealthy countries began a mad scramble to develop vaccines, but they moved too slowly to create other treatments and hoarded whatever shots and therapeutics pharmaceutical companies could produce, leaving the rest of the world behind. The best estimates suggest that the virus caused about 15 to 20 million deaths and trillions of dollars of economic damage.

The most powerful idealism has usually been the idealism of what works.

By the spring of 2020, “for all practical purposes the G7 ceased to exist,” wrote the foreign policy experts Colin Kahl and Thomas Wright in August 2021. “Pandemic politics,” they continued, “ultimately dealt the final blow to the old international order.”

Six months after they published those words, Russia invaded Ukraine. It was an attack that could truly have buried the old system, as Moscow believed it would. Yet Ukraine's inspiring fight has helped the G-7 roar back to life. Its members have organized an economic counteroffensive, and they have joined a coalition providing military aid. Amid the wreckage of so many past hopes, it is possible to imagine a reconstructed world order emerging from this crisis.

But for a new system to succeed, its would-be architects must organize actions, not more theatrics. Over the course of world history, the most powerful idealism has usually been the idealism of what works. Today, that means crafting a practical international order focused on a few basic problems that rally broad interest. Many leaders want to stop unprovoked wars of aggression, especially those that might spark a third world war. They would welcome a new vision of economic order that does not ignore security but is also not a huckster's promise that everything can be made at home. They would like to convert jolting energy shocks, such as the one caused by Russia's invasion, into a managed transition

to a more carbon-free future. They want to be better prepared for the next pandemic. And most world leaders, and even many ordinary Americans, still hope that China will choose to be part of these solutions, not one of the wreckers of a new international system.

These aspirations may seem modest. They do not include holding war crimes trials or spreading democracy. But effective common action on just these items will be an enormous task. The world order is deglobalizing and dysfunctional, facing challenges that have never been more planetary in scope. Leaders must craft a system focused on actually addressing these issues rather than on striking the right pose.

ACTING AND ACTIONS

The idea of a cooperative world order is, historically speaking, relatively new. The European empires created a globe-spanning system meant to be stable and organized, but just to the point that it served their interests. It was not until the Paris Peace Conference of 1919 that nations began purposefully organizing an ambitious order. That era's peacemakers strained until 1925 to reconstruct a bitterly broken world amid the chaotic collapses of five dynastic empires. But by the end of 1933, these fragile efforts had been swept away by postwar resentments, fantasies of ethnic destiny and self-sufficiency, U.S. disengagement, and the despair of the Great Depression. The result was a second, even more destructive global conflict.

After World War II, the Cold War system that emerged dealt with a divided world. It generated real actions and functional institutions but mainly within two principal confederations: one led by the United States, and the other by the Soviet Union. These confederations organized themselves for global war and competed for advantage in the uncommitted, unaligned world, much of it newly freed by the collapse of European colonialism. But the economic systems of both confederations began unraveling during the 1970s, and the Cold War system itself disintegrated between 1988 and 1990.

International policymakers then set out to create a truly global commonwealth, working from 1990 to 1994 to build new institutions and to improve old ones. Those architects believed that Washington's role in the system would be central but not domineering. U.S. power, they understood, worked only when it combined the country's strengths—political, financial, and military—in partnerships with other states. They were mindful of Russian pride; indeed, those

policymakers ensured that all the former Soviet Union's nuclear weapons went to Russia and that Moscow would be a party to and influential in all the pan-European arms control agreements and security systems. Amid the awful economic turmoil that accompanied the end of communism, the United States, Europe, the International Monetary Fund (IMF), and the World Bank offered Russia alone more than \$50 billion in financial assistance between 1992 and 1994.

These financial settlements of the early 1990s did much to build a better world, and they lasted for a generation. But from the start, they also bred complacency. Beginning during that decade, NATO allies mostly disarmed and looked to the United States for military defense that no longer seemed that necessary. The United States, for its part, was withdrawing most of its forces from Europe and only reluctantly led a peacemaking mission in the Balkans. That modest success was followed by years of indifference, drift, and growing hubris, interrupted by the riveting, distracting shock of September 11. By 2006, as U.S. military efforts floundered in Iraq, sentiment had turned against the United States, and Americans were more anxious about foreigners and disillusioned about their own capacity to do good in the world. The world order and its operating institutions were left more and more on autopilot. Soon, performative gestures took the place of well-designed action.

Talk about NATO helps Putin and his minions obscure their real concern. Consider, for instance, the problem of European security. When the debate over NATO enlargement first heated up in the mid-1990s, the main arguments were performative on both sides. Poland wanted a symbolic connection to Western defense. Russia complained not about new foreign bases or nuclear deployments, which were limited by the NATO-Russia Founding Act of 1997, but about symbolic issues such as wounded pride and lost status in a country where everyone had grown up with "NATO" as a synonym for "enemy."

What was concrete was the shift of former Soviet states toward Europe and away from Putin's Russia. In 2005, an anti-Russian leader, Viktor Yushchenko, who had survived a mysterious poisoning the previous year, became president of Ukraine, defeating the more pro-Russian candidate, Viktor Yanukovich. The U.S. reaction was triumphalist. Putin began proclaiming a messianic creed of Russian fascism. In 2007, he suspended Russian compliance with the most important parts of the pan-European arms control and security system. He invaded Georgia not long after.

This was the time for NATO allies to start taking European security seriously again, not to stage more plays. Although the allies did not take practical steps to build more credible defenses, President George W. Bush pushed in 2008 for Ukraine to receive NATO membership, a call that predictably backfired. Allies such as Germany and France blocked any plan to advance Ukraine's membership. Bush's move thus fostered divisions among NATO members while failing to deliver any assurance to Ukraine, where the future remained very much in question. The Russia-friendly candidate, Yanukovich, then won Ukraine's presidency in 2010. Four years later, he was toppled in a "revolution of dignity" after he withdrew from a process that would have brought his country closer to the European Union. That, in turn, led directly to the first Russian invasion of Ukraine.

The 2014 crisis had little to do with NATO. The triggering event was Ukraine's attempt to associate with the EU and put Ukraine on an irrevocable path away from Russia. But Putin uses "NATO" the way Hitler used "Versailles": as a secondary grievance for propaganda theatrics. Talk about NATO helps Putin and his minions obscure their real concern, which is that Ukraine may achieve democratic independence rather than be subjected to their dictatorial empire.

TALK IS CHEAP

In the 30 years since the 1992 Earth Summit in Rio de Janeiro, the problem of how countries can source, supply, and pay for energy has become a defining planetary challenge. The main international response has been a wide commitment to decarbonization, expressed in international pledges. But these pledges are a façade. As the International Energy Agency recently pointed out, most of them are not underpinned by substantive policies, and if they were, they would still not be nearly enough to stop climate change. (Even Europe, the loudest voice for a green transition, has spent the last decade becoming more dependent on fossil fuels, particularly from Russia.) The world's response to climate change, then, has been the geopolitical equivalent of a masque: a form of sixteenth-century aristocratic court entertainment, a dramatic performance featuring poetry and dumb allegorical shows, usually culminating in a ceremonial dance joined by the spectators.

Even the energy transition will not, by itself, stabilize the planet. It will shift dependence from fossil fuels to an even more pronounced reliance on certain metals used in green technology. In the relevant geology, mining, and mineral

processing, China and Russia are in paramount positions. In the absence of any concerted action, the world is therefore trending toward addiction, and financial flows, to those new sources—China above all—in its carbon-free dreams. The architects of this system have done little to prevent such addiction.

It might seem that international economic management is a bright spot, an arena where there has been real action, not just a masque. To some extent, that's true. In the wake of the 2008 global financial crisis, the main central banks jumped into action. Unlike in 1931, a financial panic that had earlier started in the United States and then spread to Europe did not lead to a world-crushing depression; instead, finance ministries and central banks coordinated to bail each other out. The G-20 was a genuinely useful forum to consider vital economic issues.

In the last ten years, however, the institutions for managing global capitalism have also become more stage than substance. The United States is unable to join new trade agreements because of domestic opposition. Countries across the planet have piled up debt, and the current international economic system cannot coordinate how to wind it down or provide necessary relief. The operation of the World Trade Organization is coming to a halt, both because it is unable to modernize its rules and because the United States has deliberately paralyzed the WTO's dispute settlement system by refusing to confirm arbiters.

But nowhere has the hollowness of the current world order been more starkly revealed than in global health. After the SARS epidemic of 2003, amid concerns about China's role in informing the rest of the planet about the outbreak, the nations of the world ceremoniously enacted a set of "international health regulations," which defined the rights and duties of states to prevent and contain international public health dangers. The outbreak of COVID-19 revealed that the elaborate provisions for global surveillance and early warnings were a sham. The pandemic also showed that the planet's main public health agency—the World Health Organization—was weak, and it demonstrated that the world's major powers were far too self-interested to mount a truly global response. The most substantial investigation so far of the world's reaction to COVID-19, by an independent panel with access to the WHO's staff and documents, found it was "a preventable disaster." As they wrote, "Global political leadership was absent."

It's a conclusion that is difficult to escape. China's government has blocked proper investigations into the outbreak's cause and continues to stonewall the WHO. In his own gesture of theatrical pretense, then U.S. President Donald

Trump moved to pull his country out of the WHO during the spring of 2020, turning the crisis into a blame game focused on China, with the organization as an accomplice. Yet the Trump administration had no alternative agenda for meaningful global action. Its acclaimed vaccine development program encouraged an “every country for itself” approach to acquisition and bypassed the challenge of developing effective therapeutics.

The Biden administration has tried to correct Trump’s mistakes. In 2021, with due fanfare, the United States rejoined the WHO. It then focused on a rhetorically appealing G-20 health security agenda that called for spending more money on global readiness. But this agenda has turned out to be impractical in detail and ineffective in its results. At the October 2021 G-20 summit in Rome, the United States struggled to get the other countries to agree to even study its proposal.

ON THE CLOCK

The need for a new world order is apparent, and policymakers are already at work trying to address the evident failures of the existing system. In doing so, they have again invoked values and philosophies. Biden, for instance, has described the war in Ukraine and tensions with China as part of “an ongoing battle in the world between democracy and autocracy.” French President Emmanuel Macron declared that Russia’s invasion had called democracy “into question before our eyes.”

Yet the best, most unifying organizing principle for what will be the fourth system of world order is practical problem solving. It’s convenient to perceive the world as apportioned into democracies and autocracies, but it is also self-regarding and divisive. People are more likely to come together around problems that command wide interest and embrace corrective actions that require wide participation. After years of theatrics that have resulted in catastrophes and growing fear, the system can no longer afford to place inclusiveness and symbolism ahead of teamwork and results.

To erect a new system, policymakers should start by addressing the most pressing current crisis: Ukraine. The military issues are already receiving intense attention. Yet economic issues may determine the outcome of the war as Russia tries to break not just Ukraine’s armed forces but its hope for a better future. The G-7 and allied countries must prepare a far-reaching strategy of Ukrainian reconstruction, tied to the ongoing process of EU accession for Ukraine and funded in part by frozen Russian state and state-related assets. Such an action,

with expert assistance from EU staff and hundreds of billions of dollars in reconstruction aid, would be a peaceful counteroffensive on an epic scale. Ultimately, it would help Ukrainians believe and see that they can have a better future.

Dividing the world into democracies and autocracies is self-regarding and divisive.

But to address the challenges Russia has created, the free world can't focus only on Ukraine. Unless a fundamental change occurs in Moscow, the United States and Europe will also have to redefine their defense for the 2020s, from the Arctic to the Mediterranean (a process already underway), to deter further aggression. And sadly, when a leader such as Putin makes ominous threats about escalation, the United States and its friends must develop credible plans for a wider war with Russia.

For this new system to succeed at keeping the peace, the responsible countries will also need to engage in military planning beyond Europe. For example, the war in Ukraine affects diplomatic calculations on all sides of the dispute over Taiwan's sovereignty. Because of the international response to aid Ukraine, Beijing can see that Japan, the United States, and other countries now feel much greater pressure to defend Taiwan. It is now harder for China to sustain the fiction that it can peacefully reunify the island with the mainland. The free world's ability to defend Taiwan has long involved considerable pretense, but the war in Ukraine has also revealed that well-prepared global economic action may be a more powerful and less provocative way to deter conflict than reliance on more traditional military tools. China should see that Japan and others around the world are preparing for the possible financial and commercial earthquake that would immediately accompany a war with the United States and Japan over Taiwan.

The invasion of Ukraine has also highlighted the need for more decisive, concerted action on the world's transition to clean energy. More than any other event since the Iranian revolution of 1979, the war spotlights the danger of relying too much on particular supplies of fossil fuels. Europe should end its dependence on Russian oil, gas, and coal as quickly as it can. At the global level, policymakers will need to boost fossil fuel supplies from more dependable sources in the short term, but they should treat these sources as "transition assets" (to quote the energy experts Jason Bordoff and Meghan O'Sullivan) that

will be quickly wound down as governments embrace the transition. The switch to greener sources will need to include a renewed commitment to advanced forms of nuclear energy.

The best way to cope with deglobalization is to reglobalize among friends.

The energy transition will require much more concerted work to find, extract, and process diverse and secure supplies of the minerals needed for renewable sources. Both the United States and Europe know that they cannot let vital supply chains such as these operate according to market forces alone, since these markets have been distorted by vast Chinese state projects that operate with limited regard for the environment and for workers. Countries that regard each other as secure sources—and that accept the cost burdens of sustainable production—must form their own supply network with its own commercial system and pricing. Such a plan requires strong international participation. No country alone can source and process the metals needed for the transition to carbon-free energy.

Such trading among partners, or “friend shoring,” as U.S. Treasury Secretary Janet Yellen put it, is far preferable to the “Buy American” public procurement requirements that Washington has put in place to placate protectionists. Indeed, the United States is not self-sufficient with regard to almost any major global commodity. In this time of crisis, Americans may be tempted by the idea of a “Fortress America”—in which they bring all production onshore—but that is an illusion. The United States needs and benefits from production chains that run through other countries, whether for mineral resources or medical supplies. It needs to rebuild export markets shriveling from past trade war rhetoric and present interest-rate policies that boost an overvalued dollar. The best way to cope with deglobalization is to reglobalize among friends. As major firms operating around the world rethink their business models, the free world should create structures to help these companies see new opportunities.

For example, Germany’s new finance minister, Christian Lindner, has urged Europe to focus on renewing economic ties with the United States. “Especially now with the [Ukraine] crisis, it is becoming clear how important free trade is with partners in the world who share our values,” he told the German press, while calling on the United States and the European Union to restart negotiations on a trade deal. Such an agreement may be a hard sell in the United States, where politicians still peddle the myth of self-sufficiency. But plenty of middle-class

Americans across the country know that the nations of the world are interdependent and that leaders must adjust their policies accordingly.

It is not too late for the United States and Europe to improve their response to the pandemic.

This includes in finance, where the G-7 and its partners will need to collaborate. They must manage the international financial coalition combating Russian aggression in Ukraine, and they must coordinate their policies to limit foreign exchange volatility as Washington raises interest rates. Critically, they need to consider how their actions affect developing states. “The West is grappling with stagflation,” wrote the economic journalist Sebastian Mallaby in *The Washington Post*. “But poorer countries face the far more acute prospect of food riots, debt crises, and even regime collapse.”

That doesn't mean the G-7 needs to tear down the world's economic architecture. In response to debt crises and the collapse of communism in the 1980s and early 1990s, the IMF and the World Bank transformed themselves. The IMF became a lead crisis manager and established creditworthiness for stressed borrowing countries so they could tap private lenders. The bank rethought its approach to global development. Beyond its lending operations, it has become the most important focal point for ideas and advice to policymakers in developing countries. These existing institutions can again help organize common action and evolve once more. In spring of 2022, Robert Zoellick, former U.S. Deputy Secretary of State, suggested in these pages that the IMF start by convening meetings of the principal actors in the global financial system to address new shocks.

Leaders around the world are also still worried about biological security, another pandemic, or a resurgence of COVID-19. That means the United States and Europe will need to improve their coordination. Both went into this global crisis with superior assets. They had more of the best scientists, the best labs, and the best pharmaceutical producers than anywhere else on earth. They should have launched a global war effort; organized biomedical intelligence efforts; sized up the global requirements for vaccines, tests, and medications; and together arranged for acquisition and deployment of these health-care resources on a global scale. Instead, they mostly looked out for themselves.

It is not too late for them to improve their response to the pandemic. The U.S. government could still work with key partners, such as the EU's new European

Health Emergency Preparedness and Response Authority, to set global targets for developing and distributing the vaccines, therapeutics, and diagnostics that different regions need. Then, together, the world's governments can replace the current vaccination and treatment free-for-all with a system in which countries coordinate their national investments and procurements.

IN IT TOGETHER

It may be easy, and perhaps natural, for the would-be architects of the new system to organize it around Washington. But that would be a mistake. The enemies of this new order, united by their resentment of the United States, will seek to discredit it as just another effort to dominate global affairs. For this new order to be viable, it must be conceived in such a way that the charge is false.

The new order must also be decentralized to be effective; the resources and wisdom needed to solve many vexing problems are not concentrated in the United States. For instance, on the enormous issue of defining rules for a digitized world, Washington has been confused and passive, despite—or perhaps because of—its dominance in such commerce. It is the European Union that has led the way. The EU's General Data Protection Regulation, its Digital Services Act, and its Digital Markets Act created the standards that influence most of the world, including the Americas. Decentralized leadership has also proved critical to responding to Russia's aggression in Ukraine. The nucleus of the emerging pro-Ukraine coalition, for instance, is not just the United States but the entire G-7, including the European Commission. South Korea and Australia should be invited to join this coalition as well.

Yet a revised system of world order shouldn't be limited to the United States and its traditional allies. It must be open to any countries that can and will help attain its common objectives. India should have a place at any symbolic high table, for example, as a permanent member of the UN Security Council. But India's leaders are still making their choices about their will and capacity to work on common problems. Even China should be welcome at the table. After much internal debate in the early 1990s, China's leaders chose to play a major and often constructive role in the global commonwealth system that emerged after the end of the Cold War. In 2005, Zoellick famously urged Beijing to become a "responsible stakeholder." As late as 2017, Kurt Campbell, who now leads Asia policy for the Biden White House, thought this invitation was a wise move.

But Zoellick's words were a challenge, one that Beijing is failing to meet. China's partnership with Putin—whom Xi described to the Russian press as “my best and bosom friend”—is the opposite of responsible. Instead, it shows that China and Russia lead a primarily Eurasian grouping of dangerous states, including the likes of Iran, North Korea, and Pakistan. Their loose confederation has its cross-purposes and is united mainly by hostility toward the United States. But it is building tighter links, better divisions of labor, and more effective coordination than existed among the Axis powers before or during World War II.

For these and other reasons, pessimists believe China is irredeemably hostile. They argue that China has written off the United States as a country determined to resist China's rise and that Chinese leaders may feel they have little to lose by embracing confrontation. In this pessimistic view, China is trying to shift from the post-Cold War era's emphasis on global interdependence toward a Chinese grand strategy of Eurasian dominance and growing national self-sufficiency. China's leaders are now using the pandemic to keep a chokehold on international travel and strengthen domestic surveillance.

That does seem to be China's current plan. But it is unclear whether this plan will work. It rests on unproven social, political, and economic premises that are starting to deeply disturb parts of Chinese society essential to its past and future success—such as the many residents of Shanghai who have been trapped during the city's draconian recent lockdown.

The resources and wisdom needed to solve many global problems are not concentrated in the United States.

Chinese leaders may also have noticed that, in backing the Putin regime, they have tethered themselves to an adventurist Russian government that, for 30 years, has treated its neighbors much as Japan treated China between 1915 and 1945. For instance, Putin insists that Russia is not invading Ukraine. There is no war, he declared; there is only a “special military operation.” Many Chinese people will recall that, from 1937 to 1941, Japan insisted that it, too, was not invading China. There was no war, the Japanese said; there was merely a “China incident.”

Throughout the years of Japanese aggression, the United States defended China's territorial integrity. Even amid times of misjudgment and weakness, Washington maintained that stance, refusing in November 1941 to make a deal with Japan at China's expense. Ten days later, Japan went to war against the

United States. As they watch what is happening in 2022, Chinese leaders can still reflect on this past and consider what decisions to make.

If Beijing charts a new course, it would not be the first time it has chosen to change. But if China does rejoin a system of world order, it should be a new one. The old system has fractured and must be remade. Facing tragic realities, the citizens of the free world must rebuild a global order that is practical enough to address the most vital common problems, even if it cannot and does not promise progress on all the values and concerns people face. This system will be far more effective if the world's most populous country joins it, and China faces another time of choosing. Regardless of China's participation, responsible actors must begin the hard, substantive work of protecting the planet from war, climate, economic, and health risks. The time for rhetoric and posturing is over.

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America's Coming Age of Instability By **Steven Levitsky and Lucan Way**

When Joe Biden was sworn in as president a year ago today, many Americans breathed a heavy sigh of relief. President Donald Trump had tried to steal the election, but he had failed. The violent insurrection he incited on January 6, 2021, had shaken the United States' democratic system to its core, but left it standing in the end.

One year into Biden's presidency, however, the threat to American democracy has not receded. Although U.S. democratic institutions survived the Trump presidency, they were badly weakened. The Republican Party, moreover, has radicalized into an extremist, antidemocratic force that imperils the U.S. constitutional order. The United States isn't headed toward Russian- or Hungarian-style autocracy, as some analysts have warned, but something else: a period of protracted regime instability, marked by repeated constitutional crises, heightened political violence, and possibly, periods of authoritarian rule.

CLOSE CALL

In 2017, we warned in Foreign Affairs that Trump posed a threat to U.S. democratic institutions. Skeptics viewed our concern for the fate of American democracy as alarmist. After all, the U.S. constitutional system had been stable for 150 years, and reams of social science research suggested that democracy was likely to endure. No democracy even remotely as rich—or as old—as the United States' had ever broken down.

But Trump proved to be as autocratic as advertised. Following the playbook of Hugo Chávez in Venezuela, Recep Tayyip Erdogan in Turkey, and Viktor Orban in Hungary, he worked to corrupt key state agencies and subvert them for personal, partisan, and even undemocratic ends. Public officials responsible for law enforcement, intelligence, foreign policy, national defense, homeland security, election administration, and even public health were pressured to deploy the machinery of government against the president's rivals.

Trump did more than politicize state institutions, however. He also tried to steal an election. The only president in U.S. history to refuse to accept defeat, Trump spent late 2020 and early 2021 pressuring Justice Department officials,

governors, state legislators, state and local election officials, and, finally, Vice President Mike Pence, to illegally overturn the election results. When these efforts failed, he incited a mob of his supporters to march on the U.S. Capitol and try to prevent Congress from certifying Biden's win. This two-month campaign to illegally remain in power deserves to be called by its name: a coup attempt.

As we feared, the Republican Party failed to constrain Trump. In a context of extreme political polarization, we predicted, congressional Republicans were "unlikely to follow in the footsteps of their predecessors who reined in Nixon." Partisan loyalty and fear of primary challenges by Trump supporters outweighed constitutional commitments, undermining the effectiveness of the system's most powerful check on presidential abuse: impeachment. Trump's abuses exceeded Nixon's by orders of magnitude. But only ten of 211 Republicans in the House voted to impeach Trump in the wake of the failed coup, and only seven of 50 Republicans in the Senate voted to convict him.

Trump proved to be as autocratic as advertised.

American democracy survived Trump—but barely. Trump's autocratic behavior was blunted in part by public officials who refused to cooperate with his abuses, such as Georgia's secretary of state, Brad Raffensperger, or who refused to remain silent about them, such as Alexander Vindman, a specialist on the National Security Council. Many judges, including some appointed by Trump himself, blocked his efforts to overturn the election.

Contingent events also played a role in defeating Trump. The COVID-19 pandemic was his "Katrina moment." Just as President George W. Bush's mishandling of the aftermath of the 2005 hurricane eroded his popularity, Trump's disastrous response to the pandemic may have been decisive in preventing his reelection. Even so, Trump very nearly won. A tiny shift in the vote in Georgia, Arizona, and Pennsylvania would have secured his reelection, seriously imperiling democracy.

Although American democracy survived Trump's presidency, it was badly wounded by it. In light of Trump's egregious abuse of power, his attempt to steal the 2020 election and block a peaceful transition, and ongoing state-level efforts to restrict access to the ballot, global democracy indexes have substantially downgraded the United States since 2016. Today, the United States' score on Freedom House's Global Freedom Index is on a par with Panama and Romania, and below Argentina, Lithuania, and Mongolia.

MOUNTING THREATS

Trump's defeat in the 2020 election did not end the threat to American democracy. The Republican Party has evolved into an extremist and antidemocratic party, more like Hungary's Fidesz than traditional center-right parties in Europe and Canada. The transformation began before Trump. During Barack Obama's presidency, leading Republicans cast Obama and the Democrats as an existential threat and abandoned norms of restraint in favor of constitutional hardball—the use of the letter of the law to subvert the spirit of the law. Republicans pushed through a wave of state-level measures aimed at restricting access to the ballot box and, most extraordinarily, they refused to allow Obama to fill the vacancy on the Supreme Court created by Associate Justice Antonin Scalia's death in 2016.

Republican radicalization accelerated under Trump, to the point where the party abandoned its commitment to democratic rules of the game. Parties that are committed to democracy must, at minimum, do two things: accept defeat and reject violence. Beginning in November 2020, the Republican Party did neither. Most Republican leaders refused to unambiguously recognize Biden's victory, either openly embracing Trump's "Big Lie" or enabling it through their silence. More than two-thirds of Republican members of the House of Representatives backed a lawsuit filed with the Supreme Court seeking to overturn the 2020 election, and on the evening of the January 6 insurrection, 139 of them voted against certifying the election. Leading Republicans also refused to unambiguously reject violence. Not only did Trump embrace extremist militias and incite the January 6 insurrection, but congressional Republicans later blocked efforts to create an independent commission to investigate the insurrection.

Although Trump catalyzed this authoritarian turn, Republican extremism was fueled by powerful pressure from below. The party's core constituents are white and Christian, and live in exurbs, small towns, and rural areas. Not only are white Christians in decline as a percentage of the electorate but growing diversity and progress toward racial equality have also undermined their relative social status. According to a 2018 survey, nearly 60 percent of Republicans say they "feel like a stranger in their own country." Many Republican voters think the country of their childhood is being taken away from them. This perceived relative loss of status has had a radicalizing effect: a 2021 survey sponsored by the American Enterprise Institute found that a stunning 56 percent of Republicans agreed that

the “traditional American way of life is disappearing so fast that we may have to use force to stop it.”

The threats to American democracy are mounting.

The Republican turn toward authoritarianism has accelerated since Trump’s departure from the White House. From top to bottom, the party embraced the lie that the 2020 election was stolen, to the point that Republican voters now overwhelmingly believe it is true. In much of the country, Republican politicians who openly rejected this lie or supported an independent investigation into the January 6 insurrection have put their political careers at risk.

The newly transformed Republican Party has launched a major assault on democratic institutions at the state level, increasing the likelihood of a stolen election in the future. On the heels of Trump’s “stop the steal” campaign, his supporters have launched a campaign to replace state and local election officials who certified the 2020 election—from secretaries of state down to neighborhood precinct officers—with Trump loyalists who appear more willing to overturn a Democratic victory. Republican state legislatures across the country have also adopted measures to restrict access to the ballot box and empower statewide officials to intervene in local electoral processes—purging local voter rolls, permitting voter intimidation by thuggish observer groups, moving or reducing the number of polling sites, and potentially throwing out ballots or altering results. It is now possible that Republican legislatures in multiple battleground states will, under a loose interpretation of the 1887 Electoral Count Act, use unsubstantiated fraud claims to declare failed elections in their states and send alternate slates of Republican electors to the Electoral College, thereby contravening the popular vote. Such constitutional hardball could result in a stolen election.

The U.S. business community, historically a core Republican constituency, has done little to resist the party’s authoritarian turn. Although the U.S. Chamber of Commerce initially pledged to oppose Republicans who denied the legitimacy of the 2020 election, it later reversed course. According to The New York Times, the Chamber of Commerce, along with major corporations such as Boeing, Pfizer, General Motors, Ford Motor, AT&T, and United Parcel Service, now funds lawmakers who voted to overturn the election.

The threats to American democracy are mounting. If Trump or a like-minded Republican wins the presidency in 2024 (with or without fraud), the new administration will almost certainly politicize the federal bureaucracy and deploy

the machinery of government against its rivals. Having largely purged the party leadership of politicians committed to democratic norms, the next Republican administration could easily cross the line into what we have called competitive authoritarianism—a system in which competitive elections exist but incumbent abuse of state power tilts the playing field against the opposition.

IMPEDIMENTS TO AUTOCRACY

Although the threat of democratic breakdown in the United States is real, the likelihood of a descent into stable autocracy, as has occurred, for example, in Hungary and Russia, remains low. The United States possesses several obstacles to stable authoritarianism that are not found in other backsliding cases. Take Hungary under Orbán. After winning election in 2010 on an ethnonationalist platform, Orbán and his party, Fidesz, packed the courts and the electoral bodies, suppressed independent media, and used gerrymandering, new campaign regulations, and other legal shenanigans to gain advantage over the opposition. Some observers have warned that Orbán's path to authoritarianism could be replicated in the United States.

But Orbán was able to consolidate power because the opposition was weak, unpopular, and divided between far-right and socialist parties. Moreover, with the country having only recently emerged from totalitarian rule, Hungary's private sector and independent media were far weaker than their American counterparts. Orbán's ability to quickly gain control of 90 percent of Hungarian media—including the largest independent daily and every regional newspaper—remains unthinkable in the United States. The path to autocracy was even smoother in Russia, where media and opposition forces were weaker than in Hungary.

Rather than autocracy, the United States appears headed toward endemic regime instability.

By contrast, an effort to consolidate autocracy in the United States would face several daunting obstacles. The first is a powerful opposition. Unlike other backsliding countries, including Hungary, India, Russia, Turkey, and Venezuela, the United States has a unified opposition in the Democratic Party. It is well-organized, well-financed, and electorally viable (it won the popular vote in seven of the last eight presidential elections). Moreover, due to deep partisan divisions and the relatively limited appeal of white nationalism in the United States, a Republican autocrat would not enjoy the level of public support that has helped sustain elected autocrats elsewhere. To the contrary, such an autocrat would face a level of societal contestation unseen in other democratic backsliders. As

Robert Kagan has argued, Republicans may seek to rig or overturn a close election in 2024, but such an effort would likely trigger enormous—and probably violent—protests across the country.

An authoritarian Republican government would also face a much stronger and more independent media, private sector, and civil society. Even the most committed American autocrat would not be able to gain control of major newspapers and television networks and effectively limit independent sources of information, as Orban and Russian President Vladimir Putin have done in their countries.

Finally, an aspiring Republican autocrat would face institutional constraints. Although it is increasingly politicized, the U.S. judiciary remains far more independent and powerful than its counterparts in other emerging autocracies. In addition, U.S. federalism and a highly decentralized system of elections administration provide a bulwark against centralized authoritarianism. Decentralized power creates opportunities for electoral malfeasance in red—and some purple—states, but it makes it more difficult to undermine the democratic process in blue states. Thus, even if the Republicans manage to steal the 2024 election, their ability to monopolize power over an extended period of time will likely be limited. America may no longer be safe for democracy, but it remains inhospitable to autocracy.

UNSTABLE FUTURE

Rather than autocracy, the United States appears headed toward endemic regime instability. Such a scenario would be marked by frequent constitutional crises, including contested or stolen elections and severe conflict between presidents and Congress (such as impeachments and executive efforts to bypass Congress), the judiciary (such as efforts to purge or pack the courts), and state governments (such as intense battles over voting rights and the administration of elections). The United States would likely shift back and forth between periods of dysfunctional democracy and periods of competitive authoritarian rule during which incumbents abuse state power, tolerate or encourage violent extremism, and tilt the electoral playing field against their rivals.

In this sense, American politics may come to resemble not Russia but its neighbor Ukraine, which has oscillated for decades between democracy and competitive authoritarianism, depending on which partisan forces controlled the

executive. For the foreseeable future, U.S. presidential elections will involve not simply a choice between competing sets of policies but rather a more fundamental choice over whether the country will be democratic or authoritarian.

Finally, American politics will likely be marked by heightened political violence. Extreme polarization and intense partisan competition often generate violence, and indeed, the United States experienced a dramatic spike in far-right violence during Trump's presidency. Although the United States probably isn't headed for a second civil war, it could well experience a rise in assassinations, bombings, and other terrorist attacks; armed uprisings; mob attacks; and violent street confrontations—often tolerated and even incited by politicians. Such violence might resemble that which afflicted Spain in the early 1930s, Northern Ireland during the Troubles, or the American South during and after Reconstruction.

American democracy remains at risk. Although the United States probably won't follow the path of Putin's Russia or even Orban's Hungary, enduring conflict between powerful authoritarian and democratic forces could bring debilitating—and violent—regime instability for years to come.

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