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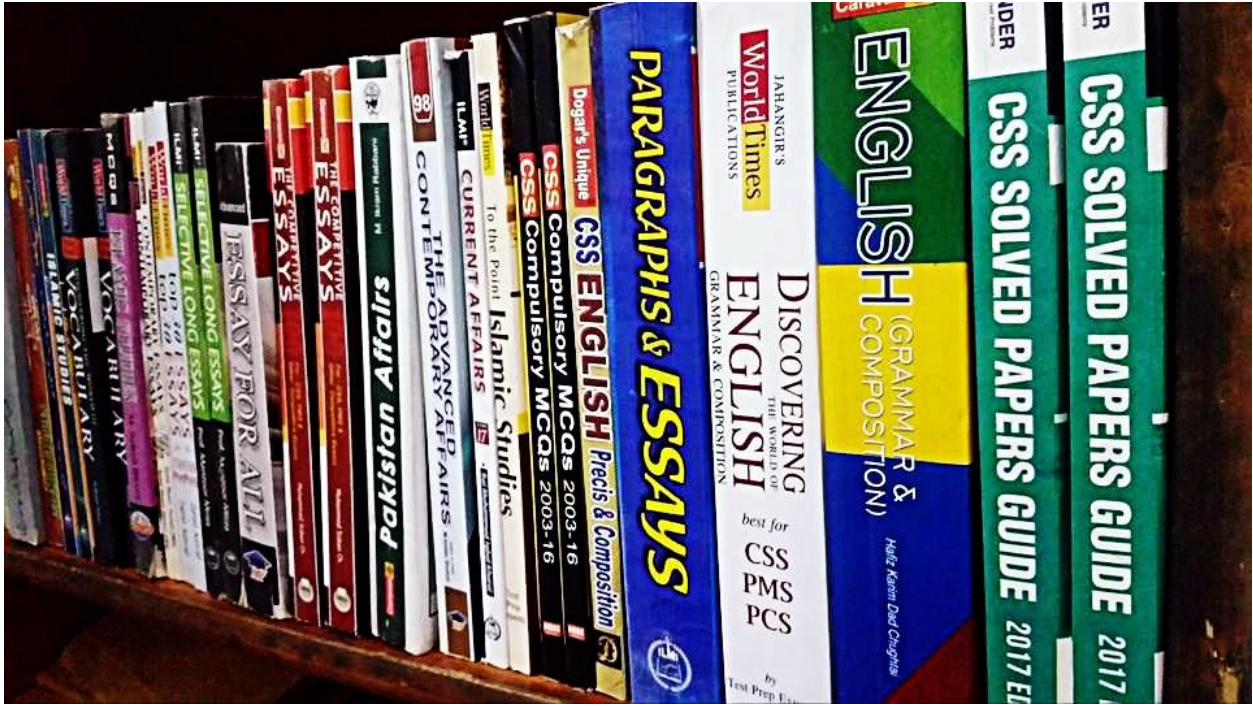
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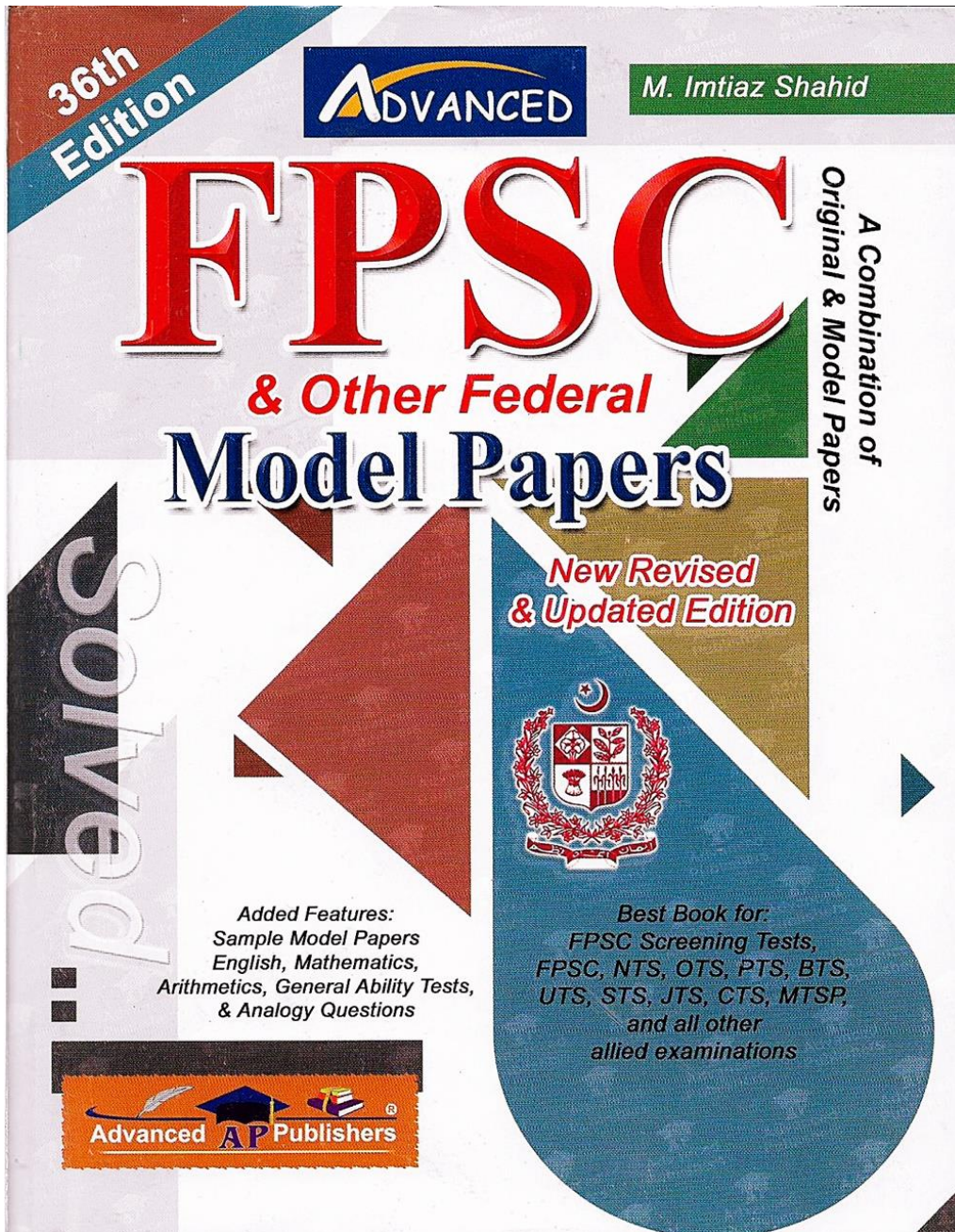
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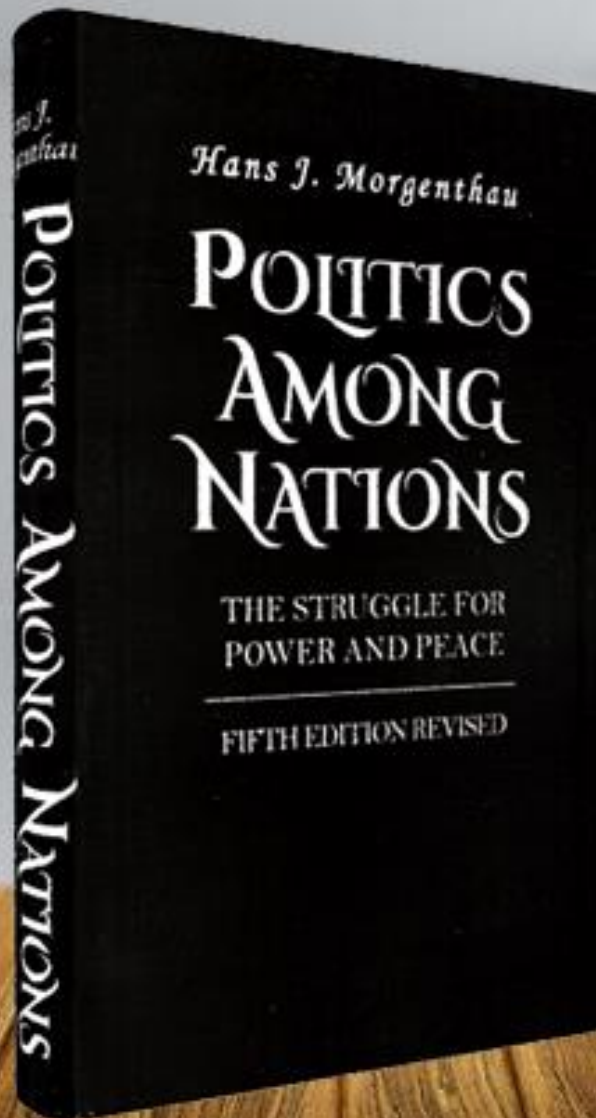
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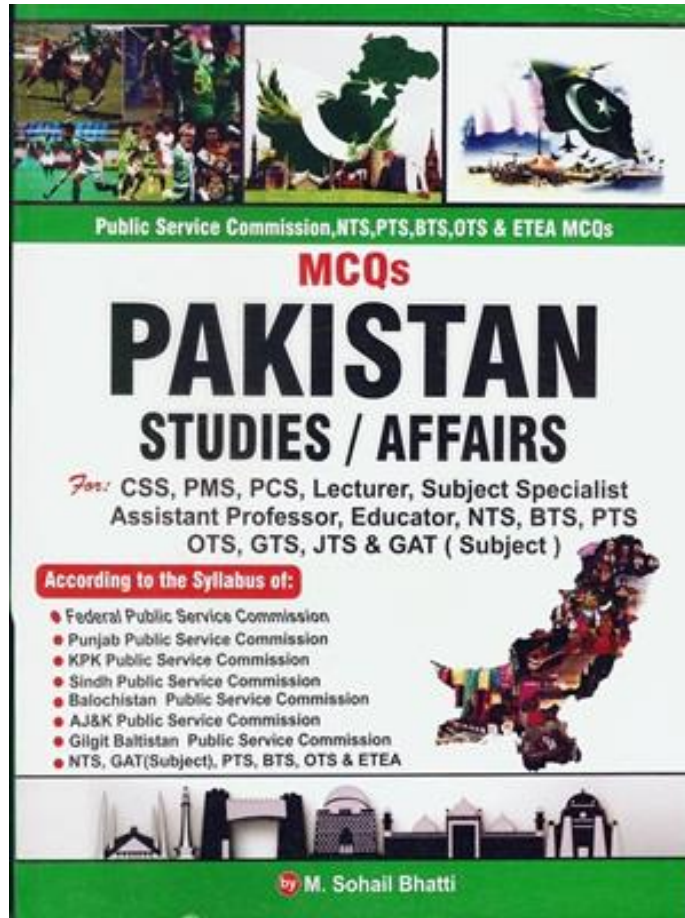
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Population Planning: A Top Priority By M Ziauddin

Education and health are considered to be the two most important ingredients for enriching the quality of an individual's life. That is why developed societies spend so much on health and education. And these two social instruments also contribute decisively towards spreading awareness about affordable size of the family and how to use healthcare to keep it within the limits of the resources available to maintain an acceptable quality of life. The Population Council of Pakistan has estimated that only 35.4 per cent of women in the country are currently practicing contraception and that more than 20 per cent of married women want to practice contraception to space out birth or limit their family size but is unable to do so. This is mainly because of widespread illiteracy, cultural taboos and inaccessibility to high quality family planning or birth spacing services. Also, there appears to be some kind of averseness on the part of successive governments, since General Zia's days towards the matter of population planning.

This needs to be reversed. With the current government making a commitment at the Prime Minister's level backed by the Chief Justice of Pakistan to treat this matter as one of the two major priorities of the nation (the other being building of Dams), following up with setting in place a strong family planning programme and increasing contraceptive prevalence rates do appear a certainty. Due consideration should also be given to the sensible suggestion that the population planning department should be merged with the health ministry.

But the government alone would not be able to do the needful with any degree of success. Civil society, the private sector and the media, especially the broadcast media, also need to join the effort wholeheartedly.

All private maternity homes and clinics, as well as all big private hospitals, should set up a population planning unit on their premises as it is the duty of all private

commercial enterprises, under what is called the corporate social responsibility principle, to protect the interest of society at large. And the private broadcast media too, dictated by the same principle, should broadcast regular programmes, promoting population planning as a public service.

Telling people how many kids they can have is more than just a touchy subject.

So what can be done to effectively address Pakistan's dwindling resources and degrading climate? Research has shown that the combination of family planning among women and educating girls about career and income opportunities has the most potential, to slow population growth. "Once women have more education and earn an income, they decide to have fewer children." Therefore, educating and empowering women just might save us all.

The rate of population growth in Pakistan currently is officially estimated at around 2.1 per cent and the fertility rate is officially estimated to be 4.1 births per woman; both of which are currently lagging behind the data for the same, in all South Asian countries except Afghanistan.

Indeed, the possibility of under-estimation of both, the official population growth and fertility rates, cannot also be ruled out in view of the presumed under-estimation of the country's population by the government. That is, perhaps, why it is becoming increasingly difficult for Pakistan to make the most of its available resources. As a consequence, the very fabric of our society is facing a serious threat with the writ of the state seemingly vanishing rapidly.

The total fertility rate is just an estimate, based on the number of children women have been having. When the rate is lower than about 2.1, it means total population will eventually stabilize and decline. In most countries, total fertility falls from a high level of about six or seven children to two or below, and stays there. Once smaller families become the norm in a country or region, they very rarely go back up. There are a number of theories for why this happens. The shift from agriculture to urban life means less incentive for families to have kids to work on farms. Urban life also increases the cost of raising a kid. Higher education levels for women, freeing them from traditional gender norms, are probably a big factor as well. Importantly, none of these factors are said to be temporary.

Source: <https://pakobserver.net/population-planning-a-top-priority/>

TAPI Pipeline: Connecting The Region |

Editorial

The Chief Executive Officer and chairman of the board of TAPI Pipeline Company limited Muhammetmyrat Amanov while speaking at a public talk on the implementation of Turkmenistan-Afghanistan-Pakistan-India (TAPI) pipeline project informed the attendees that the construction of the project would begin in early 2019. Pakistan needs not to abandon its advocacy of prompt completion of TAPI. The reason that Pakistan needs to leave no stone unturned in the completion of TAPI is apparent. Pakistan is facing energy crisis for almost a decade. The energy crisis has hampered its economic growth. It is a fact that energy is a vital force behind the development of modern and industrial societies. The timely completion of Turkmenistan-Afghanistan-Pakistan-India (TAPI) pipeline project will cater Pakistan's growing needs of energy in domestic and commercial sectors. Pakistan will consume around 42% of the gas that this pipeline will carry.

However, TAPI project is not an ordinary pipeline project. Multiple benefits are associated with TAPI. Apart from being a cheaper substitute for liquid petroleum gas (LPG), the pipeline project will also ensure regional connectivity between these four countries. The pipeline initiative will also ensure the populations of these countries benefiting from the long-term energy security provided by the project. The pipeline can prove instrumental in facilitating a unique level of trade and cooperation across the region, while also supporting peace and security between the four nations. Pakistan and Afghanistan have already given sovereign guarantees, which should assure the other partners that the two states want the completion of the project promptly. Some other benefits that Pakistan can secure from the project also include new employment and an increase in its revenues through transit fees. It is worth mentioning that the plan for the TAPI project was initially conceived in the 1990s. However, one factor or another proved to be a hurdle in its completion. The growing energy demands in Pakistan and India instructs that the project should not be delayed any further.

Source: <https://nation.com.pk/08-Dec-2018/tapi-pipeline-connecting-the-region>

Fighting Poverty Through Agriculture |

Editorial

Poverty reduction has always been a central objective for every political government in Pakistan, yet every ruling party has miserably failed in reducing poverty so far. The Pakistan Tehreek-e-Insaf (PTI) government has allocated a sum of 82 billion rupees to fight the rural poverty by targeting the agriculture sector of the nation's economy. The intervention to take people out of poverty is a much-needed step and response, undoubtedly.

However, the report, which details the area where the amount will be spent to fight poverty in the countryside, fails to recognise that most of the population that live in rural set up are victims of multi-dimensional poverty. Rural poverty cannot be fought with just focusing on the agriculture sector, though agriculture sector is in dire need of intervention by the government to put it on the right track.

After making a minor correction on the state's approach to combat poverty, this editorial appreciates that the government's transformative plan is an attempt to modernise the agri-sector. The idea seems progressive. The reason that the proposal presented needs an appreciation is the fact that agriculture remains the best option through which the government can push for early economic recovery. The plan to invest in inputs is the best viable way. The package will help in the availability of inputs such as seedlings, fertilisers and other products.

Furthermore, the government has rightly identified the need for improving water efficiency. Pakistan is a water stressed country. Because of the out-dated water management strategy, we lose water worth \$21 billion annually, Indus River System Authority (IRSA) lamented last year. Improving watercourses in Pakistan was direly needed. Hopefully, the government's initiatives will save the minimum amount of water that the document reveals that is 9 million-acre feet (MAF). Furthermore, making laser-levelling technology available will also help farmers to use water efficiently. Availability of laser levelling technology alone can boost food security.

The Ministry of Food is also determined to improve livestock that is one of the essential subsectors of Pakistan agriculture. This subsector contributes

approximately 56% of value addition in agriculture and nearly 11 % to the gross domestic products (GDP). The share of livestock in the agriculture sector is enormous because of its overall contribution. The government intervention in livestock will indeed diversify it.

The government deserves appreciation for all the schemes that it holds for revamping the agriculture. However, stress is again laid on the fact that the government should also formulate a comprehensive policy to tackle the issue of multi-dimensional poverty. A dream of increasing our human capital will remain unfulfilled if we do not take out the 39% of our population that live in multi-dimensional poverty.

Source: <https://nation.com.pk/07-Dec-2018/fighting-poverty-through-agriculture>

Imran Khan's Peace Gestures and India's Response By Talat Masood

The recent opening of the corridor connecting Gurdwara Darbar Sahib in Kartarpur area to Dera Baba Nanak in India's Gurdaspur district was in many ways a major event. It demonstrated what Imran Khan had remarked that we want civilised ties with India and indeed was a step in that direction. It is unfortunate Pakistan's initiative is viewed in India with suspicion. Subsequent statements and tweets from the foreign ministers of both countries cast a shadow on this otherwise purposeful development.

The negative response of the Indian foreign minister and the Punjab chief minister to Pakistan's invitation to attend the opening ceremony was a clear snub to Pakistan's goodwill gestures. From the frenzy generated in some hawkish Indian media an impression was being created as though Pakistan by opening the corridor is trying to promote separatist trends among Sikhs and undermining India's national unity. This is another demonstration of the lack of trust and misreading of each other's motive. Besides, there is more to India's rebuttal that we need to comprehend as several determinants govern its policy towards Pakistan.

First, if India were to move towards reconciliation with Pakistan it fears that it will strengthen the Muslim minority of India, and indirectly other minorities too. And this will be in conflict with the BJP's policy of exclusive dominance of Hinduism. The most blatant manner in which the BJP leadership is demonising the Muslim community is evident from the stream of hate speeches by Chief Minister of Uttar Pradesh Yogi Adityanath, while campaigning for its allies in Andhra Pradesh state elections.

Second, the main challenge for India's supremacy in the region emanates from China, and Pakistan-China ties presents another great hurdle to this ambitious power play. It considers CPEC and the expanding and deepening relationship of Pakistan with China a major roadblock in its pursuit to dominate the region.

Moreover, Afghanistan is another area of serious differences between the two countries and chances of compromise seem remote. Pakistan views India's role in Afghanistan with suspicion. This has led to our support of the Taliban and

using them as a countervailing force against Indian dominance. General Bajwa's serious attempts at reconciliation with the Afghan leadership have not been successful primarily due their convergence with India's thinking.

What emboldens New Delhi is that its Afghan and China policy is in total accord with Washington's!

The United States, as is well known, has been consistently putting pressure on Pakistan to 'do more' implying that it brings the Haqqani network and Afghan Shura to the negotiating table. The latest letter of President Trump to PM Khan, however, shows that realism is dawning on Washington. Pakistan has a crucial role in the stability of Afghanistan and its insistence that political dialogue is the only route to peace is after all being recognised. European powers too need to fully support efforts towards a negotiated settlement of the Afghan conflict.

Apart from genuine reasons for dismay regarding India's policies we from our side have not been able to fully justify the lack of progress on pursuing the alleged conspirators and accomplices in the Mumbai attack. Very cleverly India has used it as a lever to pressure Pakistan and project it in a bad light.

Whereas what will be India's gains if it were to take a conciliatory approach towards Pakistan?

There are clearly medium-and long-term benefits. It would reduce tensions in the region; bring the peoples of the two countries and those of South Asia closer by opening up opportunities for tourism, trade and commerce. This would incentivise local and foreign investors and boost the economy. Reduce influence of global players in South Asia and increase space for determining the region's own destiny. For this India would have to gain confidence of its neighbours by supporting them at international forums where policies converge and treating them with respect.

But Indian leadership in general and the BJP in particular are not interested in this approach. It considers these policies would compromise its agenda for a Hinduvta India and be a setback for achieving its regional aspirations of dominance. Moreover, it would set forces wherein the minorities would gain political space thereby thwarting its national and regional ambitions. In short,

altogether a new strategic, political and economic paradigm would emerge in which the status of Kashmir could also undergo a change. The prevailing unrest in Kashmir valley is an unnerving phenomenon yet the BJP government mistakenly feels it could handle it by mere application of brute pressure. Latest move of the governor of Indian-Occupied Kashmir to change the Permanent Residency rules in J&K is another manifestation of its harsh policies. Indifference of the international community towards the Kashmir movement allows India greater space to continue suppressing it.

What is less realised is that Pakistan's alleged support of the LeT and Milli Muslim League is ingeniously exploited by India to provide cover to its gross human rights violations and gain Western sympathy. This problem is also contextualised with events of 26/11 and 9/11 and projected as a constant reminder that Pakistan is failing in its international obligations to take genuine punitive action against these militant organisations and its leaders.

The unfortunate aspect is that India instead of dealing with the Kashmir issue sympathetically has resorted to pursuing policies that undermine Pakistan's stability and integrity. It is brazenly supporting the Baloch Liberation Front and TTP. This vicious cycle of weakening each other's state by supporting dissident elements has to be broken.

The United States deliberately overlooks these Indian destabilising tactics but comes hard on Pakistan for its retaliatory measures. The preponderant basis of the US' relations with Pakistan is how it relates to Afghanistan. And this obsession overlooks Pakistan's national interests and sensitivities. The United States should raise its interest in the region and promote India-Pakistan dialogue.

Prolonged disengagement by India could have serious implications for the region. Multiple problems relating to security, strategy, economy and ecology can only be undertaken through a cooperative approach and efforts toward normalisation are the only sensible course.

Published in The Express Tribune, December 5th, 2018.

Source: <https://tribune.com.pk/story/1860291/6-imran-khans-peace-gestures-indias-response/>

Climate Change in Pakistan By Muhammad Adeel

CLIMATE is statistics of weather over a long period of time. It is measured by assessing the patterns of variation in temperature, humidity, atmospheric pressure, wind precipitation, atmospheric particle count and other metrological variables in a given region over a long period of time. Climate change is a serious global threat and Pakistan has been ranked 8th on the list of countries most vulnerable to climate change by the German watch Global Climate Risk Index. According to a UK-based global risk consulting firm, Verisk Maplecroft, three cities of Pakistan are considered at high risk from climate change that includes Lahore, Faisalabad and Karachi. In a recent global greenhouse gas (GHG) emissions study from 2011-2015, Pakistan has been ranked 137th and has contributed only 0.47 per cent of global GHG emissions, but owing to its climatic conditions it is consistently bracketed with countries that have drastic climate change effects.

Pakistan is considered among countries that suffer extreme weather conditions. Pakistan was one of the five nations that were badly affected by the climate change in 2014. The Pakistan Economic Survey has reported that during 2010-2012 floods more than 3,000 people were killed and they also resulted in the loss of \$16 billion. Thousands of people lost their lives due to Karachi heat wave, Chitral floods and drought in Thar in 2015. Furthermore, with rise in temperature and mangrove depletion across coastal line, the National Institute of Oceanography has warned that there is danger that Karachi could drown in next 35-45 years due to climate change.

Beside this, some of the other adverse effects of climate change in Pakistan include extreme temperatures, seasonal droughts, heavy rains, monsoonal storms/cyclones, devastating floods, unusual fogs, melting of glaciers, glacial lake outburst floods (GLOFs), landslides and avalanches in the mountainous areas and threatening inflows into Indus River System (IRS). The rainfalls would decline during winters and heavy rainfalls would occur during summers. The winter season would shrink and summer season would be long and extreme. These climate changes will severely impact the agriculture, industry, health and economy sectors in Pakistan. It is important to note that the National Climate

Change Policy framed in 2012 was not properly implemented and the National Climate Change Divisions established at provincial level after devolution of environment to the provinces in 2010 could not perform effectively.

Therefore, considering the significance of climate change, the government of Pakistan has recently ratified the Paris Climate Change Agreement and approved the Intended Nationally Determined Contributions (INDCs) and Pakistan Climate Change Bill 2016. Pakistan is already among more than 190 countries that have signed the Paris Climate Agreement and aims to mitigate the effects of climate change at domestic and global level. It has been said that Pakistan will send the INDCs to United Nations Framework Convention on Climate Change secretariat before COP-22 meeting scheduled to be held from 7-18, November 2016 in Morocco. The Climate Change Bill of Pakistan is a positive step by the government that would tackle the climate change problems faced by Pakistan. The Pakistan Climate Change Council would also be established to implement Kyoto protocol and Paris agreement. Apart from such measures, eco-friendly initiative Green Pakistan program has also been launched as Pakistan ranks among low forest cover countries with only five percent of land area under forests and tree cover.

Pakistan also needs international assistance and cooperation to deal with the climate change. Although the annual average cost of climate change adaptation fund allocated by United Nations Framework Convention on Climate Change to Pakistan would be \$6-14 billion and the mitigation cost runs at around 17 billion which is quite small compared to magnitude of disasters faced by Pakistan but interestingly according to UNDP's Climate Public Expenditure and Institutional Review 2015, the climate change budget was under-utilised in Pakistan. The government of Pakistan should properly utilize the climate budget and should draw advantage from international climate funds and programs such as the Green Climate Fund, created by United Nations Convention on Climate Change in 2010 for setting up climate resilient projects and reducing emission of greenhouse gases in developing countries.

Govt of Pakistan should take long-term measures to mitigate the climate effects such as water management, improved energy consumption and conservation, better use of renewable resources, controlling deforestation, building of dams and reservoirs, discouraging use of fossils, forecasting and managing extreme

weather events, early warning and emergency plans for disaster prone areas etc. Along these government climate change initiatives, Pakistan needs to work at domestic and community level to create climate change awareness. It is time that government and people of Pakistan should take climate change seriously as it is one of the leading threats in the years ahead.

— The writer is freelance contributor based in Rawalpindi.

Source: <https://pakobserver.net/climate-change-in-pakistan-4/>

Sabotaging SAARC | Editorial

India's attempts at sabotaging Saarc continue. In November 2016, New Delhi boycotted the 19th summit of the regional cooperation bloc over the unfounded assumptions about the Uri attack, and pressured Bangladesh, Bhutan, Afghanistan and Nepal to do the same. That resulted in Pakistan failing to host the biennial meeting. The 20th Saarc summit — that can be organised during 2018 and 2019 — is in doldrums too, with Indian External Affairs Minister Sushma Swaraj having already declared that there would be no Indian participation in the meeting of the Saarc heads of states. And very recently, an official of the Indian High Commission in Pakistan walked out of a meeting of the Saarc Chambers of Commerce and Industry on the pretext of an Azad Kashmir minister, Chaudhary Muhammad Saeed, being in attendance.

India's actions to impede the Saarc process are part of its sinister bid to isolate Pakistan diplomatically and in all possible respects, albeit with no success. India is not interested in talks for peace with Pakistan, it's not ready to play bilateral cricket, and it's not even willing to maintain people-to-people contact. The Modi government's acceptance of the Kartarpur corridor earlier this month only came half-heartedly, in a clear expression of disregard for the Imran Khan government's initiative that only comes in pursuit of peace. The corridor to connect two Sikh shrines, one each in Pakistan and India, is a meaningful confidence-building measure having the potential to undo the current bilateral freeze between the two nuclear neighbours and push them to engage in a positive and purposeful manner. But India appears least interested.

India's Pakistan-centric approach is a big impediment to the objectives of developing regional economy and promoting integration that Saarc was set up for. Founded in 1985, Saarc — now an eight-member bloc comprising Pakistan, India, Afghanistan, Bhutan, Nepal, the Maldives, Sri Lanka and Bangladesh — is yet unable to realise its true potential for peace and progress in South Asia via trade promotion as well as friendship and understanding among the member states. There can be no denying that Saarc is held hostage to the whims of its strongest member.

Published in The Express Tribune, December 11th, 2018.

Source: <https://tribune.com.pk/story/1863947/6-sabotaging-saarc/>

Trump Seeks Pakistan's Help With Afghan Peace Talks By S M Hali

US President Donald Trump has written a letter to Pakistan's Prime Minister Imran Khan seeking Islamabad's assistance and facilitation in achieving a negotiated settlement of the Afghan war. This is a far cry from the denigrating observations of Trump in his new South Asia policy, stopping Pakistan's Coalition Support Fund due for its support in the war on terror, shutting down aid, warning IMF not to extend loans to Pakistan and his debasing tweets besmirching Pakistan.

Pakistan's relations with the US have been likened to a roller coaster with numerous highs and lows. Currently, a low persists with Donald Trump, bluntly muddying the waters although other government functionaries were trying to step in to stem the rot.

Afghanistan has been a quagmire, which swallowed many invading armies and when the US got sucked in following the deadly 9/11 attacks, there has been no let up. Following the peak surge by President Obama, when US forces in Afghanistan swelled to 150,000, which failed to bring about the desired results, a drawdown of forces was commenced in 2015. Nearly 300,000 Afghan National Security Forces (ANSF) were trained and equipped with sophisticated weapons to take charge of the law and order situation in Afghanistan. US and other NATO forces are limited to a couple of thousand only and that too in supervisory role.

The system failed to work, not because of the flaws in training of the ANSF but the failure of US defence planners to make a critical appreciation of the threat. Some of the most brilliant US military minds have served in Afghanistan but success eluded them since they failed to grasp the complexities of the Afghan mindset.

The US defence planners failed to make a critical appreciation of the threat. Some of the most brilliant US military minds have served in Afghanistan but success eluded them since they failed to grasp the complexities of the Afghan mindset

The Afghan Taliban were defeated but not decimated. They regrouped, rearmed and came back with a vengeance. Set piece battles, employment of massive airpower and even anti-guerilla warfare tactics failed to work. Pakistan, which was a close ally and proved useful in the initial stages of the war in Afghanistan, started to be perceived with suspicion by the US. The porous borders between Pakistan and Afghanistan, the treacherous terrain in the adjoining territory and local help because of common Pashtun ancestry, enabled the Taliban to evade capture and defeat. The US had the support of technology, intelligence and state-of-the-art weaponry but its inability to halt the Taliban's hit and run attacks constrained Washington DC to look for a scapegoat in Pakistan and blame it for its failures.

Serious writers like al-Biruni, researchers like Sir Olaf Caroe, who is considered a strategist of the Great Game and the Cold War on the southern periphery of the Soviet Union, William Dalrymple, Nancy Hatch Dupree, Thomas Barfield, Louis Dupree, George Crile, Christina Lamb and our own Ahmed Rashid provide insight into the mind of the Afghans, but the real convolutions remain veiled.

Classified by the Occident as terrorists, the Taliban consider themselves as freedom fighters, striving to rid their country of foreign invaders. Pakistan has been crying hoarse that the solution to the Afghan imbroglio is no longer a military one and even paved the way for peace talks but its solitary voice got drowned in the crescendo of the blame game. The elimination of the al-Qaeda leader Osama bin Laden at a compound in Pakistan did not help matters and only crystallized US claims of "I told you so!"

Now that the Taliban are in control of more than sixty percent of Afghanistan, the various governments installed in Kabul have proved to be inept and ineffective, the ANSF and the National Directorate of Security (NDS) have been infiltrated by the Taliban sympathizers and various international intelligence agencies, furthering their vested interests, belatedly President Trump has decided to reach out to Pakistan. Although Pakistan responded positively, it is yet to be determined whether another round of "good cop, bad cop" is being played. Directly after Trump's overture, his outgoing Ambassador to the UN, Nikki Haley, in an interview to The Atlantic, declared that "aid to Pakistan must be shut down." Nikki Haley's outburst can be dismissed on account of her Indian origin and ingrained biases against Pakistan, yet Pakistan needs to be wary.

Donald Trump's special envoy to the region Zalmay Khalilzad paid a visit to follow up on the Trump request. The move may help ease tension in the Pak-US ties but if Trump is serious in ensuring Pakistan's support, he will have to ask his administration to come down a few notches in firing broadsides at Pakistan. Sometimes US State Department chooses to castigate Pakistan for its alleged ill treatment of its minorities while at others, climate control experts breathe down Pakistan's neck accusing it of severe violations. Support provided by Pakistan will be in good faith, but it takes two to tango. There should be mutual respect and hurling insults must cease.

The writer is a retired Group Captain of PAF. He is a columnist, analyst and TV talk show host, who has authored six books on current affairs, including three on China

Published in Daily Times, December 15th 2018.

Source: <https://dailytimes.com.pk/333528/trump-seeks-pakistans-help-with-afghan-peace-talks/>

How Healthy Are Glaciers in Pakistan? By

Dr Sher Muhammad / Dr Shaukat Ali

Glaciers are crucial sources of water for agriculture, energy and domestic consumption but are incredibly susceptible to the changing climate. The Intergovernmental Panel on Climate Change (IPCC) has warned that by the late 21st century, global mean surface warming will vary between 1°C and 4°C for different warming projections. A study by researchers from the Global Change Impact Studies Centre (GCISC) concluded that the increasing rate of warming is significantly higher in northern areas of Pakistan than the global average in this century. The warming could have profound impacts on glaciers in the Karakoram and people living near glaciers and downstream.

In the past, direct glaciers observations were rarely conducted. Glaciers need to be continuously observed if glaciers dynamics are to be precisely monitored. Historically, most glacier observations have relied on satellite data. However, given their low quality and limited observation period, those observed satellite data contain significant uncertainty in the estimated glaciers variations. In contrast, precise observations can be made using field-based monitoring and used for calibration and validation of satellite data. Unfortunately, ground measurements of glaciers in the region have been limited; glaciers in the Karakoram are large and their accumulation areas are often steep and difficult or impossible to access.

In the past five years, several Pakistani researchers have begun working on glaciers in the field with technical support from China. Direct glacier melt observations have been made by installing ablation stakes in lower areas of the glaciers and glacier thickness changes have been observed using differential Global Positioning System (dGPS) and ground penetration radar. These measurements are useful to precisely quantify the on-ground situation of glacier changes. As a result, research articles have been published in well-known international scientific journals which cover glaciers in the Astore valley (western Himalaya), Bagrot valley (Gilgit) and Hunza.

In September 2018, we led a group of researchers to survey three glaciers in the Karakoram Range of Pakistan. The primary focus was to understand glacier dynamics in relation to debris cover variability. This study is important because

the lower areas (ablation zones) of glaciers in the Upper Indus Basin of Pakistan are covered by debris layer, which significantly alters the melt rate compared to bare glacier ice. We collected daily melt data over the Hinarchi, Hoper and Ghulkin glaciers over clean ice and debris cover with variable thickness. Our initial findings show that glaciers with debris cover are melting slower than bare ice glaciers and that the melt rate decreases with an increase in debris cover. These findings contradict some other studies which suggest that thin debris layer enhances melting. The results will help to better understand these glaciers in addition to the 'Karakoram Anomaly' and model glaciers dynamics for future projections.

In one of our research paper satellite data provided by NASA, we have revealed that debris cover has increased from 1972 to 2014. The change in debris cover provides essential information regarding future glacier melting because the melt rates of debris cover differ significantly from clean ice. In addition to these results, findings from a previous study published in Nature provide an overall picture of glacier changes in Asia. According to the paper, glaciers in the Hindu Kush and Karakoram of Pakistan melted at a rate two times slower than the current melt rate in Asia between 2000 and 2016. Also, glaciers feeding the Indus River make the Indus the most glacier concentrated river basin in the world. Although the stability of glaciers in the Karakoram is a good sign for future water availability, continuous monitoring is necessary for estimating the contribution of melt from glaciers and disaster preparedness.

Published in The Express Tribune, December 16th, 2018.

Source: <https://tribune.com.pk/story/1867806/6-healthy-glaciers-pakistan/>

And Now President's Rule in IoK | Editorial

INDIA is getting desperate in its pursuit to suppress indigenous freedom movement in occupied Jammu & Kashmir. Whilst making mockery of human rights in the occupied territory, Modi junta has now gone a step further to take all the matters in its hands by imposing President's rule there.

The move comes amid escalation of Indian brutalities in the occupied territory. Just a couple of days back, the troops killed about a dozen Kashmiri youths during a cordon and search operation and firing of live ammunition on protesters in Pulwama. Since then, a complete lockdown had been imposed by the Indian occupation forces as civilians take to the streets to march against the deaths. Authorities had also shut down mobile, internet and train services. The imposition of President's rule indeed is another step in the continuity of Indian atrocities and barbarism in occupied Kashmir. Condemning the move, Foreign Minister Shah Mehmoud Qureshi urged the world organizations and defenders of human rights to play their due role to stop the atrocities against the innocent Kashmiris. India never gets tired of blowing the trumpet of being the largest democracy in the world but the fact of the matter is that it has never respected the democratic right of the Kashmiri people which was also accepted by the UN Security Council Resolutions. Rather it has enforced draconian laws and now imposed the President's rule in the territory which undoubtedly will further deteriorate the already tense situation. These tactics really expose the ugly and extremist face of Modi junta which is failing to realize that all such moves have failed on the face of firm determination and resolve of Kashmiri people and in future also no amount of force can either deter or shake but will only contribute to further strengthening their resolve to get freedom from the evil clutches. Whilst we welcome the OIC for condemning the recent brutalities in the held valley, it is also for the world community to shun double standards and speak openly against the brutalities unleashed by Indian forces. It will also be advisable for the Indian government to review its policy and rather sit with Pakistan and the Kashmiri people for solution of this lingering dispute for a more peaceful and prosperous region.

Source: <https://pakobserver.net/and-now-presidents-rule-in-iok/>

Is Pakistan's Foreign Policy Paradigm Shifting? By Babar Ayaz

For the second time, there is a glimmer of hope that peace can be restored in Afghanistan as Pakistan has finally pushed the Afghan-Taliban leaders to negotiate directly with the US. Negotiations between the US special representative on Afghanistan Zalmay Khalilzad and Afghan-Taliban leaders was held in Abu Dhabi, UAE on December 18.

The venue was changed from Doha to Abu Dhabi because of a sore relationship between Qatar and the Gulf States. Pakistan wanted to include the UAE and Saudi Arabia in the talks because they enjoy good relations with the Taliban and some of the finances to the Afghan-Taliban go from both these countries.

This was the first time that the US has entered into face-to-face talks with the Haqqani group although they have been declared terrorists by the UN.

The talks were termed "productive" by Khalilzad. However, no specific time frame of the next round of talks or details on what agreements were reached was given by either party. Both parties spoke about the release of prisoners with Khalilzad calling for the release of two professors of the American University of Afghanistan who were kidnapped by Taliban in August 2016. In turn, Haqqani group had asked for the release of Anas Haqqani, a brother of its leader Sirajuddin Haqqani. Anas was captured by Afghan intelligence in 2014.

Perhaps the real test of the success of the talks would be signaled by the release of these US and Haqqani group prisoners by both sides. Reportedly there has been progress in this direction. The major good news for the Afghan-Taliban is that President Trump is going to recall 7000 US forces from Afghanistan. This means a cut of 50% in the US presence in Afghanistan, at the cost of losing his Defence Secretary Mattis.

Earlier, Pakistan's attempt to arrange quadrilateral talks between Afghan-Taliban, the US, China and Russia had failed because the Afghan intelligence leaked the story that Mullah Omar, the supreme leader of Taliban, had died months ago in a Pakistan hospital while a fake letter of Mullah Omar in favour of the talks was

circulated anonymously. This forced the Afghan-Taliban to announce the new Ameer of their movement, Akhtar Mansour who was killed in May, 2016 by an American drone attack in Pakistan after crossing the border from Iran. It was generally believed that he was not in favour of peace talks with the US and that was the reason that Americans bumped him out.

Consequently, the Taliban selected Hibatullah Akhundzada as the Ameer of Afghan Taliban. He was running a madrassah in a village in Pakistan near the Afghan border. The fact that Mullah Omar died in a Pakistan hospital, his successor Mullah Mansour was killed in a drone attack in a border city in Pakistan and was also carrying a Pakistani passport on which he had travelled to UAE several times and that the new leader of Afghan-Taliban was presiding in Pakistan and running a camp, all gave credence to accusations by the US and the Afghan government that Pakistan is giving shelter to the leaders of the Afghan-Taliban. This was always denied by the Pakistan Foreign Office.

On the other side, the presence of the Haqqani group leaders in the tribal areas was also denied by the Pakistani establishment, knowing full well that Afghan and the US do not believe in our denials.

So whenever the US and the Afghan government insisted that Pakistan should do more, the Pakistani government detracted the whole discussion to the operation against Pakistani-Taliban and maintained that Pakistan had suffered the killing of 70,000 people, including members of the armed forces personnel and innocent civilians, in the war against terrorism. It may be noted that the Pakistan-Taliban were initially the creation of our own establishment. However, the establishment only went against them when they revolted against their masters and became Frankenstein.

Another reason for Pakistan's shift in policy is that Afghanistan has given shelter to Pakistani terrorists who ran away after the operation against them. The Afghan intelligence is using Pakistani-Taliban to pressurise the Pakistani establishment to push Pakistan to tame the Afghan-Taliban, who have been actively attacking Afghan and US forces' camps

We have also been claiming that Pakistan has suffered a financial loss of US\$123 billion because of the war against terrorism. The US and the rest of the

world were not impressed by the sacrifice Pakistan has given in this civil war in the country because while they were talking about Pakistan giving sanctuaries to the Afghan-Taliban and Haqqani group, we were talking about a different set of terrorists who are Pakistani by origin and had challenged the writ of the government.

These Pakistani terrorist groups impressed by the Osama doctrine believed that they have to establish an Islamic Caliphate in Pakistan through the barrel of the gun. Thus, it is also wrong when Prime Minister Imran Khan repeatedly says that we have been fighting other people's war in Pakistan. As stated above, we only fought those who challenged the writ of the Pakistani establishment so much so that they attacked GHQ and other military installations.

So this time around, Pakistan has brought the Afghan-Taliban leaders to the negotiating table in Abu Dhabi. It seems that they have really changed the policy to keep supporting the Afghan-Taliban and Haqqani group insurgency in Afghanistan and stopped believing that they can install a Taliban-led government in Kabul like in the 90s. Besides Pakistan, only KSA and the UAE had recognised the Taliban government in the 90s.

A significant role in this change of heart seemingly has been played by China and Russia, which have been also telling Pakistan to stop relying on the non-state actors to further its national security policy.

Another reason for Pakistan's shift in policy is that Afghanistan has given shelter to Pakistani terrorists who ran away after the operation against them. The Afghan intelligence is using Pakistani-Taliban to pressurise the Pakistani establishment to push Pakistan to tame the Afghan-Taliban, who have been actively attacking Afghan and US forces' camps.

Pakistan is also worried about the frequent ceasefire violations by India on the LoC and cannot afford to keep both the Eastern and Western frontshot at the same time.

However, the Imran Khan government can claim two consecutive foreign successes with the Western and Eastern neighbours. Although it is apparent that he could only do it with the blessings of the milt-establishment, the Americans

are seemingly clear on who calls the shots on these issues of foreign policy as Khalilzad's first port of call after the Abu Dhabi talks was a meeting with COAS General Bajwa and not Foreign Minister Shah Mahmood Qureshi.

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Source: <https://dailytimes.com.pk/336661/is-pakistans-foreign-policy-paradigm-shifting/>

Gender Inequality | Editorial

PAKISTAN is the second worst country to be a woman when it comes to gender equality, declares a recent World Economic Forum report. Ranking 148 out of 149 countries in the Global Gender Gap Index 2018 — which incorporated the latest statistics from international organisations along with a survey of executives to look into education, health, economic opportunity and political empowerment — the number of women holding managerial positions is one of the lowest. Other low-performing countries include Egypt, Saudi Arabia and Yemen. It was also the lowest-ranked country in South Asia, as it closed 55pc of its overall gender gap, compared to Bangladesh and Sri Lanka that closed just over 72pc and nearly 68pc of their overall gender gap. While the country made some progress in wage equality and the education attainment sub-index, it ranked 146 in economic participation and opportunity, and 145 in health and survival. In terms of political empowerment, the country was positioned at 97.

The report was received with scepticism, especially given that Pakistan was ranked even lower than countries such as Saudi Arabia and Yemen, where women are less visible in the workforce and public life. While one can certainly question the report's methodology and findings, the government should not outright dismiss the findings, given that the country consistently performs poorly in international reports and indices when it comes to women's rights and empowerment. A few months ago, a gender audit by the Women's Action for Better Workplaces found that Pakistan's labour laws do not create an enabling working environment for women. Additionally, sexual harassment and regressive cultural attitudes keep them from performing to their full potential or out of the workforce entirely. Another UN report from earlier this year found that 4.9m women between the ages of 19 and 49 years were disadvantaged in four SDG-related dimensions, including health. It found that around 48pc of women and girls between the ages 15 and 49 have no say in decisions about their own health, with those in rural areas being particularly disadvantaged. Women are nearly half the population and make up a large chunk of the labour, especially invisible labour and in the informal sector, in both rural and urban settings. But their participation is not equal to their numbers. While Pakistan has made many strides over the years, and has many female citizens to look up to and take pride in, much more needs to be done.

Source: <https://www.dawn.com/news/1453462/gender-inequality>

Pakistan and India By Farrukh Khan Pitafi

Field Marshal Sir Claude Auchinleck, the commander-in-chief of the British Indian Army, was initially in favour of a joint military command for India and Pakistan. This idea was impractical and therefore soon abandoned. But while reading this, every student of history is compelled to think of infinite other possibilities. What if India and Pakistan had separated on a less hostile note? What if they had either successfully resolved the issue of Kashmir at the inception or that the matter had never arisen? Could the nations be allies? These days it is a given that the enemies of one state can count on the other for support from the other. Could the situation be any different if we did have a relatively cleaner break in 1947 like Jerry Seinfeld and Elaine Benes? Imagine the state of the vitiated space between the two countries that even such questions sound nothing short of laughable imponderables.

For a student of strategic studies, these questions do not matter. They are trained to think about today and, if time allows it, of tomorrow — not yesterday. But to a student of history, these questions merit attention. Because it is in the impossibilities of the past that you can hope to find a key to the future. If we can sufficiently expose the demons of the past, we can build a future exorcised of them.

If you want to know how the two countries view each other, consider the language used by their leaders to refer to the border between the two. Indian Prime Minister Narendra Modi recently likened the border to the Berlin Wall. Pakistani PM Imran Khan, however, compared the two countries with France and Germany. The difference? The Berlin Wall was a concrete structure built to divide not just the German nation but essentially the German capital along the Cold War lines. It stood there for about 28 years, was a product of a bipolar world and ended with it. Germans on both sides reunited after its fall. Pakistan and modern-day India were created by a dying multipolar world, withstood the test of bipolar and unipolar worlds and are now preparing to be a part of a multipolar world order again. Similarly, Germany and France are two distinct nations with pride in their history and culture and even if you permanently remove their boundaries you cannot remove their identity. Imran Khan's comparison makes sense

because today the Pakistani identity is as real and distinct as the Indian identity. India helped build it. Narendra Modi's doesn't.

This idea that Pakistan was temporarily taken away from mother India and will eventually reunite has been there since 1947 and is the longest running trash talk that anyone has ever witnessed. And yet it keeps firing up the Indian imagination. First, Pakistan's creation was considered a denial of India's secular credentials. Now it is the desire to see Akhand Bharat which keeps them going. They say the ashes of Nathu Ram Godse, the assassin of Mohandas Gandhi, are still kept in an urn to be scattered in the River Indus once India takes Pakistan back. But what do they want? Land? People? Anything else? Well, it is an irrational and unintelligent desire. It is not like India in its many forms that have existed ever cared much for the territories now part of Pakistan. These lands were part of India's untamed wild west. Often when there was fear of invaders from further west, a scorched earth policy was used here to keep the adventurers at bay. Poison the wells, burn the crops, pillage and murder those who even had a potential to be useful to the enemy. And regarding the people, note how India now treats its minorities as a burden. Why then would you keep the fantasies of a reunification alive?

And it is a self-defeating prospect. The Indian state is already bloated and inefficient enough without further helpings. One unfortunate binary of our time, aided and abetted by the Indian intelligentsia, is to view China and India as equal quantities. They are not. In China, partly because of its communist legacy and partly as an accident of history, wherever you go you find same people, same race, same language with slight variations. That is not the case with India. It has multiple races, languages, faiths, castes, classes and nations within. And they all don't live in harmony. It is difficult to hard enough to keep them together. Why add more burden to the problem.

Then there are the matters of Indian self-image and strategic thought. When you look at India and think of giving permanent membership at the UNSC, you think of democracy, diversity and of Gautam Buddha and Bhakt Kabir. When India looks in the mirror, it sees Machiavelli's prince and Kautilya or Chanakya's Chandragupta Maurya. Why would a country that has been a victim of imperialism choose a realist worldview and not idealism as its worldview is beyond me. But one thing is for sure while choosing realpolitik over collective

security, it still wants to utilise the idealist worldview to gain access to global power. So, when you think of bringing India into the UNSC fold, you are not giving voice to the victims of the past, you plan to bring in a broken Third World imagination into the system that will essentially mean the end of the lofty ideals you cherish.

Pakistan on the other hand has no grand ambitions. And that is bad. If the country had any, instead of trying to block Indian permanent seat in the UNSC, it would want one for itself. Is it not how things work? India acquires nuclear weapons to get even with China. Pakistan does so to get even with India. And China and Russia have shown that this is the way you tackle the South Asian Siamese twins. They brought both India and Pakistan to the Shanghai Cooperation Organisation (SCO). The two countries could hold Saarc hostage to their mutual hostility. They cannot hold SCO hostage. Empower one country and they will instinctively try to ruin the other. Empower both, give them common stakes in peace and they will try to behave.

India and Pakistan need to realise that whether they like it or not in many spaces they share they already are allies. In SCO, in the fight against terror, against poverty. Instead of waiting for the collapse of the other they can gain from cooperating. Half-hearted cooperation and harbouring malice against the other at the same time will not help. Peace between India and Pakistan is an idea best suited for our times. Such ideas do not care much about elections, expediency or narrow-mindedness of policymakers.

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Source: <https://tribune.com.pk/story/1862291/6-pakistan-and-india/>

A New NAP? | Editorial

Minister of State for Interior Shehryar Khan Afridi on Wednesday said that the government would launch a renewed National Action Plan (NAP) in March 2019 to counter terrorism and target killing across the country.

The failure of the previous NAP, which has been passed for almost four years now, is notorious, especially for the weakness in its legislative and policy components. According to the original NAP, the National Counter Terrorism Authority was supposed to be reviewed and made effective to devise a counter-terrorism strategy that should address short, medium and long-term goals. Regularisation and reformation of Madrassas was supposed to be implemented, and a comprehensive policy on Afghan Refugees had to be drafted. Most of these goals in the previous NAP have not been taken action on effectively, indicating that the previous government did not have the political will and resolve to act upon it.

Yet does the failure of the government to muster resolve and act upon NAP warrant the drafting of a new one? Perhaps the Minister of State does not understand the enormous sensitivity of legislation like NAP, which needs long and careful deliberation with various parties in order to be made into law. The previous NAP was passed in early 2015, when the wounds of the APS massacre were still fresh, and thus the nation was united in the initiative of passing a national security plan. There might have been large gaps in the implementation of NAP, yet there was little mistake in its process of drafting, which had the tacit approval of almost all political parties, with religious parties only having minor objections to the wordings.

It is doubtful that the government today, with so many political rivalries, will be able to inspire that kind of unity from the parliament to pass a new NAP. A national action plan requires a nation to put aside its differences and collaborate- and our country currently is more politically divided than ever.

A new NAP which intends to cover the gaps of the older one will be useful but any such initiative will not work if it glosses over the problems of the previous plan. Unless PTI is sure that it has the political acumen to unite the federal,

provincial and local governments, along with other institutions for a collaborative effort, perhaps it would be easier to fix the implementation of the already existing NAP.

Source: <https://nation.com.pk/28-Dec-2018/a-new-nap>

Pakistan's Global Image Restored By

Mohammad Jamil

THERE was a time not too long ago when Pakistan was considered the regional hub for many international airlines, such as the KLM Royal Dutch Airlines, Lufthansa, and Cathay Pacific. Sadly, most of these airlines no longer operate in Pakistan. Most foreign airlines currently operating in the country are either Middle Eastern or East Asian, with the result that there is no competition between them to the detriment of the travellers. However, British Airways – The national carrier of the UK — will recommence operations in Pakistan after nearly a decade, according to a statement by the British High Commission. British Airways flight operations to Pakistan were suspended following a terrorist attack on the Marriot hotel in Islamabad in 2008. Addressing a news conference in Islamabad, the officials of the British High Commission termed restoration of peace in Pakistan as a good omen.

British Airways will be the first western airline to resume services to Pakistan. The country has been largely dependent on Middle Eastern airlines such as Emirates and Etihad, with most international flights routed through the Gulf, making travel expensive and cumbersome for passengers. British Airways head of sales for Asia Robert Williams said: “It’s exciting to be flying between Islamabad and Heathrow from next year, which we believe will be particularly popular with the British Pakistani community who want to visit, or be visited by their relatives. We only fly somewhere when we know it’s safe to do so”. He further said that this is due to great improvement in the security situation in Pakistan in the recent years, and the return of British Airways will give a particular boost to growing trade and investment links. Of course, Pakistan military deserves appreciation for restoring confidence in Pakistan.

Prime Minister Imran Khan vowed to revitalise Pakistan’s struggling tourism industry in an effort to bring in much-needed revenue to its fragile economy. There is a perception that Pakistan can earn billions of dollars from tourism, as Pakistan has a rich cultural and archaeological heritage, along with serene alpine valleys, pristine beaches and vast deserts peppered with vibrant Islamic shrines. Culture of four provinces is a bouquet that makes national culture. But what is Culture? Culture is the accumulation of a nation or its people’s spiritual, mental,

moral, artistic, historical values and principles. The country is also home to some of the world's tallest peaks including K-2, the second highest summit after Everest, which sits atop a region of 120 other mountains rising above 7,000 meters (23,000 feet). The improvement in security situation will open doors for other such international activities in Pakistan. However, Pakistan should not lower its guard.

While we have seen local media groups partnering with foreign media groups to bring in news and movie channels, we are yet to see anyone partner with travel and adventure channels like National Geographic or Discovery and bring them to Pakistan. Another step we need to take, arguably the most important one, is the need to rebrand Pakistan and project a different image to the world to alter existing perceptions. Almost everyone who visits Pakistan praises the nation for its beauty, potential and friendly people. However, that is not an image most people in the world are aware of at the moment. Of course, the government and media would have to create that awareness about Pakistan. It is hard to imagine why the tourism industry of a country with mesmerizing valleys, breath-taking meadows, and stunning lakes, have been neglected and left underdeveloped.

Martin Parr, a British documentary photographer and journalist, once stated: "The thing about tourism is that the reality of a place is quite different from the mythology of it". Martin Parr is widely acknowledged for his photographic projects that highlight peoples and their cultures. Pakistan's image was marred by the terrorists who started attacks on military and police personnel, and also people after Pakistan joined war on terror. However, perception is changing for the better as things on ground have changed quite drastically over the last few years. According to the National Counter Terrorism Authority (NACTA), terror-related incidents declined 58%, from 2,060 incidents in 2010 to 681 in 2017, and only a few dozens in 2018. These figures are testament to the success of our Army during the massive military operations conducted in the northern areas of the country in the past several years; however there are some remnants that continue their vile acts.

Recently, the mastermind behind the attack on Chinese Consulate in Karachi, Aslam alias Achu, along with his companions, was killed in Afghanistan. Four guards of Aslam got injured, in an attack on his residence in Kandahar, when a meeting of the terrorists was underway. The injured were moved to Kandahar's

medical facility, but Aslam along with his companions succumbed to his injuries. Aslam was wanted in many heinous crimes, including an attack on Chinese Consulate in Karachi in which two Policemen were killed. He was involved in carrying out terror activities in Pakistan from Afghan soil. Aslam was treated at Max Hospital in New Delhi as he had fled to India after being injured in an operation by the Pakistan Armed Forces in Balochistan's Sibi district. Reportedly, he was sent back to Afghanistan by the RAW. There is a strong perception that recent incidents of terror attacks in Karachi are handiwork of Indian proxies.

—The writer is a senior journalist based in Lahore.

Source: <https://pakobserver.net/pakistans-global-image-restored/>

Why 2018 Will go Down as an Unforgettable Year in Pakistan's Democratic History By

Imad Zafar

This year can rightfully be termed the year of change for Pakistan. After all, the General Elections held this year saw the rise of the Pakistan Tehreek-e-Insaf (PTI) into the power corridors. While the political temperature in Pakistan remains high despite the cold weather of December, the following are glimpses of the main political events that had an impact on Pakistan's political dispensation this year.

January: US President Donald Trump lashed out at Pakistan in a tweet and withheld aid worth millions of dollars.

February: Renowned human rights lawyer and activist Asma Jahangir passed away.

March: Pakistan Muslim League-Nawaz (PML-N) leaders Nihal Hashmi, Talal Chaudhry and Daniyal Aziz were disqualified on charges of contempt. Meanwhile, PML-N emerged the largest party in the Senate elections and Sadiq Sanjrani was elected the Senate Chairman.

April: Nawaz Sharif and Jahangir Tareen disqualified for life by the Supreme Court (SC).

May: The National Assembly witnessed an unprecedented show of solidarity as it voted to merge the Federally Administered Tribal Areas (FATA) with the province of Khyber Pakhtunkhwa (K-P). Another important development was the completion of tenure by the PML-N government under the supervision of Prime Minister Shahid Khaqan Abbasi.

July: During the pre-election period, Nawaz, his daughter Maryam Nawaz, and her husband Captain (ret'd) Mohammad Safdar were convicted by the accountability court. They were later taken to Adiala jail. Meanwhile, Haroon

Bilour, a leader of the Awami National Party (ANP) was killed in a suicide attack as he addressed a campaign rally.

Also in July was the opening of the 'dam fund' by the State Bank of Pakistan, upon the directives of the SC.

However, the most important event of the year took place on July 25th, as the PTI won the General Elections in Pakistan. The party won the centre as well as K-P, and was also able to form the provincial government in Punjab with the support of independent candidates and the Pakistan Muslim League-Quaid (PML-Q).

August: The first session of the 15th National Assembly of Pakistan was called in which 328 members of the lower house took oath. A week later, Imran Khan took oath and became the 22nd Prime Minister of Pakistan.

September: Dr Arif Alvi took oath to become the 13th President of Pakistan. A week later, Kulsoom Nawaz passed away after fighting a long battle against cancer.

On September 18th, Imran went to Saudi Arabia and managed to get \$6 billion in financial assistance. Additionally, a day later, the Islamabad High Court suspended the sentence for Nawaz, Maryam and Captain Safdar and they were released on bail, while the SC later dismissed the review petition against Tareen's disqualification.

October: Shehbaz Sharif, the leader of the opposition, was arrested on charges of corruption. Around the same time, the rupee hit an all-time low against the US dollar as it plunged by 7.54% in a single day, resulting in a stock market crash.

On October 31st, Aasia Bibi was acquitted by the SC and religious extremists belonging to the Tehreek-e-Labbaik Pakistan (TLP) took over the country in protest.

November: Imran made his first official visit to Pakistan's all-weather friend China, while the country remained in a state of panic due to the TLP's

hooliganism. However, Imran's visit was considered important for bilateral ties as well as for the facilitation of the China-Pakistan Economic Corridor (CPEC).

On November 23rd, a crackdown was initiated against the TLP and its leadership, including Khadim Hussain Rizvi, was arrested by state authorities.

On November 28th, the ground-breaking ceremony was held for the Kartarpur corridor. This move was termed a master diplomatic stroke from the Government of Pakistan with respect to our ties with India.

December: PML-N firebrand Saad Rafique was arrested for the Paragon City housing scam along with his brother, causing uproar amidst the opposition. The prime minister's sister Aleema Khanum was fined Rs29.4 million for not disclosing her property in Dubai, while Asif Ali Zardari, along with his sister Faryal Talpur, was accused of money laundering and possession of an undeclared apartment in the US by a JIT, making 2019 look difficult for the Pakistan Peoples Party (PPP).

An important development came in the form of yet another verdict against Nawaz, this time sentencing him to prison for seven years for the Al-Azizia corruption reference while also imposing a fine of Rs1.5 billion.

Depending on one's political affiliations, one can decide whether 2018 was a good year for Pakistani politics or a bad one. What one cannot deny, however, is that a lot happened this year, at times making it hard to keep up with events as they happened. Additionally, how common people viewed these events is also remarkably different from how journalists, intellectuals and politicians saw the events unfold.

How journalists, intellectuals and politicians viewed the year

Talking to the Express Tribune, renowned intellectual Adnan Rehmat stated,

"The main element of politics in Pakistan this year was the reversal of the charter of democracy wherein both PML-N and PPP failed to help each other in the post-election phase, thereby contributing to the rise of their common political rival to power."

Another senior journalist and renowned analyst Wajahat Masood termed this year as “forgettable”. He stated,

“It was a terrible year in our history. We have seen political victimisation, interference in the democratic process, management and engineering of elections, installation of the government by non-electoral means, and continuous decline of our economy. As a result, we lost political and economic credibility amongst nations. I’m not positive about the current political dispensation – it is not about the PTI government; the PTI is not to be blamed. The onus is on the powers that control the political dispensation and term everyone who speaks of democratic supremacy to be ‘against the national interest’. I think PTI at some point of time will realise this and eventually will come back to align with democratic forces.”

Pakistan’s former ambassador to the US Hussain Haqqani views the political event of the year as discouraging. According to him,

“The elections that brought PTI to power were tainted by pre-poll manipulation. The ruling party got fewer votes than its opponents and has less of a mandate than other elected governments. Yet it insists on behaving in an authoritarian manner. It also seems to be repeating the policies of the 90s when the party in power pursued corruption cases against its rivals. The divisiveness of that era appears to be returning with a vengeance and is unlikely to benefit the country.”

However, veteran politician and PML-N Senator Mushahidullah Khan is not disappointed with the political discourse. He seems quite optimistic that there are good changes happening in political parties and in the media, which are important for the bright future of the country. Talking to the Express Tribune, Mushahidullah stated,

“On a positive note, this year brought much awareness among the political parties and the masses. The political process saw maturity in terms of masses beginning to realise that someone else is manipulating political proceedings from behind the curtains, and this is a good development.”

However, Mushahidullah expressed his concern on the curbs upon media freedom and the media groups that are becoming tools for undemocratic forces to undermine democracy.

“For me, it was a surprise that most media organisations accepted these curbs without showing any resentment. Though there are few independent journalists and media groups who are fighting and presenting the other side of the picture as well, most are just adhering to the curbs.”

Meanwhile, members of the PTI were not available to offer their opinion on the same subject.

For many, this was a year that brought positive change to the political status quo and offered a lot to be optimistic about when it comes to the future of Pakistan. However, there are many out there who look at this year with despair and view the many political developments that took place as indications that not only has our democracy weakened, it is now under open attack. Let’s hope the year 2019 proves this wrong and brings about actual change that is much needed in the developing roots of Pakistan.

Source: <https://blogs.tribune.com.pk/story/75929/why-2018-will-go-down-as-an-unforgettable-year-in-pakistans-democratic-history/>

Strategic Importance of Kartarpur Corridor **By Abdul Rahman Malik**

With Pakistan and India making history with groundbreaking Ceremony of Kartarpur Corridor on both sides of international boundary to facilitate the people by giving access to Sikhs of India to Baba Guru Nanak Gurdwara-the founder and spiritual leader of Sikhism. Imran Khan conducted Groundbreaking Ceremony of Kartarpur on 28th November in a huge gathering attended by a delegation from India including Navjot Singh Sidhu.

As an agreement, Pakistan will build a corridor of 4 kilometer up to international boundary and India will build the same from Gurdaspur to international boundary of just 2 kilometers. The Kartarpur Corridor has strategic importance and can go a long way bringing two countries closer to Diplomatic Dialogue since the two countries may turn over a new leaf to build the strong ties and bury the hatchet to spread love and bring peace in the region.

Ever since Indian former cricketer Navjot Singh Sidhu visited Pakistan on the goodwill gesture and bringing in the Message of Peace and Love from India in the Official Invitation from Imran Khan to participate in his oath-taking ceremony, he was warmly welcomed by all including Army Chief General Qamar Jawed Bajwa. Sidhu appeared very optimistic about the growing friendly ties between the two countries and bringing the message of love and peace for the people of Pakistan.

The Army chief General Qamar Jawed had a big hug with Sidhu and offered to open the Kartarpur corridor for the Sikh devotees to visit their founder Baba Guru Nanak Gurdwara by giving visa-free access in order to honour the Guest of Honour, Navjot Singh Sidhu. The BJP Government at first turned down the proposal and the so-called Indian media criticized Navjot Singh Sidhu of Hugging Army chief as India consider him the murderer of her soldiers. The Veteran Cricketer-turned-Politician Navjot was undeterred and kept pushing Indian

Government to accept the proposal of Kartarpur Corridor. At last, the Modi Government accepted the offer and the foundation laying stone ceremony took place on Indian side on 26th November 2018 by the Vice President of India, Venkaiah Naidu. The distance from the Indian side is 4 kilometers from Dera Baba Nanak in India's Gurdaspur district to international boundary to connect the same with the Gurdwara Kartarpur Sahib in Pakistan.

On the other hand, the Prime Minister of Pakistan Imran Khan laid the foundation stone on 28th November 2018 in District Narowal attended by COAS Qamar Jawed Bajwa, Navjot Singh Sidhu and other delegates from India. PM offered visa free access to the Holy site of Durbar Kartarpur Sahib in order to facilitate the Sikh community pilgrims. According to Vice President of India, "The Corridor will become a symbol of love and peace between both countries," Naidu was quoted as saying in Gurdaspur. The immigration and visa processes were very exhausting and complicated given the tough hostile relations of these neighbours having fought two deadly wars and frequent cold war that impeded the peace efforts and suspended the meaningful dialogue to discuss the grave issues of Terrorism and Kashmir dispute as per the wishes of Kashmiri people through a plebiscite. To display the friendly gesture and using his old cricket fellows of India to bridge the gap and reconnect to Pakistan's intentions to reinstate the dialogue process, PM Imran Khan invited Navjot Singh Sidhu to attend his oath-taking ceremony.

Sidhu was given warm reception at the ceremony and the big hug from COAS Qamar Jawed Bajwa was the turning point that melted the ice when he(Bajwa) offered to open the Kartarpur Corridor to facilitate the Sikh pilgrims to visit their holy place of Guru Nanak Sahib owing to frequent demand. Sidhu was excited and returned home with the proposal, but his Indian Government rejected the proposal by giving the traditional excuse of cross-border terrorism and afterwards when Sikh community pushed the Government to accept the proposal, they agreed to build a modern Corridor equipped with all modern facilities on the Indian side and urged Pakistan to build the same from their side.

Pakistan Government welcomed the move and announced groundbreaking ceremony on November 28th and invited Indian Minister for External Affairs Sushma Swaraj, Indian Punjab Chief Minister Amarinder Singh, Congress leader Navjot Singh Sidhu besides 17 Indian journalists to Kartarpur Corridor.

Sushma Swaraj and Chief Minister Punjab Amarinder Singh apologized to come due to some commitments, whereas of few Indian ministers, journalists and Navjot Sidhu were the part of Indian delegation came to participate in the groundbreaking ceremony. They termed the development as historic since it would spread the message of love for both countries.

As per the plan, the Indian government will construct and develop the Kartarpur Corridor from Dera Baba Nanak in Indian Punjab's Gurdaspur district to the border, while Pakistan will build the other part of the corridor connecting the border to the Gurdwara in the Kartarpur Sahib area of Narowal district as per the official statement of both countries. The Kartarpur Corridor may open vistas of opportunities between the two countries and they may take the bilateral trade relations to next level if the same corridor is used for trade besides the purpose of Sikh pilgrims.

War would be disastrous for both nuclear capacious neighbours and will bring misery by plunging the countries into an economic crisis that will never be fruitful for these countries and for South Asia as whole.

Pakistan may offer the CPEC partnership if positive and meaningful dialogue process restarts since we have to forward by burying our past differences as quoted by PM Imran Khan during the groundbreaking ceremony regarding the two European powers France and Germany by saying that if these two can engage in an alliance then why not Pakistan and India since animosity and wars cannot stand longer if people start pushing their Governments to maintain peace and live like peaceful neighbours.

— The writer is freelance columnist, based in Sindh.

Source: <https://pakobserver.net/strategic-importance-of-kartarpur-corridor/>

China-Pakistan Relations And Global Politics By Sheraz Zaka

In these turbulent times, Pakistan's relationship with China provides an essential anchor for its security and foreign policy and the foundation for its socioeconomic development. China meets Pakistan's defence requirements; it is building Pakistan's infrastructure; it is a bulwark against aggression by India and bullying by the US.

The trade tariffs Trump has imposed are unlikely to return many manufacturing jobs to America since most Chinese goods will continue to be cheaper than their alternatives. US consumers will pay higher prices. China-located supply chains of many US corporations will be disrupted, while China's supply chains are mostly outside of the US. Nor will technology restraints significantly dent China's 2025, technology programme, since it has already achieved considerable technological autonomy.

The prospects of the US 'containing' China in the Indo-Pacific is also marginal. This is China's front yard. The US allies and friends in East Asia — even Japan, Australia and South Korea — are economically intertwined with China and will be reluctant to confront it. US Freedom of Navigation operations could lead to accidental conflict, as almost happened recently. Short of war, the US cannot wrest the South China Sea islands from China. A reckless US decision to discard the One-China policy could unleash a Chinese invasion on Taiwan.

Unlike India, Pakistan's choice is clear. Its strategic partnership with China is critical for its national security and socioeconomic development. This choice automatically implies a strategic divergence with the US. The only question is whether Pakistan can maintain a modicum of cooperation with the US despite the strategic divergence. Pakistan has some room for manoeuvre as long as the US remains in Afghanistan, with or without a political settlement there.

If India chooses to remain aloof to form an alliance with the US, and moves closer to China and Russia, it could radically alter the calculus of the political and economic relationships in the entire region. A Sino-Indian rapprochement would increase the prospects of Pakistan-India normalisation and a compromise

'solution' for Kashmir. The visions of regional 'connectivity' would become reality. However, this scenario is highly unlikely until after the 2019 Indian elections.

In the first six decades, the relationship between Pakistan and China was mostly limited to the political sphere. There were frequent exchange visits of leadership of both countries to each other. Both countries supported each other on domestic issues, as well as on regional and international issues.

Pakistan's choice is clear. Its strategic partnership with China is critical for its national security and socioeconomic development

With the launch of 'One Belt One Road' (OBOR) initiatives and signing of the China-Pakistan Economic Corridor (CPEC), Pakistan and China entered a new era in their relationship. In addition to the already strong political and military relationship, economic relations have improved exponentially. Chinese investments are pouring into Pakistan, several mega projects have been launched in power generation and transmission. Basic infrastructure like motorways, railway, airports, seaports, oil and gas pipelines, optical fibre linkages are being upgraded and strengthened.

China has been trying to pursue an economic diplomacy with neighbouring countries. The modern Silk Road is a land and maritime initiative Involving the south and the east to construct huge roads, railways, and communications infrastructures, China's Government policy is very friendly and does not want to dominate or influence its neighbours or the region. Several aspects of economic integration from plans about free trade, customs union, common markets, reduction of the tariffs, removing border barriers, to relaxation in rules and regulations, etc. Are among the several projects. The Chinese Government also emphasized to provide free and relax visa regimes members and secure stay, among their citizens. Therefore, all the economic effects will come under the economic integration theory.

The history of the 'One Belt and One Road' initiative is vital to see how the Chinese leadership floated the idea and moved to give concrete shape to it over a short span of two years from 2013-2016.

The Silk Road is an Eurasian ancient concept of land connectivity between China and other parts of the world including Asia, Africa, and Europe. The modern Silk Road idea, termed by President Xi Jinping, as the “One Belt and One Road” initiative is a strategic economic vision to create balanced development across Asia.

Chinese nationals are coming to Pakistan to help build a stronger and viable Pakistan. The number of visitors from China has exceeded the accumulated number of visitors from the rest of the world. Since then, people-to-people contacts have increased tremendously. The number of flights between two countries has quadrupled. Cultural exchanges are increasing with more Pakistani students learning Chinese and cultural troupes from two countries visiting each other. The strength of Pakistani students has gone up to 28,000. Nowadays China is one of the most desirable destinations of higher education for Pakistani students. Our friendship has expanded in all dimensions and has been forged into a strategic partnership. In fact, we have entered into a new era of relationship with China.

At present, CPEC is entering the next phase, where Pakistan will launch Special Economic Zones (SEZs) and China will shift its industry into Pakistan. The Pakistani private sector is gearing up for joint ventures with Chinese counterparts. Industrialisation will generate an abundance of job opportunities and increase national productivity. Industrial output will meet the requirements of the domestic market eventually, reducing our import bill as well as excess products will be exported reducing our trade gap and become a major source of foreign exchange. Agriculture is our economic backbone and will remain a key feature in CPEC’s next phase. The mining sector is another area which needs attention and will see a surge in the next phase. The real potential of growth of economic ties between China and Pakistan is huge. These two niche areas may be exploited immediately to fulfil our dream of the 21st century. China and Pakistan will work hand in hand to achieve a prosperous future.

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US-Pak Relations: A Paradigm Shift By

Abdul Rahman Malik

With the changing geo-strategic Situation and after the Twitter blitz, Donald Trump has turned to Pakistan to get rid of the Afghan mess and is seeking help from Islamabad to influence the Taliban by bringing them to the negotiating table. The Russian Peace Talks with the participation of the stakeholders along with Insurgent Taliban leadership and Afghanistan Peace Council Delegation held talks in Moscow to reach an agreement but the talks, unfortunately, did not bear any fruit.

US-Pakistan relations have always been overcast with mistrust but this time, the onus has been felt and new terms of engagement have surfaced with the New Government of Pakistan. Imran Khan in his exclusive interview with the Washington Post has made it clear that Pakistan is not a hired gun and will not fight anyone's war.

The Peace in Afghanistan is in favour of Pakistan. The Foreign Office will draft a reply to the letter and will present it to Prime Minister Imran Khan for approval. The analysts and political pundits have termed the development as positive, and this time the Trump administration seems to be serious in their engagement with Pakistan. The incoming US central command Lieutenant General Kenneth McKenzie, has also said that he will engage with Pakistan on priority basis as directed by the US president; since the US wants to start direct talks with the insurgent Taliban and bring them to negotiating table to devise a sharable government plan and the possible amendments in the Afghan Constitution.

With Kartarpur Corridor opening to facilitate the Sikh Pilgrims of India and the recent paradigm shift in the US-Pakistan Relations, are being termed as watershed moments for both Pakistan and the US to work together to bring normalcy in Afghanistan. Since both US and Pakistan have suffered a lot in the so-called War on terror and Pakistan has done a lot more than expected as a US Ally.

Pakistan facilitated the US by giving her ground, air and communication channels that played a vital role as a close ally in post 9/11 arena and the US' bid for a regime change in Afghanistan.

Donald Trump's irresponsible Twitter tirade against Pakistan blaming that despite paying millions of Rupees in security aid, Pakistan has deceived the US and did not do a damn thing, has stirred widespread criticism. The global community is well aware that Pakistan suffered a lot being a US ally that is the mistrust that has become a stalemate between US-Pak relations, and the ambiguities that have stalled the diplomatic relations.

Pakistan facilitated the US by giving her ground, air and communication channels that played a vital role as a close ally in post 9/11 arena and the US' bid for a regime change in Afghanistan

With increasing US alignment towards India and signing various trade agreement with the Modi Regime, they have also created a sense of disappointment in the circles of civil and military leadership of Pakistan that despite using us as a scapegoat and a hired gun — our arch rivals are being favoured.

The US might have been advised by various think-tanks and Influencing bodies of political and diplomatic circles that an ally who fought the war on terror is an important ally of the US, however, still Pakistan's sacrifices are sidelined.

Instead of giving support, the US withheld a huge chunk of security aid and even tried to influence the International Monetary Fund (IMF) not to offer any bailout packages, as it may be used to repay Chinese loans.

Moreover, the US has always demanded that Pakistan do more, and that is really disappointing. Despite all these odds, Pakistan's civil and military leadership appears to be on the same page and ready to engage with the US on revised terms of engagement for the sake of peace.

Both Pakistan and the US have suffered losses, now, it is time that they should serve the common interests of each other. Pakistan can play a key role in the Afghan peace process since this time, the regional powers of Asia such as Russia, China, India, Pakistan, Turkey and US intend to resolve the issue

through dialogue as the Americans have failed to bring peace despite their presence in Afghanistan for the last 17 years.

This is perhaps one of the longest wars they have fought and apparently, they are losing ground since the Taliban seem to be much organized and have become a party to talk too rather than an insurgent group. They have control of various provinces and possess great influence in their controlled areas.

The Afghan Peace process will never succeed unless all the stakeholders are on board especially the Taliban leadership, as prior to the US-led Air strikes, Taliban had full control of all the areas of Afghanistan.

Owing to being a landlocked country, Afghanistan depends on Pakistan for trade and supplies. The Peace Process may pave the way for Pakistan-Afghanistan Transit Trade Agreement (APTTA) that was a bilateral trade agreement signed in 2010 that calls for greater facilitation in the movement of goods between these two countries.

The China Pakistan Economic Corridor is yet another trade route that will benefit Afghanistan if a peace agreement is reached between the Taliban and the Afghan Government.

CPEC is a game changer not only for Pakistan but also for the Central Asian States. The analysts are of the view that CPEC may trigger a Hybrid war since it has a very significant geostrategic position that will attract more countries towards it, including the OPEC to use the Gwadar Port for transportation of Oil and LPG gas to the South Asian and Central Asian States.

It is imperative that Pakistan and the US work together for regional peace and especially to reach an agreement with the insurgent Taliban leadership so that Peace can be maintained and restored in Afghanistan.

The withdrawal plan for NATO forces may be chalked out and the refugees' crisis may be overcome, since Pakistan has not been compensated despite being overburdened by 1.45 million Afghan Refugees as per the recent statistics of UNHCR. Furthermore, the UNHCR termed Pakistan as the world's biggest country to host such a high number of Refugees.

It is hoped that this change of attitude will benefit both the countries, and will improve diplomatic relations and will help in finding lasting solutions to bring peace in the war-torn Afghanistan and the repatriation of Afghan refugees.

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The (over) Optimism in Pakistan-India Relations By Maryam Nazir

IN recent developments, despite the presence of Indian officials at the groundbreaking ceremony of Kartarpur Corridor, India has once again ruled out the possibility of resumption of dialogue and participation in SAARC Summit. Indian belligerence over the years has grown into irrational stubbornness over the decades specifically after the Mumbai attacks episode. The possibility of dialogue and cooperation at any level has become hostage to lurid allegations of terrorism levelled by India against Pakistan. And then there is a suspected coincidence that whenever talks are to take place, a terrorist attack happens impeding the entire effort made to bring India on table.

External Affairs Minister, Sushma Swaraj, in her recent statement has made it very clear that there will be no dialogue with Pakistan unless it desists from terrorist activities against India. Adding further she said that India has been asking for a corridor, which will facilitate visa-free travel of Indian Sikh pilgrims to Gurdwara Darbar Sahib in Kartarpur, for many years but that does not mean that bilateral talks will start only on this. And this brings all the euphoria and optimism associated with the 'opening of Kartarpur Corridor and a new beginning in the bilateral relations' to a naught, literally. India did announce the start of construction of Kartarpur Corridor up to the international border to which Pakistan responded positively. The commitment made by General Bajwa with Navjot Singh Sidhu on the oath taking ceremony of Prime Minister Imran Khan, saw its realization but India never learnt the art of reciprocating a gesture positively. Not long ago, the Indian External Affairs Minister declined to meet Mr. Shah Mehmood Qureshi, on the sidelines of the UNGA meeting at the very last moment, parroting the same old allegations of terrorism.

Despite knowing the Indian aggression and stubbornness, a certain kind of hype and optimism is normally associated with the bilateral relations especially when there is any chance or possibility of talks, on both sides of the border. Recent history has been marked with instances when Pakistan did express its desire for talks with India but those were always turned down. Unfortunately, if little does Pakistan know of how to publicize this irony, India painted black every issue between the two countries with the tag of terrorism. It is specifically after the

occurrence of Mumbai attacks in 2008, the bilateral relations have taken a downturn and it is all about terrorism since then. While India plants terror allegations against Pakistan, why it turns a blind eye to the case of Kulbhushan Yadav? Isn't it one clear solid manifestation of India's destructive designs against Pakistan in the region? Or why it forgets its policy renditions and practices against minorities in its land which is claimed to be the largest democracy on earth? Or with being so arrogant, why India does not give people of Kashmir their right to self-determination? Certainly, these are difficult ventures while manufacturing allegations is easy.

The Kartarpur Corridor episode might bring the Sikh community at peace for some time with the Indian Government but Sikh dynamics in larger picture will not change. Pakistan reciprocated the gesture well but it would be too early to associate high hopes with this development. Elections are scheduled soon in India and hate speech against Pakistan sells the nationalists' agenda and buy them majority in the government. More so, since Indian Government is offering its Sikh pilgrims' visa-free entry, Pakistan needs to be extra vigilant from security point of view. It is hoped that at some point, a case for the better handling and facilitation of Pakistani pilgrims in India will be made by the government. In the past, there have been episodes where such soft gestures met sad fates, Samjhota Express is one of them. From a pacifist's perspective, there is a need for such projects and cooperations to be successful in order to keep peoples' faith intact in humanity since the complexities of borders and statecraft are not a common man's cup of tea. But for these faith corridors to do well, faith in peace is needed on both sides of border.

— The writer, works as an senior Research Officer at Islamabad Policy Research Institute (IPRI), a think-tank based Islamabad.

Source: <https://pakobserver.net/the-over-optimism-in-pakistan-india-relations/>

Pak, China, Afghanistan Trilateral Dialogue Concludes

Pakistan, China and Pakistan signed a Memorandum of Understanding vis-a-vis anti terrorism cooperation in Kabul on Saturday.

The document was signed by Foreign Minister Shah Mehmoud Qureshi, Chinese Foreign Minister Wang Yi and Afghan counterpart Salahuddin Rabbani.

The signing was witnessed by Afghan President Ashraf Ghani.

Earlier in the day while speaking at the opening session of the trilateral talk, FM Qureshi said that Pakistan, China and Afghanistan will have to collectively foil the designs of enemies of peace in the region.

Speaking at the trilateral dialogue in Kabul on Saturday, he stressed for bolstering regional cooperation in diverse sectors.

Reaffirming commitment to eradication of terrorism, the Foreign Minister was of the view that better border management between Pakistan and Afghanistan and intelligence sharing will be greatly beneficial for both the countries.

He said Pakistan will continue to play facilitative role on Afghan reconciliation process.

Shah Mehmood Qureshi said we will do everything to support the growing momentum towards reconciliation provided others play their due role and share responsibility and create an enabling environment towards that end.

He said Pakistan has always supported dialogue process for peaceful resolution of Afghan conflict.

He said our stance has now also been vindicated by the international community.

The Chinese Foreign Minister Wang Yi in his remarks said that his country desires to make the Afghan reconciliation process successful.

He said we will play our role to reduce trust deficit between Pakistan and Afghanistan.

Wang Yi said that his country also wants to further strengthen relations with Afghanistan and desires to make it part of CPEC.

He said we support an Afghan led and afghan owned peace process.

This is the second meeting of the three foreign ministers after their kick-off meeting in Beijing last year.

FM Qureshi is accompanied by Foreign Secretary Tehmina Janjua and other senior officials of the Foreign Office on his one-day official visit to Kabul.

Further, during his day-long visit, the foreign minister will hold bilateral dialogue with his Chinese counterpart.

Speaking to the media ahead of his departure, the foreign minister welcomed the Chinese initiative of holding trilateral dialogue. "Both Pakistan and China desire peace, stability, prosperity and development in Afghanistan," he said.

"We are carrying the message of friendship and peace to Afghanistan," he added. The foreign minister stressed that peace is imperative for the region to move forward on the path of sustainable development.

Source: <https://nation.com.pk/15-Dec-2018/pakistan-china-afghanistan-discuss-peace-process>

IMF Not a Permanent Solution By Hassnain Javed

In the recent times it is observed by some of our national economists, policy makers, government official that Pakistan would be unable to survive if it does not seek the International Monetary Fund's help. Although, it is no less than a delusion keeping in view the economic standing of our nation.

These thinkers were of the opinion that Pakistan's financial ranking will catch by re-entering an IMF programme. Indeed, the situation is altogether reversed, it can be improved, if we show the will for better management of our economic and financial affairs. Without, knocking at IMF Pakistan still possess the capabilities to generate more funds. If we view the historical episodes for Pakistan's IMF programme they are harsh, rather than a sigh of relief for the masses at large. They had at many instances badly affected our economic potential. The major ills attached with this programme is the devaluation of currency, rapid increase in energy and electricity charges, liberalization of imports and increase in interest rates.

With the devaluation of currency there is a gradual increase in the foreign loan servicing in the rupees which further translates into inflation and it ultimately routes to higher prices without any gains. Likewise, there is a trade deficit as the raw material of imports for manufacturing becomes costly that further routes into making export goods expensive. For instance, in the last programme there is an increase in raw cotton import prices which has badly crushed the Pakistani textile sector.

Moreover, with every passing year Pakistan is experiencing an increase in gas and electricity rates that have already make life difficult to live for the general public at large. Furthermore, liberalization of imports has also exhausted our economic overlook and industrial productivity. Despite the heavy trade deficit experienced in the past 70 years of economic history the newly launched mini-

budget still did not focus on shrinking the level of imports. Thus, further liberalisation via re-launching the IMF programme will be no less than a nightmare. In addition, Pakistani economy is in need of low interest rates rather than high. The existing 8 percent lending rate by the State Bank has affected the industry and if interest rate further increases it would be a clear indication that only few firms would survive.

Besides this, it is a time consuming and slow process to recover the stolen money but yet there is hope to have few billion dollars in Pakistani reserves in the upcoming years. In addition, very few state-owned enterprises have been privatized which requires another immediate action. The remaining government share holdings in the organizations should be sold off to raise few billion dollars within a short interval. It will be added as a positive boost to our current stock exchange which has been badly affected with overall prevailing economic situation.

The likely costs suffered by having another IMF bailout, will translate into a slowdown of the economy rather than acceleration. The IMF recipes and their limited ingredients have hardly performed well in any of the countries where assistance was provided in the past

Pakistan as a nation needs permanent solutions to all the problems rather than finding a temporary prescription from IMF. Our economy needs to focus on improving the level of exports and to narrow down imports. As discussed in my previous articles as well, we need to work on tax policy reforms which are promising and encouraging for our industrial sector and provide them with a sigh of relief. Likewise, the banking sector needs to have technology up gradation in a way that it can exactly compete with the Hawala system prevailing in our roots. Moreover, Pakistan has great potential, it only needs facilitation.

Thus, we as a nation have to forget whether IMF is a friend or either foe. The main agenda on the table is to decide the options. We have to closely cross check what we require and what the other party is demanding from us in return of financial assistance. We have to rightly weigh the costs and benefits. The likely costs suffered by having another IMF bailout, will translate into a slowdown of the economy rather than acceleration. The IMF recipes and their limited ingredients

have hardly performed well in any of the countries where assistance was provided in the past.

Pakistan has no other option but to borrow money to run its economic endeavours successfully but for that it is not necessary to knock IMF only we can seek assistance from our friendly alliance countries like KSA and China. As we all are well aware that IMF will not fix our current account deficit, neither is it going to improve our exports nor will it provide relief to our capital markets.

Moreover, with high domestic liquidity at hand raising interest rates is also not the viable option. Therefore, IMF could be taken into consideration when our friendly alliance countries have not extended hands to rescue us in the hour of need. If we as a nation unite and show improvement in the next one year then more friends will join hands and would be ready to invest in our country. If we manage to tackle our problems with our own resources and not IMF then in the near future our economy will be viewed as an epic tale of an astounding economic turnaround. We have to prove our all capabilities with conviction and by religiously practicing the policies and reforms.

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Currency Woes | Editorial

The financial markets rang in the completion of the first 100-days of the PTI government in their own way. Resulting in a five-percent-fall of an already weakened rupee; thereby plunging it to an all-time low. Indeed, this latest fluctuation represents the sixth devaluation over the last 12 months. And now there is renewed attention of how this is the worst performing currency in all of Asia. That it has not managed to revise this position at all since the summer is for many a matter of grave concern. At the close of Friday, the rupee was pegged at 143 to the dollar.

Yet not everyone is worried. Least of all the Centre. Prime Minister Imran Khan has sought to assure everyone that this is simply an ordinary ricochet effect of increased pressure on the US dollar. Rather, he suggested, that the focus should instead turn to the recent Sino-Pak joint venture that will see that the establishment of the first-ever manufacturing car plant in the country; as indication of transforming Pakistan into an easier place in which to do business. And while this will dent the re-sale value of used cars — it, nevertheless, remains a welcome move. For the country will no longer be limited to an assembling base. This is to say nothing of the introduction of more skilled workers into the labour force. The ongoing trade war between Beijing and Washington notwithstanding.

Truth be told, the top PTI leadership may be right. After all, Finance Minister Asad Umar finally came clean about the government's seemingly lackadaisical approach to sealing the deal with the IMF. Pakistan will be able to withstand a two-month delay on any final bailout package. Though given that the country is seeking anywhere between \$6-12 billion from the Fund — it would be better to get this finalised sooner rather than later. That being said, the receipt earlier this month of \$1bn (of a total of \$3bn) from Saudi Arabia will likely have eased the pressure; at least in the interim. Ditto when it comes to recent projections from the US Treasury Department confirming that Islamabad will be in a position to repay the IMF before its Chinese debts mature.

Yet pundits point to the urgent need for a strategy that puts pen to paper; offering a blueprint of sorts for the way ahead. After all, forex reserves have suffered a

drop of around 40 percent. This is to say nothing of the \$18.5bn-current account deficit. Or the fact that both the IMF and World Bank have forecast economic growth for this financial year reaching no more than 4-4.5 percent as compared to 5.8 percent for FY2017. Though given that the latter represented the country's fastest growth rate in some 13 years a slump is now to be expected.

Be all this as it may, the clock is ticking. The Fund's executive board is scheduled to meet next month. By which time the political set-up must come up with a concrete game plan. For this will be the only measure capable of restoring confidence to the markets. *

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Source: <https://dailytimes.com.pk/328674/currency-woes/>

Economic Challenges And Prospects By

Mohammad Jamil

THE PTI government faces challenges vis-à-vis fiscal deficit, trade deficit and current account deficit, of course not of its own making but inherited from the previous government. However, during the last one week rupee hit record low to 142 against the US dollar, and stocks shed 373 points at Karachi Stock Exchange. Prime Minister Imran Khan had visited Saudi Arabia, UAE, China and Malaysia, and radiated an aura of optimism that with loans and investments the country would be out of the woods. However the government is keeping the option of bailout package from IMF open; and there is a perception that electricity tariff has been revised upwards, interest rate has been increased and currency has been devalued to satisfy the IMF. Meanwhile, the State Bank of Pakistan has increased interest rate by 1.5 percentage points to 10 per cent aimed at containing inflation.

The fact remains that increase in interest rate and simultaneous devaluation of rupee would increase the cost of production and will rather fuel inflation. Nevertheless, recent bilateral arrangements including the deferred oil payments facility would be available from January 2019 onwards, and with the receipt of funds from the above countries, the situation is likely to improve. Of course, the trade and industry have been demanding devaluation of rupee amid deepening crisis on export front, claiming that the slump in exports is due to the high input costs such as higher mark up on bank loans, high oil price and energy cost, which make their products uncompetitive in the world market. So far as increase in bank rate is concerned it is a monetary policy measure with a view to controlling the runaway inflation, and also to encourage savings, because the reduction in interest rate on deposits had discouraged savings.

In fact, small savings are nuts and bolts of development that help increase the investment level. If there were no savings, there would be no investment especially when direct foreign investment is not forthcoming. A few years ago, the banks advanced credit to trade and industry charging 9 to 10 per cent against previous rate of 16 per cent. In other words, the rich were subsidized at the cost of small investors, senior citizens and widows, who had invested in National Savings Schemes. Commercial banks also started auto-financing schemes and

advanced loans for purchase of cars and other household appliances, which indeed increased the demand but at the same time fueled inflation. With the rise in general price level, salaried class and fixed income groups suffer, as their incomes erode, and more people are thrown below the poverty line.

It should be borne in mind that inflation and unemployment result into abject poverty, hunger and disease, which make the society a breeding ground for criminals, extremists and terrorists. As a result of flawed policies of the previous governments, the economy is in mess. The problem has been compounded because Pakistan has piled up a debt mountain of about more than 80 per cent of the GDP including foreign debt of \$90 billion. It is because of this debt burden that the government has to allocate about 50 percent of the tax revenue for debt-servicing. Furthermore, rich are not paying the taxes due from them, by resorting to tax evasion one way or another. Agriculture contributes about 24 per cent to the GDP, but all federal governments skirted the issue of imposing tax on agricultural income taking the plea that it is a provincial subject. Now IMF has suggested to further effect an increase in the General Sales Tax (GST).

But GST increases general price level and erodes incomes of fixed income groups. In fact, income tax is a social equalizer whereby tax is collected from the opulent classes and allocation is made to education and health sectors to benefit the impoverished classes. Therefore income tax should be levied on every source of income including agriculture. As stated earlier, inflation hinders the capacity to save for the broad masses of the country, and it fattens feudal duck and the industrial robber barons. In developed countries, there is handsome pension on retirement, and the governments also pay dole to the unemployed citizens. But in Pakistan, in the absence of such plans people have to save for old age or stormy days. But they would have little incentive to save if inflation rises much faster than the interest or profit they earn on their savings.

This forces the potential savers to turn to other riskier alternatives ie stocks, bonds or funds. In late 1990s, when interest rate was low, people had started investing in shares of companies listed on stock exchange. Since they were not shrewd investors, they became victim of the big investors' manipulations. Of course, there was more to that. During the last one and half decade, our economic managers envisaged that economy be driven by consumption rather than investment; and SBP had started reducing the policy rate in late 1990s.

Borrowers whether industrialists, businessmen, credit card holders or those availing auto-financing facilities paid 9 per cent against earlier rate of 20 per cent per annum. But credit expansion through credit cards and injudicious extending of loans amounts to 'creating money', which results in runaway inflation. Anyhow, direction has been set by the PTI government, and prospects of reviving the economy appear reasonably good.

—The writer is a senior journalist based in Lahore.

Source: <https://pakobserver.net/economic-challenges-and-prospects/>

Economic Crisis Over! | Editorial

FINANCE Minister Asad Umar has said that the country's economic crisis has been successfully overcome with the help of some friendly countries and now all fundamental economic indicators are improving and moving in the right direction. Addressing the inaugural ceremony of the 11th South Asia Economic Summit in Islamabad on Tuesday, he said the financing gap for the current financial year has been plugged and the fruits of government's vibrant economic policies will soon be visible.

The Minister has to be believed on this account as he has overall responsibility of economic and financial matters and he might have reasons to be satisfied with the current state of affairs. There is no doubt that timely assistance of Saudi Arabia has made all the difference and now China and United Arab Emirates too are expected to come out with some sort of packages to help Pakistan address its economic woes. The Government is also expecting positive outcome of its deliberations with the International Monetary Fund (IMF) especially when it has started implementing some of the harsh measures proposed by the Fund as pre-condition for a bailout package. However, we would remind the Minister that non-availability of necessary finances is just one aspect of the economic crisis and the Government will have to pursue prudent policies in many other areas as well to bring about a genuine and sustainable change in the financial health of the country. What happened to the rupee and the stock exchange is a clear indication that the economic crisis is not over and much will have to be done to restore and boost confidence of local and foreign investors. Previously, the Government slashed the development programme for the current financial year in a big way and as a consequence economic activities have slowed down and the problem of unemployment has also compounded. Now it has decided to cut down the non-development expenditure of the ministries, divisions and departments by 10% envisaging a ban on purchase of new vehicles and creation of new posts. Government machinery is already at a standstill as Finance Division is releasing nothing except funds for payment of salaries and pensions and that is why there are dues worth billions of rupees against other heads including transport fuel, stationary, medical expenses and commutation. These dues need to be cleared to avoid piling up of another kind of circular debt. The real improvement in economic conditions would come if, among other things, we

succeed in attracting investment, focus on increasing industrial and agricultural output, expand tax base and encourage overseas Pakistanis to send their money through banking channels.

Source: <https://pakobserver.net/economic-crisis-over/>

G20 In Buenos Aires: End Of US-China Trade War? – Analysis By Su-Hyun Lee and Chia-yi Lee

The 2018 G20 Summit in Buenos Aires, concluded amidst rising tensions between the US and China over trade. The G20 leaders' final declaration this year addressed important issues like digitalisation, infrastructure, food security, and migration, besides some concessions to the US in trade.

The Group of Twenty (G20) Leaders Summit for 2018 took place over the last weekend in Buenos Aires, Argentina. Leaders of 20 members (19 countries plus European Union) and invited countries and key International Organisations got together to discuss an array of global issues. On the sidelines, leaders also engaged in bilateral meetings to coordinate on issues of importance to their countries, including the significant meeting between the US President Donald Trump and the Chinese President Xi Jinping on trade.

Against the backdrop of protests, the Summit concluded with some success, notably the agreement to reform the global trading system and the US-China trade truce. Whether the G20 can keep the commitment to a rule-based international order and multilateralism, however, will be affected by the outcome of the upcoming trade talks between the US and China.

Partial Success Amidst Global Tensions

Before the G20 Summit kicked off, many analysts predicted that it might not go well. Several issues happening in the past few years or recently had divided the world leaders. These included the trade war between the United States and China, climate change on which US President Donald Trump had diverged with other leaders, the killing of Saudi journalist Jamal Khashoggi, and Russia's seizure of Ukrainian ships.

Despite these tensions, the G20 Summit can be hailed as a partial success. While the communiqué was short in length, it signalled a certain degree of consensus and compromise among world leaders. The successful part of the G20 Summit this year was that the leaders of participant countries renewed and

reaffirmed their commitment to a rules-based international order and the multilateral trading system. They acknowledged the contribution of the global trading system in achieving development, productivity, and growth.

This stood in contrast to other premier international forums this year. During the G7 Summit in June, President Trump criticised the joint statement on common values including free and fair trade as a “false statement” from Canadian Prime Minister Justin Trudeau. The Summit of the Asia Pacific Economic Cooperation (APEC) forum in Papua New Guinea a few weeks ago ended even without a final communiqué for the first time since 1993 while the US and China were blaming each other over trade and security issues.

Truce in the Trade War

Moreover, and very importantly, the G20 Summit had calmed the trade conflicts between the US and China, at least temporarily, as the leaders of the two great powers reached a 90-day ceasefire agreement. The report deal between Trump and Xi showed that the US would not impose additional tariffs until next January, as China had agreed to purchase a “very substantial amount” of American products to correct the trade imbalance between the two countries.

Both countries also agreed to immediately resume negotiations to resolve “the structural issues” that the US addressed, such as intellectual property protection and technology policies in China.

But will the G20 effectively pave a path for the restoration of international institutions and multilateralism, as the French President Emmanuel Macron declared?

G20 Communiqué: A Bow to Trump?

First, it should be noted that the 2018 communiqué omitted a pledge to fight protectionism that had been G20 members’ explicit commitment since its first Summit in 2008. Instead, the leaders of G20 for the first time called for the reform of the World Trade Organisation (WTO) that was on the verge of paralysis during the US-China trade war.

WTO reform itself was one of the few items on the agenda that G20 members had no considerable disagreement over, since they saw the improvement of the

WTO's functioning as a critical step towards enhancing the multilateral trading system. Such changes, however, reflected that G20 began to embrace the US' changing stance on global trade.

The US was one of the main actors that established the current multilateral trading system under the WTO and pushed for the entry of China within that framework in 2001. But it was also the US that has strongly criticised the WTO for dealing with China's unfair trade practices and the WTO's Dispute Settlement Body for encroaching on the legal sovereignty of the US, and blocked the appointment of WTO judges for those reasons. So, in a sense, the joint statement signalled that other G20 members were responsive to Trumps' demands for trade reforms despite concerns over Trump's "America First" doctrine.

No More Tit For Tat?

Second, the possible outcome of the US-China talks should be factored in, as there is a substantial chance that the new trade negotiations with a 90-day window could come to a deadlock.

The two parties promised to halt tit-for-tat measures for the time being. The US-China trade friction, however, came from the fundamental difference between the two parties, one relying on market-driven capitalism and the other's state capitalism.

The Trump administration anticipates China to carry out structural reforms on issues, such as intellectual property infringement, forced technology transfers, and cyber intrusions, which can hardly be done in the short term. Opening up its market that requires reducing the role of state-owned enterprises is also a challenging task for the Chinese government.

Given that the US trade deficit with China has only been increasing since the trade war was waged, Trump will very likely return to his hawkish stance, if China does not make major concessions within the deadline.

G20: What to Do Next?

Then what can the G20 do given the gloomy prospect? The rest of the G20 members should be prepared for the negative outcome and push for the WTO

reform as they pledged in the communiqué. This will increase the chance of the US going back to the WTO framework. The G20 could also pursue institutionalisation to play a greater role in the multilateral trading system.

The G20 Summit next year will be hosted in Osaka, Japan on 28-29 June. As the chair, Japan plans to put topics pertinent to itself on the agenda, including global imbalances and aging population. While it is not unlikely that the trade war between the US and China will resume by then, the G20 next year can be expected to adhere to multilateralism and make less concessions to great powers.

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Source: <http://www.eurasiareview.com/06122018-g20-in-buenos-aires-end-of-us-china-trade-war-analysis/>

Regional Trade | Editorial

WORLD Bank has claimed that there is potential of \$35 billion trade between Pakistan and India on annual basis through opening up trade by removing all kinds of barriers. Briefing newsmen on Wednesday, its Director Macroeconomics, Trade and Investment said by reducing man-made trade barriers, trade within South Asia can grow roughly three times – from \$23 billion to \$67 billion. According to the official, the cost of trade is disproportionately high within South Asia compared with other regional trade blocs.

There can be no two opinions that regional trade or trade with neighbours has clear advantages both in terms of cost and prompt delivery besides its obvious role in promoting peace and cooperative environment. Experts point out that cultural overlap and consequent similarity of consumption patterns, the natural integration of industrial production due to likeness of demand and factor endowments, low delivery costs and short lead times make the neighbouring markets a natural extension of domestic market. The neighbours with varied economic development and income levels benefit from one another's comparative strengths — the richer economy provides wider variety of goods and the poorer one provides a cost-effective location for production. Taking clue from other regions, leaders of South Asia too formed South Asian Association for Regional Cooperation (SAARC), which is there for decades but unfortunately this could not make any meaningful impact on regional trade or economic cooperation mainly because of trust deficit and tension caused by unresolved disputes. This is particularly so in the case of Pakistan and India as they have not been able to address the root causes of tension and their rivalry has also virtually jeopardized SAARC. So is the level of mistrust that India is not even allowing to hold scheduled meeting of the Association in Pakistan. India's designs also stand exposed from its uncalled-for opposition to the China-Pakistan Economic Corridor (CPEC), which is purely an economic adventure and has immense benefits for all potential participants and partners. Pakistan has also demonstrated its sincerity for closer and meaningful ties time and again and only recently Prime Minister Imran Khan, while speaking at the ceremony relating to Kartarpur Corridor, extended an olive branch to India. There are other bottlenecks to regional trade at well that need to be tackled at the forum of SAARC. These include poor trade logistics and abysmal transport infrastructure,

high tariff and non-tariff measures, lengthy custom procedures, heavy import duties, port restrictions, lack of appropriate storage facilities, strict visa regime, financial transaction barriers and lack of telecommunication facilities.

Source: <https://pakobserver.net/regional-trade/>

Impact of CPEC on Pakistan By Amna Javed

Moving from geo-politics towards geo-economics

There is no repudiating of the fast paced changes which are taking place in the international arena. Without a doubt a multipolar order is on the horizon and has both benefits as well as visible vulnerabilities which must be taken into consideration by each state which could have stakes in it. Pakistan is in the middle of a quagmire concerning its policies regarding powerful states and stabilizing economies. In such a time for Pakistan perhaps CPEC has come as a blessing in disguise.

CPEC is perhaps the most awaited spectacle in the international arena at the moment. In this century it has the potential to be a deal breaker for not only international relations but also for regional dynamics. These new realities will then shape and re-shape global scenarios—not only for China or other states which might benefit—but massively for Pakistan. We see that at the same time it provides enough opportunities to Pakistan's otherwise crumbling economy. But it comes with a number of challenges that Pakistan will have to face.

For a better understanding of the concepts of CPEC and the implications it carries, let's divide them into two sets; internal and external impact for Pakistan. Overall it must be taken into account that the complete picture is a holistic one, where one factor is balanced with the other. This is exactly what makes CPEC something of a unique project for Pakistan, not just in its magnanimity but its overall shape.

At present, Pakistan's internal structure is at the juncture where it is not very stable that everything is under firm control politically, security wise and economically. This makes the time for initialising CPEC somewhat perfect as long as in the future course of action it furthers into a geo-economical win for both China and Pakistan. The current government of Pakistan has taken a great resourcefulness in securing this deal with China—its longstanding friend and ally.

Firstly, if the government manages to pull it through and all the provinces get equal representation in this mega-project then there is no doubt about the

economic uplift Pakistani industry will get. More than anything the provinces which are currently lagging like Sindh and Balochistan will definitely start to develop more and more and as an offshoot, business ventures will perhaps go through a boom. There might be an increase in trading from these areas to international channels. In fact if CPEC is to be an ultimate success it largely depends on equal participation of all provinces.

Secondly, CPEC will create job opportunities inside Pakistan along with the improvement of the infrastructure and communication services proving a step forward for the overall development of the country.

Thirdly, the overall security situation inside Pakistan is bound to improve, because it then singularly depends on the internal peace in order for CPEC to come through. This is one factor that is known to both the government as well as security agencies. It is a matter of great concern that even today Pakistan has this menace of terrorism which is somewhat hiding away and only comes out after long intervals of time. Terrorism will definitely lead to a complete annihilation of this project. To make sure this does not happen, there would be involuntary efforts by the state, military and the agencies to completely wipe this peril out ultimately leading towards a peaceful state of affairs.

Strategically some emerging powers like India and Iran surround Pakistan geographically, yet politically it has been at odds with them

Finally, the project is going to bridge the gap between the state and the military faction. Both parties are equally involved in the stakes for the implementation and safeguarding of this project. They would perhaps work together in safeguarding this venture in such a way that is beneficial on the whole for Pakistan. This will in turn make both institutions stronger in their own capacity. Additionally, this bridge might as well make the state and the government and the overall structure more favourable to the public which at the moment has trust issues regarding the system.

The importance of this project will be versatile in a multi-polar world order when Pakistan will overcome internal hindrances. In this regard Pakistan's international standing will also benefit. But it might open a new pattern in the international system. The entire strategic blueprint is now moving tacitly from geo-politics

towards geo-economics. This means powerful states are also moving towards exploring as well as exploiting the resource of the lesser developed states. This is exactly where multipolarity comes into play as well.

Strategically some emerging powers like India and Iran surround Pakistan geographically, yet politically it has been at odds with them. Launching CPEC then should be seen as an opening for Pakistan to improve its foreign relations with all such states if it wishes CPEC to be a not only a success but survive and thrive. Pakistan must take this as an opportunity to improve its relations with Iran, US, UAE and Russia and in a far off way even India—lest these states become an aligned hindrance for Pakistan and CPEC. If it does not follow through this pattern then strained and complicated relations can easily be expected with the fore-mentioned states.

Ultimately the success of this venture and its implications on Pakistan largely depend on which way Pakistan is to go with it. This after all is going to reshape the future of not only China, but other states as well and largely Pakistan might be the ultimate benefactor. But for that Pakistan needs to play its cards right. This venture is going to be a bottom-up approach but in a matter of time, if not played right can easily turn into a top-down one as well. It is going to be a strategic gamble, one which involves not one but all the major powers as in a way, all of them are to be stakeholders in this situation. If Pakistan is to have an international standing after all in a multi-polar world, CPEC might be the way to do so. But it could also be the other way around and to avoid that there must be strict measures taken by Pakistan and it must be shown in some way that Pakistan is ready to take this challenge head on. This can occur through the internal level—so that in the external level things can become stable.

Source: <https://www.pakistantoday.com.pk/2018/12/13/impact-of-cpec-on-pakistan/>

New Ways to Economic Growth By Furqan

Kidwai

New economy, new ways. The country has not been as positive before as it is now. Despite the economic uncertainty, currency in free fall, and stock market crashing, people in general are upbeat about the prospect. On the professional side, all factors lined up smartly — the macro factors, as we call them, like mobile phone access, young population, etc. But the truth of the matter is that we are left behind. Not just in respect to our neighbours but also across the wider Asian region. Contrary to the popular belief around success stories in the technology space, we ought to overlook one critical common denominator in them. None of them are Pakistani companies.

Technology plays a much bigger role than what most perceive it to. Beyond just ending up with big market cap companies and the talk around unicorns, it creates wealth, direct and indirect employment, and brings positivity and hope in the atmosphere and in the youth in particular. The technology space has to succeed if we are to grow as a nation. It is not a matter of if, but when and how. The other option is slower growth, continued brain drain and our reliance on Facebook, Ubers, Googles and Alibabas of this world for essential services like transportation, financial services, and the media. But it has to be more than just talks. This government's election manifesto talks about it. A few public entities talk about it. All financial institutions talk about it. But that is not what we need. We do not need more talk. Measurable KPIs is what is needed. All the talk is good, creating buzz is excellent but ultimately it will not yield results until all those talking are working towards a measurable outcome. As someone from the related but private sector, it is not very clear to me as to what is the end result we, as a country, are aiming for. Is it about the number of jobs created, venture capital invested, or the unicorns turning up? The outcome is not clear to me. To that end, I would like to propose a differentiated goal for us. The goal that is likely to propel us faster into the new economy. That is Pakistan's stake in the top Asian technology companies. In other words, what percentage of the top technology companies in Asia is owned by Pakistani money — public institutions, taxpayers' money, local corporates, etc. The main rationale behind this rather contrarian approach is twofold — one, transparency in measuring where we stand and what we ought to become; two, having our skin in the game will not only yield

considerable economic gains but also provide us with some influence around bringing these companies to expand, invest and employ in Pakistan. Monetarily, the value of these companies will grow at an accelerated pace to that of the traditional companies of the old economy.

Imagine, if there was a Pakistani fund/entity that owned 15 to 20% of Careem, Souq, Go-Jek, etc. If this is what we agree to use to gauge Pakistan's progress, we can track the growth of Pakistani ownership in the next generation of the wealthiest companies. And how the ownership is used as a leverage to get these companies to tap into Pakistan for operations and talent. The battle for the startup hub is an old one and the boat might have just sailed. But there is no regional hub for venture capitalists yet. Why not court some of the best venture capitalists in the world to take Pakistani money and expose it to some of the best companies in the new economy. We should be aiming for a tailored version of the Yozma model of attracting the best venture capital (VC) talent out there to help us propel our way into the new era. Some of the upcoming unicorns have already been identified. These will be the largest companies over the coming years. We should be getting our skin in the game. Court them with not just capital but also customers, with revenue streams large enough that they set up shops in the country. However, all this needs to be done within one window. There are numerous agencies working on SME, IT, technology affairs. And most have done decent work. But there needs a captain to direct the ship, a point of contact that is also responsible to delivery. It is too big an opportunity to miss. Last but not the least, we need to get past legacy ideas around how to encourage the growth of the tech sector. Tax breaks, etcetera are not needed. Who doesn't offer them? The companies we should be going after are in the hyper growth phase and unlikely to turn a profit for the foreseeable future; for any tax break to be even mildly attractive. How about income tax breaks for people to work in these sectors? What about offering our talent at subsidised rates to high elite companies! We may as well get some of the top Asian companies to set up their shops here. Remember it is also a talent war and we need to think out of the box to win this.

Another important legacy item we need to move away from is that of accelerators/ incubators although they have so far done a decent job in creating the buzz. However, it takes a very long investment horizon, space for failure, a very high concentration of experienced mentors, and consistency in outputs to

yield credible results. It would take much longer to get this right than going out courting high growth regional winners. Yes, accelerators and incubators do create media buzz and the 'feel good' factor. The immediate results, however, are more likely to come from going after the latter. To put it simply, is it the massive operational launch of ride-hailing apps and its hiring that has made technology a lot more mainstream in the past few years or simply churning startups out of incubators/ accelerators? You get the point here. Getting this right will change the destiny of Pakistan. I do not want to quote that same chart doing the rounds for months comparing market capitalisation of top 10 companies from 15 years ago to those of today. But that is the reality. The richest and largest companies, today, are from the tech sector. And this only happened within the last decade or so and not 100 years. If Pakistan does it right and gets on the wave of the new industry, our next few generations will be eternally grateful. A lot of small things have been done in the past few years. Too many cautious steps have been taken. It is time for a new and bold approach. To propel us into the new economy.

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Source: <https://tribune.com.pk/story/1865458/6-new-ways-economic-growth/>

Pakistan's Economy: Rising Through The Storms By Ali Raza Gilani

In Pakistan, the financial year ends on June 30th. However, since the conventional year is about to end, we look back at how the new government fared at handling the economy and also make some policy prescriptions along the way.

The incumbent government is being judged rather harshly on its performance in the first few months. Let's just make this clear: there is no silver bullet that could end Pakistan's economic woes within 100 days. Given that the government has inherited a 'broken' economy, I'd say that they have performed quite well.

A common way to find out how well a country has performed is to look at its growth rate. The last fiscal year's gross domestic product (GDP) growth rate was 5.8%, the highest in the last 13 years. That was fairly good.

Or so it seemed.

How was the economy broken?

The forecast for the next year seems to point out a plunge in our economy's growth rate to 4.8%. And that is being blamed as the new government's fault.

However, GDP growth rate could have been misleading in the first place. With our currency appreciated, our growth was driven by consumption. Households were overindulgent in their consumption of goods and services which consequently raised the GDP growth rate to 5.4%. But that also resulted in our import bill climbing to \$55.8 billion. Our exports stayed at \$24.8 billion and hard working Pakistanis working abroad sent their loved ones back home \$19.6 billion in remittances.

When we import, we have to trade in dollars, even our foreign debt has to be paid in dollars. But since we weren't earning as much in dollars either through exports or remittances, we started consuming our dollar reserves. We even borrowed more to finance the current account deficit which was 5.8% of the

GDP, co-incidentally the same number as our GDP growth rate. The situation deteriorated even further when we were left with only two months import cover as of September 2018.

Moreover, the last government had spent more than it had earned. Government spending contributed around 1.7% to the GDP growth figure. Fiscal deficit climbed to 6.6% of the GDP, the highest in the last five years. One wonders how the government can spend more than it earns. Well, they borrow money!

The country was in deep crisis. Looking at this situation, the new government panicked about how to quell the dual deficits. Hence, we saw the government heroically sailing the ship in troubled waters and getting relief from friendly countries. Saudi Arabia bailed us out by providing a \$6 billion package, China pledged their assistance and the same is expected from the UAE.

There are two ways of curbing the fiscal deficit: either increase the revenue or decrease expenditures. Public sector development programme was slashed from Rs1.6 trillion to Rs625 billion to decrease expenditures. Additional revenue measures of Rs183 billion were foreseen in the mini budget. The government envisioned containing the deficit to 5.1% of the GDP and so far it is doing a good job at it.

On the monetary side, the rupee had to be devalued. Our exports wouldn't pick up with an artificially propped up rupee value and would only lead to an importing spree. The State Bank devalued the rupee in bouts of a rather sudden fashion, which sent shocks throughout the system. Hence, our imports subsided a little because of such measures such as regulatory duties and the devalued rupee.

Furthermore, low inflation and low interest rates kept private consumption high during the last year resulting in a high GDP growth. However, this government is faced with an ever rising inflation that might sky rocket to double digits. To keep this under control, the State Bank has increased interest rates. It looks like the government is taking all the necessary steps for economic stabilisation that are a precondition to the International Monetary Fund (IMF) bailout.

The investment drought

Investment remained low during the last financial year and it seems that it isn't picking up this year either. Foreign direct investment has remained drastically low in this government's time as well. This is unfortunate because real progress is only possible through increase in private investment. The government needs to try and jump-start the process.

To improve investments, particularly in the export industry, I would like to suggest some measures. There have been reports that the government is working on a new trade policy. The government should treat infant export industries with kid gloves. Firms should be given preferential treatment in the form of subsidies, credit and protection. But all of that should be contingent on performance. If they fail to acquire export orders, preferential treatment should be withdrawn. To insulate this measure from political and vested interests, giving and withdrawing preferential treatment to export industries should be directly managed from the prime minister office.

This can be seen when we compare Asian Tigers to Latin American/African countries. The former's state did not bow down to political pressure to favour firms that weren't performing. But the latter shielded their firms no matter what. South Korea's Posco became the most efficient manufacturer of steel following this healthy competition encouraged by the government. Interestingly, the World Bank had advised the South Korean government against entering the steel sector because they did not have a comparative advantage. But the tables turned for them. Giving subsidies and protection to firms without ensuring that they are competing would only make them lazy.

In Pakistan, we should concentrate on our clothing industry because we already have the existing backward linkages to support it. There is no need to start from scratch as we have cotton fields, yarn spinners and a thriving textile industry. Moreover, we also have budding designers who can act as forward linkage and earn foreign exchange for us. Meanwhile, we can explore other sectors such as pharmaceuticals, fisheries and food industry to make them internationally competitive based on contingent preferential mechanism.

Another suggestion I would like to make is to withdraw untargeted subsidies, such as on energy, and funnel those funds to cash transfers such as the Benazir Income Support Programme (BISP). Any inflationary pressure due to the removal

of subsidies would be offset by cash that the underprivileged would receive as a safety net. This way a lot of unwanted subsidy that is wasted on the affluent would be siphoned off to where it is needed the most. However, there should be a set criteria for the cash transfers people receive from BISP. For example, the family receiving the cash would have to send their children to school otherwise these cash transfers would stop. This would motivate these people to send their children to school and may help the country's literacy rate.

To cure cancer, chemotherapy, radiography and sometimes surgery is required, which leaves the patient incapacitated for quite some time. But the patient thanks the doctors later because all that additional pain made him healthier. Our economy is cancer ridden and to correct it, we have to suffer initial blows. Hundred days are not enough to gauge the performance of a government. And so far, the government has rightly taken all the tough decisions. I wish the present administration best wishes and really hope they put Pakistan on the path to prosperity.

Source: <https://blogs.tribune.com.pk/story/75295/pakistans-economy-rising-through-the-storms/>

Moody's and Fitch | Editorial

TWO separate credit rating agencies have released their assessments of Pakistan's economy in back-to-back releases, and they are both saying more or less the same thing: despite some steps taken by the government, the economy continues to drift towards crisis.

Contrary to the assertion of the finance minister that Pakistan is now in the clear regarding its external financing requirements, both agencies point to rising external debt and falling foreign exchange reserves as the key threats to the economy.

Both agencies see the growth rate falling between 4.2pc and 4.7pc this year, and both agree that an improved security environment and infrastructure investments made by the previous governments will support growth in the medium term.

They also praise the government's ambitious reform agenda, but point to significant "implementation challenges", effectively saying that making good on promises will be a lot more difficult. Moody's reaffirmed the country's rating but Fitch actually downgraded it by one notch.

Fitch also explicitly says an IMF programme will help the government's chances of improving its rating, because it would help unlock financial inflows from multilateral lenders and global capital markets.

Despite the government's best efforts to put a positive spin on its efforts to stabilise the markets thus far, it seems the markets remain sceptical and that far more action is going to be required in the weeks and months to come.

It seems the government developed cold feet at the very outset of the stabilisation programme, and is counting far too much on help from a few 'friendly countries', instead of taking a cold hard look at the policy reforms required to put the economy on a sustainable footing.

The ratings agencies, the debt markets and the State Bank all seem to be pointing towards the need for further stabilisation, and all seem to be asking about some sort of policy direction or a transformative vision for the economy.

Friendly countries can pull the economy from the brink for the moment, but they cannot advance reforms in a way that would ensure it does not fall back into the abyss. Only the government can do that.

Unfortunately for the latter, there is no painless and easy road towards achieving this objective. The road of reform is hard, but it must be walked if the PTI is to deliver on any of its commitments.

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Source: <https://www.dawn.com/news/1451709/moodys-and-fitch>

Between FATF and the IMF By Khurram Husain

TWO big tests are looming for the PTI government. Both have similar timelines. One is the stabilisation programme to be signed with the IMF, something the government is hoping to do in time to make the mid-January board meeting.

The second is the reviews of the Financial Action Task Force (FATF), the first of which is in early February (the action plan is to be submitted by early January) and the second in June (with the compliance report due in May).

Both will test the government's ability to keep its feet anchored in reality while delivering on commitments that pull it in different directions. In both cases, failure to comply carries grave costs, and proper implementation is a high-stakes game.

Also read: [The power of necessity](#)

For the IMF programme, a document titled Pakistan: Stabilisation and Medium Term Sustainable Growth Framework has been submitted to the IMF a few days ago. The document is not a public one, but some details that have been leaked from it suggest that the government will have to make substantial tax hikes almost immediately upon entering the programme, and search for further expenditure cuts in order to meet the fiscal deficit target contained within it.

Take a look: [Was the rupee depreciation avoidable?](#)

It is not yet known whether the government has agreed to the Fund's condition of allowing a total free float of the rupee. As per the latest reports, the Fund had asked for this as an important element of the programme, whereas the government was arguing that it needed to retain some prerogative to intervene in foreign currency markets to smooth out damaging volatility or speculative moves. The Fund, according to these reports, was sceptical of this argument because past governments had also made the same argument, then gone on to use the power of intervention to bring about an informal currency peg.

Two big challenges will test the government's ability to keep its feet anchored in reality while delivering on commitments that pull it in different directions.

Now that the stabilisation framework has been submitted, clearly the government has taken its line on both matters: the tax hikes and free float of the currency.

The next question to ask is whether Fund staff will consider the adjustment contained in the document sent to them by the Pakistan authorities sufficient, and agree to forward it to the board with a recommendation that it be approved as the basis of a new programme. If yes, then the government might make its mid-January deadline. If not, then we will hear more talk of how 'discussions continue' between the government and the Fund, with all the attendant euphemisms and diplomatic language of 'substantial agreement on the overall framework' and that sort of thing.

In the case of FATF as well, a key document appears to be in the advanced stages of preparation. The government has until the first week of January to submit an 'action plan' to FATF, which will then be reviewed in the February meetings. If the plan is found to be acceptable, FATF will then ask for compliance and the government will be required to take the steps detailed in the action plan.

The first report detailing compliance will be submitted by the government in May, and the next FATF meeting in June will examine the report and decide whether Pakistan gets a passing grade or not. If it passes, then the next compliance steps will begin, to be reported by October. If it fails, then Pakistan risks landing in the black list, with adverse consequences for the financial system.

On Tuesday, the National Economic Council (NEC) met to evaluate one of the key elements of this action plan, which is preparing a detailed Terrorist Financing Risk Assessment. This has been drawn up between the National Counterterrorism Coordination Authority and the FIA. The other element was a report prepared by the FBR and Customs on how to cut back on cash smuggling across all border crossings in Pakistan (both airports and overland). Of these, the former is crucial because that is where action against proscribed entities has to be implemented.

It is not yet known what the NEC decided in that area. What is known, however, is that a video of our very own honourable minister of state for interior, Mr Shehryar Khan Afridi, sitting in a room with Milli Muslim League politicians, emerged right before this NEC meeting that Mr Afridi attended.

In the video recording the MML leaders are complaining to him about the Election Commission of Pakistan refusing to register their party because it is on a list of terrorist entities put out by the US. Its links to Jamaatud Dawa and Hafiz Saeed were also well known at the time, and Mr Afridi is actually heard talking about this in the video. Then he goes into a long and energetic diatribe about how he will not let this happen, and assures them of the PTI's full support. "This is our faith," he tells them. "Beyond Hafiz Saeed, anybody who is working for the benefit of Pakistan will be welcomed into the assembly."

After the video circulated extensively, Mr Afridi came out with an angry statement, saying the video was old and was made before he "realised the sensitivity of the matter" in remarks given to Pakistan Today. One wonders whether the minister has clarified this to the MML people whom he gave his full support to in that video. And then one wonders whether he has realised the full extent of the challenges that await him on the road ahead.

In a sense, the honeymoon period of the government is still on. They have not been asked to make any real decisive choices at the moment. Once the FATF action plan and the IMF stabilisation kick in, there will be hard binding constraints to what the government can do, say and promise, something they seem to be unused to working with for now. The real tests will begin at that time.

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Pakistan-UK Trade Post-Brexit and CPEC

By Khalid Jarral

As the UK prepares to leave the EU and expand its trade relations with the non-EU countries, Pakistan offers unique opportunities since Brexit coincides with the development of the China-Pakistan Economic Corridor (CPEC). Pakistan's existing capacity coupled with its projected potential by virtue of the CPEC is steadily enhancing its profile as a trading partner for the developed countries. Cooperation in the Pakistan-UK bilateral trade and investment can be conceived in terms of their current trade profiles and the future outlook. On the ground, it may be categorised at three levels: frameworks of bilateral economic relations, research and development collaboration, and import and export of goods and services. In this scenario, the best decisions would be those negotiated in the present envisaging an outlook for the future.

Pakistan's population of over 200 million is world's 6th largest and boasts 64% of its citizens aged between 18 and 30 years. With a literacy rate of 58%, Pakistan has over 150 million mobile phone users which include 57 million 3G/4G subscribers and a sizeable social media community. The official language of business in Pakistan is English. Pakistan's GDP for the financial year 2017 was 5.3% and its projected real GDP growth for the year 2018 is at 5.6%. As of April 2018, the UK is Pakistan's second largest export partner with a market share of 7.33%. The UK has a trade deficit of £656 million with Pakistan which is UK's 53rd largest trading partner (2017) and accounts for only 0.2% of total UK trade.

The China-Pakistan Economic Corridor (CPEC) is a framework of regional connectivity comprising a set of roads, rails and energy infrastructure projects. China and Pakistan have agreed to complete these projects worth \$62 billion over a period of 15 years through long-term government-to-government concessional and preferential loans and grants from China. The investment in the early-harvest energy projects is in IPP mode with funding from the Chinese banks and investors. Under the CPEC arrangements, other projects include the development and commercialization of Gwadar port, optical fibre connecting China and Pakistan, 4 urban transit projects and 9 Special Economic Zones (SEZs) across Pakistan. The CPEC projection of 2030 is to accumulate investment of \$150 billion, rapid growth in service industry catering to transit

trade, and FDI to SEZs. Pakistan's growth projections include a GDP growth rate to 7% by 2020 and annual revenue from toll collection of \$5 billion by 2022.

A key purpose of the CPEC projects is to connect the Pakistani seaports at Gwadar and Karachi to Kashgar in China and Central Asia. The development and operation of this linkage will facilitate international trade and create vast opportunities for businesses. While the UK is preparing for Brexit and looking to maximise trade opportunities globally, Pakistan is emerging as a promising old friend fraught with new opportunities as a trading hub of the future.

Operational details of the CPEC projects indicate that Pakistan is experiencing a decentralisation of economic diplomacy. Players have moved down to the project level and the involvement of government functionaries is minimal. Following the launch of the CPEC there have been several calls for institutional and structural reforms in Pakistan whereby it can leverage its geographic advantages. Likewise, Pakistan has recognised the importance of economic diplomacy and inter-ministerial liaison as a strategy to attract foreign investment.

In terms of future potential, CPEC is set to create huge opportunities across all major sectors. These developments mean fresh opportunities for the UK businesses to engage their R&D expertise in Pakistan collaborating with the public and private sectors.

Pakistan's established exports are textile products, rice, sports and leather goods, and surgical instruments. At present, it is looking to find new markets for its fisheries and seafood, minerals, poultry and meat, and gems and jewellery. What is lacking in Pakistan is quality research and the linkage between the academia and the industry. Manufacturers routinely hire foreign technical support. For example, Pakistan imports energy sector products, including alternative and renewable energy, but lacks operational expertise in this sector.

As the UK government seeks to improve the way it engages with and supports businesses for trade and investment, visa and immigration constitutes an important consideration. A common constraint in the engagement of responsible businesses in Pakistan is the requirements of the UK's visa and immigration process. Especially, the new businesses and the first-time exporters/importers commonly run into visa issues and need more recognitions and visa options to

overcome this issue. A quick look into Pakistan's cultural profile shows that face is an important consideration for the Pakistani businessmen. Visa issues are linked to the loss of face, a core fear in the Pakistani culture and may have a negative impact on business relationships. Business-friendly visa regimes and cross-cultural training are key to facilitating good B2B matchmaking between the UK and Pakistani businesses.

The Punjab Board of Investment and Trade (PBIT) is a success story in Pakistan and indicates that there is vast scope for dedicated trade facilitation desks at the UK missions in Pakistan and working through public-private partnership. After the launch of the CPEC projects, the PBIT established one-window trade facilitation counters in order to meet the demands of local and foreign businesses. These facilitation counters offer services to local and foreign businesses that range from information to matchmaking and co-ordination and cooperation between the public and private sectors.

Trade fraud and disputes are part the game on both sides of a trade partnership. A dedicated service from a UK body can ensure quality and credibility of business information. It can facilitate matchmaking at B2B, B2F, B2C, and G2G levels, due diligence and true diligence, exchange of sectoral surveys and market data, and organise conferences and academic exchanges, thus enabling businesses to take right decisions at the right time. For the first-time exporters and importers of the UK and Pakistan, the quality and credibility of B2B match making will translate into a successful trade relation between businesses.

To sum things up, with the CPEC Pakistan is undergoing a reorientation of its foreign economic policy and a readjustment of its economic relations with the developed world. Its geo-economic potential, and its proximity and linkage to the world's largest trading power are cardinal factors that determine its real importance as a trading partner of the post-Brexit UK. As the UK prepares to leave the EU, both Pakistan and the UK have a chance to explore opportunities as trade and investment partners outside the EU. These opportunities require that the UK come up with a broader vision of long-term partnership with Pakistan rather than be guided by the current trade profiles of the two sides.

Source: <https://pakobserver.net/pakistan-uk-trade-post-brexit-and-cpec/>

These 19 Developments Shaped Pakistan's Economic Future in 2018 | Dawn

Overall, 2018 saw Pakistan's economy buckle under increasing pressure, with decreasing foreign exchange reserves, increasing trade deficit, circular debt as well as foreign loans taking a toll on macroeconomic health.

As a result, the economy suffered while resources were diverted to handling power crises, import bills, and other issues. The country's foreign exchange reserves also remained under pressure.

Given that this was an election year, the outgoing PML-N government presented a populist budget, considerably slashing income tax slabs which put a further burden on the economy.

After Islamabad witnessed a regime change, the newly elected government increased taxes on utilities and luxury goods to mitigate the deficit. Side by side, a significant depreciation in the value of local currency also played a role in increasing inflation.

Meanwhile, friendly countries came forward to rescue the country's economy. The Kingdom of Saudi Arabia (KSA) and the United Arab Emirates (UAE) provided a lifeline of \$3 billion each to maintain foreign exchange reserves.

The KSA additionally provided a deferred payment facility of \$3bn, while the Abu Dhabi Fund for Development financed eight development projects in Pakistan with a total value of AED1.5bn, including AED931 million in grants.

During the first half of the year, a tax amnesty scheme was launched for foreign asset holders. During the outgoing year, stricter regulations were imposed by the State Bank of Pakistan and the Securities and Exchange Commission of Pakistan on asset inflows and outflows.

The central bank also raised its policy (target) rate by 150 basis points (bps) to 10 per cent near the end of the year.

Here's a look at the major developments on the economic front throughout the year.

1. America suspends entire security aid to Pakistan

In the first week of January, the Trump administration suspended its entire security assistance to Pakistan until Islamabad “proved its commitment to fight all terrorist groups operating in the region”.

According to the State Department, the cut-off is not permanent and only affects military assistance.

Under the new approach, funds would be allocated to a particular purpose identified with the allocation and would be released only after that target was achieved. The targets identified with the allocation could be strategic as well as issue specific.

2. EU renews GSP+ scheme for two years

The Generalised System of Preferences Plus (GSP+) scheme passed smoothly through the European Parliament's Committee on International Trade (CIT) in February, enabling Pakistani exporters to enjoy preferential duties on exports for the next two years.

The continuation of the scheme is an award for Islamabad's progress in enacting new laws and developing new institutions for implantation of 27 core conventions of GSP+, especially the National Action Plan for human rights.

Pakistan's first Biennial Assessment Report of GSP+ was conducted in 2016. The second Biennial Assessment Report of GSP+ was done in Brussels in February.

A statement issued by the commerce ministry had said that the EU parliament expressed satisfaction on the progress achieved by Pakistan in enacting new laws and hoped that Islamabad would continue to engage with the EU and ensure to bridge implementation gaps during the next two years of reporting on GSP+.

3. Tax amnesty scheme

In April, the then prime minister, Shahid Khaqan Abbasi, announced a tax amnesty scheme through which people with undeclared income earned before June 30, 2017 on assets held within the country were allowed to declare them by simply paying a five per cent penalty.

People holding undocumented assets outside the country were also invited to declare them through the new amnesty scheme. Foreign exchange could also be brought back to the country by paying a 2pc penalty. Foreign liquid assets like cash, securities and bonds held abroad and in local dollar accounts could be declared with a 5pc penalty.

Dollar account holders in Pakistan who had purchased dollars with undeclared funds could also regularise them with a 2pc payment.

“People who take part in the amnesty scheme will be given a one-time exemption from accountability and other laws,” the prime minister had explained at the time.

4. Reduced taxation under reforms

Under a tax reforms initiative in April, the government had significantly reduced tax rates. Under the new formula, people who make less than Rs100,000 a month (Rs1.2 million a year) are exempted from paying taxes. The previous maximum annual income exempt from income tax was Rs400,000. An individual making Rs100,000 a month was expected to pay Rs4,958.33 each month in taxes — Rs59,500 per year.

People who make between Rs1.2m to Rs2.4m were made liable to pay five per cent in income tax. The income tax for the Rs2.4-Rs4.8m bracket reduced to 10pc. Those earning over Rs4.8m annually were liable to pay 15pc tax on their income.

Additionally, the CNIC numbers of all citizens were made their tax number.

5. Chinese tech giant Alibaba breaks into Pakistani market by acquiring Daraz

China’s biggest e-commerce company, the Alibaba Group, broke into the Pakistani market in May by fully acquiring the Daraz Group.

“With the acquisition, Daraz will be able to leverage Alibaba’s leadership and experience in technology, online commerce, mobile payment and logistics to drive further growth in the five South Asian markets that have a combined population of over 460 million, 60 per cent of which are under the age of 35,” a press release issued by Daraz had mentioned at the time.

Founded in Pakistan in 2012, Daraz had since expanded to Bangladesh, Myanmar, Sri Lanka and Nepal. It will continue to operate under the same brand, the press release had added.

6. Pakistan placed on FATF ‘grey list’ despite diplomatic efforts to avert decision

In June, Pakistan was officially placed on the Financial Action Task Force (FATF) ‘grey list’, failing the country’s efforts to avoid the designation.

A terrorism financing watchdog took the decision during a plenary meeting in Paris, arguing that Pakistan had failed to act against terror financing on its soil.

Being placed on the ‘grey list’ means that Pakistan’s financial system will be designated as posing a risk to the international financial system because of “strategic deficiencies” in its ability to prevent terror financing and money laundering.

After being placed on the ‘grey list’, Pakistan is being directly scrutinised by the financial watchdog until it is satisfied by the measures taken to curb terror financing and money laundering.

7. In farewell budget, govt showers businesses with incentives

This year, the then ruling PML-N made history by presenting the sixth consecutive budget by a civilian government.

It was the first budget announced by the party that shifted gears away from development spending towards current expenditures.

The budget showered incentives on business and industry in quantities never seen before, leading many to wonder where the revenues would come from to pay for all the handouts.

Most of the tax cuts directly benefited what some called Finance Minister Miftah Ismail's de facto constituency — corporate, industry and banking circles. Also, for the first time, the development budget was slashed while large hikes were given to defence and all other heads under current spending, like subsidies, the running of government affairs and debt servicing.

8. Rupee falls 5.7pc against dollar in interbank trade

Under the caretaker setup in July, the Pakistani rupee lost 5.7 per cent of its value against the US dollar in the interbank market.

The devaluation took place amid reports that preparations to approach the International Monetary Fund (IMF) were underway. Malik Bostan, one of the largest currency traders in the country, had commented over the situation: "Devaluation has never helped external deficits. With each devaluation, the deficits grow faster still."

9. First tax recovery made under Panama Papers investigation

In September, exactly two years after starting the exercise, the tax authorities reported their first recoveries under the investigations into assets held by individuals named in the Panama and Paradise papers.

Data from the Federal Board of Revenue, obtained by Dawn, showed that the Karachi and Islamabad Large Tax Units made the first recovery since the start of the exercise.

The FBR recovered a total amount of Rs6.2 billion out of total demand created in 15 cases. The recovery of the remaining amount of Rs4.64bn is under process.

10. PM Khan forms 18-member Economic Advisory Council

In September, the prime minister had constituted an 18-member Economic Advisory Council (EAC). Out of these 18 members, seven belonged to the government while 11 were from the private sector.

Ministers for finance and planning and development; the secretary of the finance division; the SBP governor; the Prime Minister's advisers on institutional reforms and commerce; and the deputy chairman of the planning commission were nominated as official members of the council.

The move to set up the council was marred by controversy when the government asked Dr Atif Mian to resign after a section of political and religio-political parties recorded their protest and concerns over his nomination based on the religious beliefs of the nominee.

11. Saudi Arabia pledges \$6bn package to Pakistan

Saudi Arabia in October stepped forward with a \$6 billion bailout package for Pakistan's ailing economy. The package included \$3bn balance of payments support and another \$3bn in deferred payments on oil imports.

Agreements in this regard were signed on the sidelines of the second edition of the annual Future Investment Initiative (FII) Conference in Riyadh.

It was agreed Saudi Arabia would place a deposit of \$3 billion for a period of one year as balance of payments support. It was further "agreed that a one-year deferred payment facility for import of oil, up to \$3 billion, will be provided by Saudi Arabia. This arrangement will be in place for three years, which will be reviewed thereafter".

Pakistan imports 110,000 barrels of crude per day from Saudi Arabia. Taken at the current price, the oil imports from the kingdom amount to around \$3bn in a year.

12. PM forms Council of Business Leaders

In October, Imran Khan constituted a 22-member Council of Business Leaders (CBL), inducting prominent businessmen to ensure the availability of the best professional advice to the government for resolving trade-related issues.

The CBL will be headed by the prime minister himself to ensure the implementation of decisions, especially those required for the promotion of exports and the resolution of current account deficit issues at the earliest.

The Commerce Division was chosen as the secretariat for the CBL. Adviser to the Prime Minister on Commerce Abdul Razzak Dawood was asked to preside over the CBL, whereas the secretary commerce was asked to serve as the council's secretary, according to a notification.

13. Rupee sees further plunge as volatility sweeps financial markets

The local currency devalued around seven times since July and was sitting at around Rs140 to a dollar at the time this piece was written.

“The State Bank is managing the exchange rate,” the finance minister explained on the day the dollar experienced its sharpest slide, pointing out that in the past the rate was kept artificially overvalued which hurt the economy and created distortions.

He said the country's exports were adversely affected by that artificially low value, and went on to offer some glimmers of hope in a darkening economic scenario. He insisted that the external sector was recovering as exports and remittances showed an upward trend, and foreign investors' interest had been revived, citing recent overtures from Suzuki, Coca Cola and Pepsi as examples.

14. SBP raises key lending rate by 150 basis points to 10pc

The country's top bank surprised markets in November by announcing a 150 basis points increase in the discount rate, bringing it to 10pc, more than anyone had expected. It was the largest increase in the benchmark rate since the cycle of monetary tightening began earlier this year. The discount rate was 5.75pc at the start of the year when monetary tightening began.

The SBP also warned: “The near term challenges to Pakistan's economy continue to persist”.

It cited the fiscal deficit (difference between state's revenues and expenditures), rising inflation and low foreign exchange reserves as the key challenges. Inflation has jumped and is now forecast to remain between 6.5pc and 7.5pc for the rest of the fiscal year, far higher than the target of 6pc and nearly double its level last year.

15. Pakistan's 'Doing Business' ranking up 11 notches

In November, the World Bank issued the 'Doing Business Report: Training for Reform 2019'. It showed that Pakistan improved its ranking by 11 points, moving from 147th to 136th position.

Commenting on the report, Adviser to the Prime Minister on Commerce and Investment Razzak Dawood said that three reforms have been acknowledged: Pakistan made starting a business easier by introducing the online one-stop registration system; replaced several forms for incorporation with a single application; and established an information exchange mechanism between the Securities and Exchange Commission of Pakistan (SECP) and Federal Board of Revenue (FBR).

16. China agrees to almost double its imports from Pakistan

In November, Beijing agreed to increase its imports from Pakistan to \$2.2 billion by end of 2018-19 from the existing level of \$1.2bn and to \$3.2bn by end of next fiscal year. "We wanted China to give Pakistan market access and increase tariff lines with similar conditions that it had offered to Bangladesh and member countries of Association of Southeast Asian Nations (Asean)," Adviser to Prime Minister on Commerce, Industry and Investment Abdul Razak Dawood had announced.

The development surfaced after the prime minister's first official visit to China. After his visit, Imran Khan had informed the federal cabinet that his maiden visit to China was "more successful than expected" and that the host country had "assured every kind of assistance to Pakistan".

Earlier in May, the currency swap arrangement (CSA) between the SBP and the People's Bank of China (PBOC) was extended for a period of 3 years in respective local currencies.

Both the central banks agreed to increase the CSA amount from CNY (Chinese Yuan) 10 billion to CNY 20bn and from Rs165bn to Rs351bn. The currency swap arrangement facilitates traders to do business with each other in local currency instead of the US dollar.

17. Rs82bn plan launched to reduce rural poverty

The Ministry of National Food Security and Research (MNFSR) in December unveiled an Rs82 billion plan for the agriculture sector, with the aim of enhanced crop yield, improved water efficiency, livestock and fisheries development, and creation of agro-markets with the overall objective of uplifting small farmers and reducing rural poverty.

The transformative plan — based on recommendations made to Prime Minister Imran Khan by the MNFSR Task Force — follows the ‘100 Days Agenda’ and is part of the Rs200 billion package for the agriculture sector by the federal and provincial governments.

The comprehensive plan will be implemented within two to three years.

18. UAE pledges \$3bn to boost Pakistan’s liquidity, reserves

The United Arab Emirates (UAE) in December announced its intention to deposit \$3 billion (equivalent to AED11 billion) with the SBP “to support the financial and monetary policy of the country”.

The Abu Dhabi Fund for Development said in a statement that it will deposit the said amount in the coming days to enhance liquidity and monetary reserves of foreign currency at the bank.

Following the announcement, Prime Minister Imran Khan took to Twitter to thank the UAE government for “supporting Pakistan so generously in our testing times”.

“This reflects our commitment and friendship that has remained steadfast over the years,” said the prime minister.

19. ‘Mini-budget’ planned as IMF, govt still differ

In December, the finance ministry was making arrangements to introduce the third money bill of this fiscal year, while discussions between the government and the IMF were ramped up.

Reports following a late evening hour-long video conference between the government and the IMF suggested that differences persist between both sides over a broad spectrum of issues.

Finance Minister Asad Umar subsequently announced his intention to bring a new money bill when he appeared before a parliamentary panel along with State Bank Governor Tariq Bajwa.

Compiled by Asad Farooq. Header illustration by Mushba Said.

Source: <https://www.dawn.com/news/1452810/these-19-developments-shaped-pakistans-economic-future-in-2018>

Institutional Ambiance And Its Impact By Dr Khaqan Hassan Najeeb

Why do institutions matter? What defines 'institutions' and 'quality institutions'? Economic literature highlights a convincing link between a country's institutional quality and its economic growth and development. Douglass North, an institutional historian, defines institutions as the formal and informal rules that organise social, political and economic relations.

Informal and formal institutions can interact with each other in multiple forms: either in a complimentary manner where they coexist and mutually reinforce each other; a substitutive manner, where one set of institutions is ineffective and the other plays an operationally equivalent role; or a conflicting manner when the two systems of rules are incompatible. The performance of an economy is based on a combination of formal rules and informal constraints in its society. However, governments and policymakers place a rather overwhelming emphasis on improving formal institutions with little recognition that institutions, by their very nature, are deeply embedded in society. In the same vein, institutional quality is functionally measured using indicators such as rule of law, voice and accountability, whereas theoretical and empirical analysis also highlights the significance of culture in a society as an essential part of institutional quality.

The socio-cultural framework and informal norms can be understood in the context of social capital and social cohesion prevailing in a community. Social capital is the glue that binds societies, and is a prerequisite for economic growth and human welfare. Notably, a major hypothesis in the social capital literature is that it reduces transaction cost thus facilitating economic performance. Hence, human agency plays a key role in improving the institutional ambiance in any society. The idea is to move towards thinking about people's ability not only in terms of knowledge, but also in their capacities to associate with one another and work together.

The World Value Survey (WVS) — conducted by a non-profit association in Stockholm — is used to measure people's social norms, including attributes like trust, cooperation and other survival versus self-expression values. Trust, the level of confidence people have that others are reliable, at the individual and

community level, is an integral building block for efficient and meaningful economic exchange and smooth functioning of society, leading to a holistic socioeconomic development. According to the WVS 2014, 74% Pakistanis have a low level of trust in other people's behaviours and actions. In case of people's trust in institutions, the picture again is not encouraging.

So how can societies build trust to improve their social capital? Childhood is the formative phase of an individual's life. Cognitive and non-cognitive skills, including awareness of social norms and cultural values, are embedded during this period. The nature versus nurture debate is far from over, but it has been empirically shown that parents have a defining impact on children's upbringing, determining their behavioural pattern during adulthood. It is an irony that 47% Pakistani parents do not consider "tolerance and respect for other people" as a trait worth teaching. Moreover, other important childhood traits, which play a role in well-rounded grooming and civic sense, sense of self perception, independence, self-expression and perseverance, all rank low on Pakistani parent's priority list. It is, however, pertinent to note that low-trust societies do not suffer from a complete lack of social capital, but the average radius of trust of cooperative groups tends to be small and inhibited.

Development of well-functioning institutional structures requires domestic settings of cohesiveness which are facilitated through general education and more widespread access to that education. It is imperative to focus on the underlying factors to make the process of institutional reform, sustainable. Hence, any worthwhile effort to strengthen institutional structures in Pakistan must be supported by a transformative drive for modifying the traditions, obligations, morality and behavioural patterns in the country. In essence, institutional reform may need to be complemented with a structural reform of society.

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Source: <https://tribune.com.pk/story/1877331/6-institutional-ambiance-impact/>

India and Chabahar | Editorial

India has this week officially taken over control of operations at the Iranian port of Shaheed Behesti in Chabahar. And credit for this must go to Prime Minister Narendra Modi who remained steadfast in the face of possible American sanctions following Washington's unilateral withdrawal from the Iran nuclear accord. As things turned out, however, Trump Town issued New Delhi a waiver; covering its continued role in the project as well as the construction of a railway line from the port to Zaranj on the Afghan side of the border. This is not to mention how Modi also secured the go-ahead to continue importing Iranian oil. Yet what is good for India is naturally viewed with apprehension from this side of the border. This goes, too, for Washington's recognition of the geo-strategic importance of Chabahar; representing a trade and transit corridor between India, Iran and Afghanistan. Meaning that Pakistan needs to urgently readjust its own geo-strategic realities given the robust Indo-US regional alliance.

Chabahar has been touted as the only viable trade route between New Delhi and Kabul; particularly after Pakistan denied India transit access for Afghanistan-bound goods. Meaning that Chabahar will serve to reduce Kabul's reliance on Islamabad while rivalling Gwadar port. When viewed from the US prism this is considered a positive; even as it calls on this country to do more, more, more to secure the quagmire across the western front.

But above and beyond all this, Chabahar represents Indian regional ambitions. Not least because it is all set to connect New Delhi with the markets of Central Asia and Russia, too. By way of the International North-South Transport Corridor (INSTC) — a 7.2 kilometre-long multi-mode network linking ship, rail and road routes that extends right up to Europe. All of which signals to the Chinese that the Belt and Road Initiative (BRI) is not only game of interconnectivity in town. Indeed, India has heavily invested in Chabahar: \$500 million earmarked for the port complex; and \$250 million for port expansion. It will also be building the 500km-rail link between Iran and Afghanistan. In other words, New Delhi is an active participant that exerts considerable influence in the future direction of the venture. In addition, it has demonstrated maturity in successfully balancing relations with both Tehran and Washington. This is not to mention Indian wooing of Moscow.

This a lesson that Pakistan must learn when it comes to juggling ties with other nations. It has made a little progress on this front in its dealings with Iran and Saudi Arabia. But even here, much more needs to be done. Especially given how Riyadh's cash injections have left the Iranians sceptical as to the extent that Islamabad will be able to conduct a fully independent foreign policy. The same holds true when it comes to American apprehensions regarding Chinese influence over the national economy. Though this likely has more to do with the ongoing Sino-US trade war; even as both sides remain committed to playing nice for 90 days.

When all is said and done, Pakistan needs to be more assertive in playing up its geo-strategic location. Central to this is getting rid of the begging bowl mentality and replacing this with viable investment opportunities that do not leave this county at the mercy of those who have cash to splash. Thus far, the ruling PTI has scored well on the first part. It cannot afford to wait five years before reaching the next level.*

Published in Daily Times, December 28th 2018.

Source: <https://dailytimes.com.pk/338084/india-and-chabahar/>

EDUCATION

Reforming HEC After 18th Amendment By **Faran Mahmood**

We see people spouting opinions and more like pointing accusations towards the 18th amendment of weakening the federation, especially in the present scenario of financial “doom and gloom” where provinces have ample resources at hand while Islamabad is left in dire straits.

Though the body politic needs to face up to this trend towards fiercely aggressive language wielded by some quarters against this historic amendment, the fact is that the devolution process itself has had a mixed record at best. While many issues are pending with the Ministry of Inter-Provincial Coordination (IPC) and the Council of Common Interests (CCI), determining a new constitutional role for the Higher Education Commission (HEC) remains a test case in this regard.

The HEC was founded under the auspices of Musharraf regime and is still functioning in view of the provisions of the original HEC Ordinance 2002. As per ruling of the Supreme Court in 2011, the 18th amendment would have no effect on the functioning of the HEC and in case of any conflict, the ordinance shall prevail. This effectively means that any notification of devolution could not supersede the ordinance of the commission. Due to this judgment, the CCI has expressed reservations from time to time in giving a green signal to provincial higher education commissions.

A deep dive into the 18th amendment’s text reveals that the federal government has the mandate to oversee matters pertaining to higher degrees from abroad such as issuance of equivalence and managing foreign scholarships by virtue of entry No 16 in the Federal Legislative List (FLL) Part-I, but issues related to education planning and standard setting for higher education, research, scientific and technical institutions fall within the purview of the Council of Common Interests (CCI) vide entries Nos 7, 11 and 12 of FLL Part-II.

There is another legal obstacle to the devolution of higher education subject. If a university has multiple campuses in different provinces like Comsats University, they can't be regulated by provinces. The federal legislature can exercise extra-territorial authority as per the Constitution but no such extra-territorial authority has been conferred to provincial legislatures. This means a large number of universities will still be regulated by Islamabad even if the powers were devolved to provinces.

Many parliamentarians are of the view that the authority of standard setting for higher education should be exclusively vested in the Federal HEC whereas provincial HECs should be empowered to perform monitoring and evaluation functions as this will slice up some of the fiscal burden on the federal government. However this opinion also clashes with the spirit of 18th amendment.

These issues are very grave and need to be addressed urgently. The HEC can't continue running under the 2002 ordinance issued by a dictator and its role need to be clarified in order to refute narratives such as 'provinces versus centre.' Accountability of the HEC is also a big question mark as the HEC has wasted billions on half-baked megaprojects such as establishment of new universities that were later scrapped. It is also debatable if the HEC has the mandate to claim exorbitant fees for attestation of mere photocopies and for issuance of equivalence certificates. However, Islamabad is still in a state of denial even after eight years. HEC devolution is a complex puzzle but our parliament seems unaware of the extent of those problems. Unfortunately, problems that are studiously ignored only grow worse with time.

If there is a useful lesson from years of fretting over devolution of the HEC, it is that such implementation needs better preparation and more clarity about intentions — not just at the top end of the scale. The new HEC chairman said, "If we have confidence that provinces can implement standards adequately, we can delegate powers to them in spirit of the 18th amendment. So the way forward to overhaul our higher education system is through a meaningful dialogue among all stakeholders and through capacity building of provincial HECs. Transparency and autonomy will be important otherwise the higher education reform agenda may get overwhelmed by a familiar internecine patronage politics."

Source: <https://tribune.com.pk/story/1857639/6-reforming-hec-18th-amendment/>

CSS Pressure By Mahnoor Sheikh

‘Think clear, write simple’ is the key

Taking a break from hardcore political stuff, I decided to write on something that is of concern to many young people here in Pakistan. Almost everyone in Pakistan, whether young or old, has attempted or aims to attempt the highly stressful and hyped exam of Central Superior Services (CSS).

The CSS exam does not come alone, it brings with itself a lot of pressure and a multitude of suggestions and pieces of advice from everyone in your circle, who may or may not, have taken the exam. If there is already a CSP in your family, may God help you! The pressure increases manifold in this case while the longstanding wish of parents or siblings is another factor that forces the people to give this exam.

The poor job market and high unemployment rate in the country also makes sense for a large number of people wanting to give the CSS exam every year as it promises a secure and steady career, to say the least. On average, over 10,000 candidates from all across Pakistan appear every year, out of which only a few hundred are able to pass. Now these people who pass are not some special creatures of God but only have nerves strong enough to survive through this immense pressure.

Having gone through the experience and observed friends and fellows for over a year, there are a few things which I think are important for all the CSS aspirants. Two papers a day, three hours each, is what makes the challenge appear so tough as we are not so used to writing or studying that much since our college times. The semester system in universities does not require that much hard work but CSS is different in a way that it requires the stamina of a BA student who appears in the annual exam system. This is what their criterion of admission is – a simple BA – and that’s what they require of the CSPs: a mental aptitude equal to that of a BA student.

Having said that, one can safely assume that the study pattern for CSS is largely similar to that of BA or intermediate exams as the candidates are required to fill

sheets, remaining coherent and relevant in our writing. Do not try to appear too smart for the examiner, stick to the basics and answer only what's asked of you.

Come to English. The thing that becomes a deciding factor in the exam. Good English is a pre-requisite for CSS as most of the papers, with Islamic Studies as an exception, have to be given in English. People with good English do not face much of a difficulty expressing their thoughts in the paper as they are well aware of the basic structure, tenses and syntax of the language. But make sure, you don't appear to be too difficult to comprehend. Remember BA. This is probably the reason why even Oxford or Harvard graduates or English journalists are not able to pass the exam, they try to be too efficient with their language, using high vocabulary words and complex sentences to express their ideas. Think clear, write simple is the key.

Critical analysis comes in handy for almost all the subjects except some hard sciences. Reading newspaper and books helps develop that ability. Quote some stats or examples to substantiate your answer. You don't necessarily need to memorise. Every subject has its own demand. Choose subjects that better suit your interests, complements your strengths and which you think are easier for you to write upon.

Whether for preparation or during exams, time management is the most important thing in CSS. The candidates are required to attempt four lengthy questions in 2.5 hours

Time management. Whether for preparation or during exams, time management is the most important thing in CSS. The candidates are required to attempt four lengthy questions in 2.5 hours. For these, some people have spent years studying. They sure have too much knowledge but how to express it is the trick. Make sure not to spend too much time on one question that you are well prepared for that you don't have enough time to complete the rest. It's just a matter of what you write in those 2.5 hours that will determine your success. Manage time effectively and remain vigilant of where you stand.

As the exams are approaching near, pressure is again mounting on the aspirants to give their best this year. In that pursuit, they sometimes panic so much that they get blank on exam day. Anxiety can get to you, it's quite normal and natural,

but how you survive through it matters. CSS is a game of nerves so keep your nerves in control and it will be a smooth sailing.

Lastly, always keep in mind that CSS is just an exam so take it as an exam, not as a matter of life or death. Your life will not end if you don't pass. There's so much more to life and so many more opportunities waiting for you if not CSS. Do not push yourself too hard into this and believe when it is simply not meant for you. Hard work and luck go hand in hand here.

Source: <https://www.pakistantoday.com.pk/2018/12/19/css-pressure/>

Investing in Education By Zeeshan Siddique

Despite having the second highest number of out-of-school children in the world, the financing and governance of education in Pakistan has seen little improvement.

Approximately 22 million children are out of school, yet no significant improvement in enrolment has been seen in the last five years. To address this complexity, investments made by international financial institutions such as the World Bank were aimed at bringing horizontal and vertical change by establishing education foundations such as the Punjab Education Foundation (PEF) and Sindh Education Foundation (SEF).

It is pertinent to mention that the World Bank is one of the largest external funders of education in developing countries. In Punjab, the World Bank has invested around \$1.7 billion in the last 10 years in the Punjab Education Foundation (PEF) to bring children back to school and offer education with the core vision of “better quality education through the private sector to low-income households”.

The PEF claims that it currently sponsors 8,700 private schools, which cater to 2.4 million students through its four programmes. However, a recent study by Oxfam shows that despite this investment, there is little growth in enrolment, equity, quality and access to education. Investment in the Punjab Education Foundations (PEF) by the World Bank show various lacunas at the levels of policy, implementation, compliance, equity and access to quality education, consequently raising questions about the sustainability of the programme.

Some of the areas which require immediate attention include the governance of the PEF, which operates as an independent governing body. The School Education Department (SED) has a massive setup at the provincial level for teacher training and the monitoring and evaluation of schools, while the PEF operates outside this structure. Similarly, PEF schools are not accessible to students from low-income backgrounds as the tough admission tests in these schools are not designed for children with little or no exposure to early education. Due to an incentive-based approach which is not sustainable, children from poor

or low-income families transfer from public schools to nearby PEF sponsored low-fee private schools. This leads to low retention and enrolment rates in public schools.

Oxfam's study notes that the quality of education in PEF-sponsored schools is low, with most teachers in these receiving low salaries, sometimes even below the minimum wage. Additionally, little investment is made in training teachers. PEF-sponsored schools are also exacerbating gender disparities with few girls enrolling in their co-ed schools. The study also finds that the public education system is relatively more responsive than the PEF programme in Punjab. School councils in public-sector schools ensure a degree of social accountability, while no such mechanism has been established for PEF-sponsored schools despite public funds having been spent on the programme.

There is a need to urgently bring improvements in the PEF programme to ensure inclusiveness, accountability, accessibility and quality of education. Some of the steps which may be taken include merging the PEF with SED to ensure accountability and minimise overlaps in mandates. This would also ensure a more uniform framework for measuring learning achievements at the district level.

Accessibility may also be improved by creating more realistic admissions tests, which also allow students with limited exposure to early education to enrol. To address the gender disparity, a gender unit may be established which provides technical assistance to the PEF to improve gender responsiveness within planning and budgeting

World Bank investments must nurture human development and provide quality education. However, it has been observed that tests in these schools are promoting rote learning. Secondly, allocations need to be enhanced on teacher training to ensure to improve quality of teaching. It is essential to incorporate citizens' voices to bring more accountability and transparency in financing PEF-supported schools. This would promote social accountability and help school administrations gain the trust of citizens and offer better educational services.

The writer leads the Financing for Gender Justice Project at Oxfam in Pakistan.

Source: <https://www.thenews.com.pk/print/408601-investing-in-education>

Education... The New Seat of Power |

Editorial

The prime minister recently announced that the government had formally started the process of converting the PM House into a modern university.

The Islamabad National University, to be set up in the PM House, will start as an institute of advanced studies for research with a focus on emerging technologies.

It will eventually lead to the establishment of a university there. The Higher Education Commission has been tasked with completing the project in three to five years. Imran made the announcement during a seminar in the federal capital. This is another box which Prime Minister Imran Khan can tick for an electoral promise fulfilled. Soon after taking over, Imran had set up a committee to review public buildings and their uses. The PM was to chair this committee himself so that he could personally monitor progress on the subject. Admittedly, education is PM Imran's top priority.

Imran stated that the purpose of establishing a university at the 1,100 kanal estate was to reduce the gap between the government and the public. He also stressed on the importance of "quality education" for a nation's "progress and development" and that this move is but a step in improving the overall level of education. By shunning the perceived opulence of the prime minister by refusing to live in the PM House and personally monitoring the project of converting the symbol of the country's chief executive for promoting higher learning, he has led from the front. It also speaks volumes about his commitment to improving the state of education in the country. This heralds a new direction for the country whereby the state not only acknowledges the root of our emerging problems but also moves to solve them.

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Education, Knowledge and Power By Dr Moonis Ahmar

Speaking during the inauguration ceremony of Islamabad National University at the Prime Minister House on December 21, Imran Khan again stressed the need for empowering the youths of Pakistan with better education. The link between education and knowledge is understandable. No nation can seek the threshold of power unless it excels in education and the pursuit of knowledge.

The PTI government seems to be single-minded in transforming its election manifesto into a reality by focusing on providing good, compulsory and quality education. How can better education and knowledge cause miracles and transform a backward and underdeveloped country to a First World country? The right answer cannot be sought unless there is a political will, determination, hard work, integrity and brilliance on the part of those who possess authority, resources and are in a leadership position. Rhetoric and speeches for political consumption or photo session can never ever change the destiny of a country.

One can figure out three examples spanning over a period of five decades which are sufficient to prove the linkage between education, knowledge and power. First, South Korea which was an impoverished country during the 1950s and 1960s but the policies enacted by those holding power gave priority to free, compulsory and good quality education. Devastated from the Korean war of 1950-53, South Korea took another 25 years to introduce short-and long-term policies focusing on economy, human development and education to the extent that its ministry of education spends \$29 billion and 3.4% of its GDP on education.

The second example is Singapore. It was not only the leadership qualities of Lee Kuan Yew which enabled Singapore to emerge as a First World country only in a span of three decades, but it was because of priority given to provide quality education that transformed a Third World country to a First World one. Singapore's exports a year are more than the GDP of Pakistan!

China is the third success story as far as the triangular of education, knowledge and power is concerned. With a population of more than 1.5 billion people and

the world's second-largest economy, China spends \$675.3 billion on education as cited by its Ministry of Education. As a result, China has managed to excel in the quality of education and pursuit of knowledge. There was a time not in the distant past that hundreds and thousands of students from China were sent to the West for seeking higher education and now the same country is becoming a hub of students particularly from the Third World countries, including Pakistan, to go for higher studies.

In all the three examples of focusing on education, quest for knowledge and power have one thing in common: single mindedness of their leadership to invest in their present and future generations so that they do not carry the baggage of illiteracy, ignorance, poverty and social backwardness. In all the three countries, free, quality and compulsory education at the grassroots level created a critical mass which was able to transform their youths from a liability to an asset.

Pakistan can learn several lessons from the successful models of South Korea, Singapore and China provided four major requirements are met. First, it should be the responsibility of the state to provide free, compulsory and quality education to all school-going children of Pakistan. Second, class and social stratification in education need to be eliminated as the state must make sure that education is a national duty and should not be used to make money. Unfortunately, education in Pakistan has emerged as a business in which no ethical and moral considerations are to be seen. Except public schools, all other types of schools must be eliminated because the purpose of education is to impart knowledge and not to judge class and social status as criteria for providing educational opportunities. Third, modern and scientific tools of education with a focus on developing analytical approach and critical thinking should be the priority so as to open the minds of students instead of promoting mediocre or below mediocre stuff. Uniformity of syllabus of subjects taught at the school, college and university level needs to be ensured.

Fourth, upholding of merit and eradication of corruption and nepotism must be ensured by the policymakers in educational institutions so that public money which is spent and invested for the promotion of quality education is not misused. Pakistan's predicament is that deep-rooted corruption and nepotism derails any effort which is made to open schools and colleges or improve their standards. The three success models of development analysed above had one thing in

common: zero tolerance for corruption and nepotism, particularly in the education sector. Imran Khan's vision for a welfare and Madina-like state cannot be transformed into a reality unless attitude and behaviour of people changes for the better. And it is the mindset which needs to be reformed so as to ensure integrity, sense of responsibility, simplicity and dedication which are missing in the social milieu of Pakistan.

By converting the Prime Minister House into the National University of Islamabad, one cannot expect an educational revolution in Pakistan because such an initiative will not eradicate elitism in the country as the beneficiaries will not be from the lower or lower middle class but from the privileged class. Instead of adding another elite-centric educational institution, it would have been better had the PM announced the elimination of class-based schools in Pakistan from the next academic year and their ownership by the state. Everyone knows the fact that education in Pakistan has been commercialised since long which means the state has given up its responsibility to provide free, compulsory and quality-oriented education to all the nationals of the country.

If those who are controlling the instruments of power come out from their comfort zones and observe the pathetic state of education at the grassroots level in Pakistan, it will be quite clear that a major cause of the country's underdevelopment and backwardness is its rust-ridden and exploitative school system. Unless, the state takes up the responsibility of eliminating class-based education and commits to provide free, compulsory and quality education, Pakistan would remain at the bottom of human development index and Imran Khan's education project in 'New Pakistan' will be a non-starter.

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The Moscow Summit By Akbar Jan Marwat

IN an environment in which the Afghan Taliban seem to be in the ascendant in their insurgency against the Afghan and US forces, a gathering of desperate Afghan groups took place in Moscow. The Russian initiative known as the “Moscow Format”, is seen as a significant move to find a regional solution to the prolonged Afghan War. The initiative of a former power that started the Afghan crises in the first place by invading Afghanistan, now hosting old enemies to find durable peace to the Afghan conflict is indeed remarkable.

The Moscow Summit took place in spite of strong reservations from both Kabul and Washington. In spite of these reservations 11 countries were represented in the summit. For the first time, Afghan Taliban were invited to the format, where they shared the stage with the delegates of the Afghan High Peace Council. The Afghan government did not participate directly in these talks. The presence of the delegates belonging to the Afghan High Peace Council, which oversees peace efforts, was highly significant. Observers were also sent by the U.S. Government. The conference certainly did not resolve all the complex questions of the prolonged conflict, but it did provide an important diplomatic forum to the Afghan Taliban.

Russia has become more actively involved in the Afghan conflict during the course of the last few years. In this regard, Russia has held consultation with regional countries including China, Pakistan, Iran and India. For some strange reason, Afghanistan was kept out of the first two meetings, raising skepticism about the whole process. The main reason for the Russian initiative on the Afghan conflict seemed to be its growing concern regarding the spillover effect of the conflict in the region. Russia also wanted to assert its diplomatic power, amidst growing frustration over the US inability to deliver peace to Afghanistan in over seventeen years.

Another reason for Russian anxiety has been the growing power of the Islamic State (IS). Russia’s efforts are aimed at forming regional alliance against the

growing power of IS not only in Afghanistan but the region as well. The Russian initiatives could, however, not make much headway in the absence of main parties to the conflict in the previous parlays. The latest Moscow Summit seems to have a greater impact in the presence of Afghan Taliban and some other important Afghan leaders. Pakistan shares Moscow's legitimate concerns and sees hope in the new regional format to persuade the Afghan Taliban to come to the negotiating table. Participation of the Afghan Taliban in the Moscow meeting has certainly strengthened the position of the Afghan Taliban and given it greater international recognition. As the Afghan Taliban position on the battle field has strengthened, its flexibility at negotiation seems to have lessened.

It is interesting to note that the Russian initiative has come at a time, when the Trump Administration has agreed to hold direct talks with the Afghan Taliban. This has been a sharp departure from US. previous position, that it wanted the Afghan Taliban to hold negotiations only with the Afghan government's. In fact, there have already been two rounds of talks between senior US officials and Afghan Taliban. During these two rounds of talks, however, no breakthrough has been achieved between the two sides, to pave the way for holding structured peace talks between the two sides.

The Afghan President Ashraf Ghani in principle agreed to direct talks between Afghanistan Taliban and the US. The Afghan officials were however, angry that they were not informed about the latest round of talks between the Taliban and the US Zalmay Khalilzad a veteran American diplomat of Afghan origin was appointed as Special American Envoy for Afghanistan, with the main task of bringing the Afghan Taliban to the negotiating table. It is important to note that the Afghan insurgents have refused to talk directly to the Afghan Taliban. The Afghan Taliban have also demanded the lifting of UN travel restrictions on their leaders. In conclusion it can be said; that the Moscow Summit has delivered some positive results by bringing the Afghan Taliban's together with certain Afghan leaders, and leadership of regional countries. But it appears to be clear that no durable settlement of the Afghan crises can be found without American support. The decision of the US to hold direct talks with the Afghan Taliban is certainly an important first step, but a lot more in the way of a structural dialogue between the two sides needs to be done.

—The writer is author, senior journalist and entrepreneur based in Islamabad.

Source: <https://pakobserver.net/the-moscow-summit/>

The History of American Nationalism By

Paul R. Pillar

At a recent campaign rally in Houston, Donald Trump broke a linguistic taboo by calling himself, loudly and proudly, a “nationalist.” Leaders of major American political parties generally have avoided applying that term to themselves, no matter how much they figuratively wrap themselves in the national flag and voice patriotic themes. Critical commentary about Trump’s choice of words has focused on the idea that “nationalist” in this context is bowdlerized shorthand for “white nationalist.” Trump’s rhetoric is worthy of condemnation. But to dismiss the terminology is to miss some other important issues about American nationalism.

Americans, since long before Trump, have been a highly nationalist people, notwithstanding their reluctance to apply the label nationalist to themselves. Most often the substitute term, willingly self-applied across most of the U.S. political spectrum, is “American exceptionalism.” The satisfying implication of this term is that nationalism is something in which narrow-minded foreigners wallow and which they apply for narrow-minded purposes, whereas the United States is not just different but better than everyone else and stands for noble and broadly applicable principles. Of course, veneration of one’s own nation as not only different but supposedly better than anyone else is what nationalism is all about, regardless of whether it is called exceptionalism or something else.

There is a genuinely exceptional aspect of American nationalism, however, that dates to colonial times. John Hector St. John de Crèvecoeur, a French nobleman who fought in the French and Indian War before settling as a farmer in New York, published near the end of the Revolutionary War a treatise in which he posed the question “What is an American?” He answered it by saying that Americans “are a mixture of English, Scotch, Irish, French, Dutch, Germans, and Swedes. From this promiscuous breed, that race now called Americans has arisen.” As other races and ethnicities fully entered the picture, the American melting pot has not always smoothly produced a well-blended stew, but the concept that Americans are not defined by blood or ethnicity has endured. Sometimes it has taken a fix such as the 14th Amendment, which recognized as citizens all persons born in the country, even if they once were slaves or something else.

This type of nationalism—based on territory and political principles and not on blood— is exceedingly rare. The multiethnic empires of old represented not melting pots but instead the subjugation of subordinate nationalities to a dominant one. The Soviet Union claimed to be a multi-ethnic state based on political principles of its founding fathers, but besides being ephemeral it was as much a story of Russian nationalism. India has claimed to be the multi-ethnic and multi-confessional home for all South Asians, but it is politically dominated by “Hindu nationalism,” which is a South Asian counterpart of white nationalism.

The more that an American leader’s explicitly avowed “nationalism” implies any kind of exclusion or ethnic preference, the more it is a repudiation of American exceptionalism. Rather than being exceptional, the view being expressed is just one more instance of narrow-minded nationalism, being applied for narrow-minded purposes.

Now that Trump has taken nationalism out of the linguistic closet, Americans should use this opportunity to face more squarely some foreign policy implications of their own nationalism and their reluctance to recognize it as such. Five years ago I wrote an article in *The National Interest* that characterized the global political era in which the world had entered as the “age of nationalism.”

As for the American nationalism that Americans did not want to call nationalism, I offered this advice: “Americans should understand how much their own first inclinations for interacting with the rest of the world stem from the same kind of nationalist urges that underlie inclinations in other countries, however much the American version is portrayed differently by affixing the label of exceptionalism. They should bear in mind that first inclinations and urges are not always in the best interest of the nation that is the object of their affection and attachment. U.S. policy makers should be continually conscious of how U.S. actions may step on someone else’s nationalist sentiments, eliciting the sort of counteractions that almost always are elicited when competing nationalist perspectives confront each other.”

Paul R. Pillar is a contributing editor at the *National Interest* and the author of *Why America Misunderstands the World* .

Source: <https://nationalinterest.org/blog/paul-pillar/history-american-nationalism-37597>

Summitry of G20 Leaders | Editorial

A pledge to promote multilateral trade and a 'rules-based international order' capped the two-day summitry of world leaders in the Argentinian capital of Buenos Aires on Saturday. Much tact and careful wording went into the preparation of a summit-concluding draft communique so as not to offend any of the participant of the G20 conference. In such huddles, care is taken to keep the trade and geostrategic rivalries among the top nations attending the conclave hidden behind a thin veneer of unity. This fact is borne out in the watered-down version of the declaration issued at the end after much haggling. It reaffirmed a promise to reform the World Trade Organisation (WTO), a pledge that takes into account the sensibilities of an erratic US president who, on his campaign trail, had made much of the perception that America was being treated unfairly on trade issues. A dinner between China's president Xi Jinping and his US counterpart on Saturday night was the high point of Trump's visit, especially since pulling out of a meeting with Russian president Vladimir Putin.

The scheduled session with Putin was cancelled by Trump on his way to the summit, saying his decision had been based on Russia's failure to return Ukrainian sailors and ships its forces had seized in the Sea of Azov on previous Sunday. While the conference ended without the expected fireworks on trade, climate and migration, tensions nonetheless keep smouldering between the world's two largest economies – US and China – as they try to solve an escalating trade war that started over the imposition of steel and aluminum tariffs. The Paris deal on climate, which aims to prevent the worst-case scenario of global warming, happily went unscathed as 19 out of 20 leaders signed off the agreement, with US remaining a firm and stubborn dissenter.

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Source: <https://tribune.com.pk/story/1858952/6-summitry-g20-leaders/>

Nuclear Security Index 2018: A Critical Appraisal By Beenish Altaf

Although it was due in February 2018, the month of September marked the launch of the volume of 2018 Nuclear Threat Initiative (NTI) index report following the subsequent volumes of 2012, 2014 and 2016 indexes. The report is a subject of unease, followed by heated and frenzied debates among the analysts of many countries, worldwide. The same has come into view this year, predominantly in South Asia, where debates over nuclear security remain litigious. Despite Pakistan's improved nuclear security and safety performance, the 2018 NTI index is not expected to be taken well in Islamabad.

In order to focus on security against the so-called loose nukes, an organization with the name of Nuclear Threat Initiative (NTI) was established back in 2001. It calls itself as a non-profit and a non-partisan organization. The NTI was founded by a US Senator and a Georgia Democrat, Sam Nunn and CNN founder the broadcast executive, Ted Turner. The NTI and the Economic Intelligence Unit (EIU) collectively prepares NTI's index reports— a bi-annual report assessing nuclear theft and threat, globally. The report predominantly reviews and evaluates the existing gaps and relevant problems regarding the nuclear security.

Previously in 2012 and 2014, the first and second edition of the NTI index focused the theft ranking, i.e. the threat of theft of sensitive technology primarily nuclear related technology on country to country basis. The third edition of NTI nuclear materials security index 2016 introduced a framework of analyzing the threat of sabotage of nuclear material along with a focus on cyber security. Hitherto, in the contemporary 2018 NTI Index, a new section of cyber threat has been spotlighted by the report's compilers.

The NTI and the Economic Intelligence Unit (EIU) collectively prepares NTI's index reports — a bi-annual report assessing nuclear theft and threat, globally. The report predominantly reviews and evaluates the existing gaps and relevant problems regarding the nuclear security

Overall trend in the 2018 Index could be probed in that the security of nuclear material and nuclear sites has improved in the majority of countries since 2012.

Focusing in cyber-security section there are four more states that have established the “top score 5, totalling 13 countries”. Erin Dumbacher, NTI Program Officer for Science and Technical Affairs said: “The Index shows that 15 countries are listed with a 0 rating, meaning that there has been little to no regulation put into place to provide cyber-security to nuclear energy and weapons infrastructure however, in 2016 the number of countries with a 0 rating was 19, so improvements are being made.” The former Energy Secretary who is now co-chair and CEO of the think tank, alongside Nunn Ernest Moniz said that the “Cyber-attacks can facilitate the theft of nuclear materials or an act of sabotage that could result in catastrophic health consequences for the public.”

Besides, the termination of the series of the four nuclear security summits since 2016, is taken as a problem of waning focus of the country towards the risk of nuclear theft and sabotage. Although, the nuclear security summits were not of much gain, they did instil trust and confidence which was gathered by the summit process that could be adversely affected by these biased index documents. The NTI index is often taken to re-establish the old divide and could even exhibit counterproductive for nuclear security. Critically enough, according to the 2018 report, around 11-12 countries having civilian nuclear facilities are reported at an increased risk of nuclear theft and sabotage. The methodology of NTI metrics is often criticized by many scholars since the first launch of the index, back in 2012. It involves surveying several countries and scoring them on the base of the chances of nuclear theft and sabotage ranking. Ironically, the NTI index reckons that just because a country has an increased number of nuclear usable materials or nuclear stockpiles, its security risks increase. Paradoxically, the NTI should have addressed the security or the safety of nuclear related material instead of its quantity.

It is pertinent to confess that the analysts involved in state’s scoring/ranking process are credible authorities on the subject matter however; political analysts have been critical of the procedure and have articulated concerns over the “control and leadership exercised on the project by known non-proliferation activists.”

Besides the above mentioned loopholes, generally there is a perception in South Asia at large that the NTI Security Index is an anti-south Asian, Western non-proliferation document, due to its biased calculations on some accounts. South

Asian nuclear countries; primarily India is against the nuclear threat index calculation mechanism because it feels that the Index is pursuing the Global threat Reduction Initiative (GTRI) agenda, which is an American initiative and it is methodologically faulty to presume that not joining the GTRI is bad for nuclear security. Since the NTI Index focuses only on the nuclear weapons material and ignores the radiological sources, it can be criticized to this extent as well.

In South Asia the above criteria does not fit-in appropriately, particularly in case of Pakistan. Due to the Indian conventional asymmetry, both states in one or the other way are involved in technological advances of their nuclear capabilities. Pakistan is too believed to have a fair number of nuclear related materials but it reportedly has taken considerable steps to secure it satisfactorily. "Consequently, there is a probability that a state's nuclear security measures are rigorous and more reliable than the sum of material held by a particular country. This is something that NTI's measurements could not address even after the launch of its fourth report.

On terms of the ranking for nuclear weapon usable material, in South Asia, Pakistan has been placed at the bottom of the global indices while India has been placed on the second last position. Nevertheless, Pakistan's quest for nuclear and missile technology in response to Indian developments has always been aimed at countering Indian offensive capabilities, especially missiles and nuclear weapons. To be fair it is pertinent for Pakistan to keep its diplomatic face active on all fronts.

Admittedly, it needs to be acknowledged that the index is a unique and a distinctive assessment of sensitive technologies with a focus on nuclear materials security conditions among the 176 countries. However, in order to recommend a way forward for the Nuclear Threat Index to become more plausible and authentic, three proposals can be worked on, including: building an effective global nuclear security system; improving state stewardship of nuclear material and facilities and lastly defensive strategies to defend against the risk of cyber-attack.

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Source: <https://dailytimes.com.pk/328622/nuclear-security-index-2018-a-critical-appraisal/>

Donald Trump's Reluctant Realism |

Editorial

President Donald Trump appears in a hurry for an Afghan endgame, and is trying everything he has in his repertoire, one after the other. Just days ago, he despatched a drone to Afghanistan's Helmand province that killed a senior Taliban commander and his several associates among a total of 32 — in an apparent reminder of the US capability to target with precision. A couple of days before that, the US president had made a vain attempt to browbeat Pakistan too, during an interview with Fox News. In words that flout the norms of diplomacy, and decency, he had blurted at Pakistan for 'not doing a damn thing' for the US against 'the \$1.3 billion provided every year', and alleging that Pakistanis were aware of Osama bin Laden's presence on their soil. But Prime Minister Imran Khan's riposted at once, detailing Pakistan's unmatched and uncountable sacrifices in the US-led war on terror, and making it pretty loud and clear that the US failure on Afghanistan cannot be pinned on Pakistan.

Now in a clear U-turn of strategy on dealing with Pakistan, the US president has adopted a formal, diplomatic way of approaching its frontline partner in the terror war, instead of making use of the crude oratory that he is best at. President Trump has written to Prime Minister Khan, seeking Pakistan's 'assistance and facilitation in achieving a negotiated settlement of the Afghan war' alongside acknowledging 'the cost of war Pakistan and the US suffered'. Simultaneously, Zalmay Khalilzad, the US special representative for Afghanistan reconciliation, has set out on an 18-day emissary journey to Pakistan, Afghanistan, Russia, Uzbekistan, Turkmenistan, Belgium, the UAE and Qatar. Khalilzad, who says that he sees a moment of opportunity, will meet Afghan government officials and other 'interested parties' to support and facilitate the peace process in Afghanistan. These back-to-back efforts show the urgency in the Trump administration to get out of the Afghan quagmire. It's about time the US hammered out a practical mode of engagement with Pakistan, instead of the one satisfying its whims and wishes, over the long-drawn-out issue of Afghan settlement.

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US-Taliban Dialogue: A Test For The Stakeholders By Asif Durrani

US Special Envoy on Afghanistan Zalmay Khalilzad is on his third mission to hold talks with Afghanistan's neighbours (minus Iran) and the Taliban to find a way out of the Afghan problem that has fatigued almost all the stakeholders involved in the crisis. Mr Khalilzad will be holding the third round of talks with the Taliban and this time Moscow and Beijing are also included in his itinerary, a clear signal that Washington would like to adopt an inclusive approach while addressing the problem. In a way, it is an attempt to respond to the Russian initiative which held a conference in Moscow on November the 9th, and which was participated by all the neighbours of Afghanistan as well as the Taliban. However, the US, Afghan government and India participated in the conference as observers and at a low-key level.

Zalmay Khalilzad met with Pakistani leadership (4-5 December) and reiterated the US oft-repeated offer of "sky is the limit" cooperation if Pakistan could facilitate Taliban's participation in the peace talks and secure their agreement to talk to the Ashraf Ghani government as well. Mr Khalilzad held delegation level talks with the Foreign Secretary Tehmina Janjua and called on the Prime Minister Imran Khan and Foreign Minister Shah Mehmood Qureshi.

A week ago President Trump had a U-turn in a letter to Prime Minister Imran Khan pleading for closer cooperation on Afghanistan and bringing the Afghan problem to an amicable end. He acknowledged that both the US and Pakistan have immensely suffered due to the Afghan crisis and that the two countries should explore opportunities for closer cooperation. This letter came hardly ten days after his accusation against Pakistan of "not doing a damn thing for the US despite receiving billions of dollars". By now Americans must have realized that browbeating Pakistan has not worked whether by President Obama or Trump. Pakistan has made it clear to the US that it cannot dump its failure in Afghanistan at Pakistan's door.

By now Americans must have realised that browbeating Pakistan has not worked whether by President Obama or Trump. Pakistan has made it clear to the US that it cannot dump its failure in Afghanistan at Pakistan's door

As I have said in my previous write-ups that the US is ready for a withdrawal and that it is now hinting for a pullout before April 2019. The US would not mind if the next presidential elections slated for April next year in Afghanistan are postponed for a later date. However, before such an arrangement is agreed to between the US and all Afghan stakeholders a couple of important issues need to be sorted out. First, the US is keen to seek Taliban's consent for a token presence of its troops in Afghanistan. According to the US officials, "This is being asked to ensure that al-Qaeda or their associates do not reassemble in Afghanistan." Apparently, Taliban have not agreed to the US proposal arguing that they do not entertain an overseas agenda implying that there would be no room for al-Qaeda or Daesh/ISIS.

Second, the US would like to have some kind of understanding between Taliban and existing setup in Afghanistan led by Ashraf Ghani. Afghan commentators have been complaining that by completely ignoring the present dispensation, the US or Taliban would be committing a mistake as unless all stakeholders were given a place at the negotiating table, peace in Afghanistan would remain elusive.

Third, it is yet to be seen if the US would lead the dialogue alone or allow the UN to play a role in facilitating the US withdrawal from Afghanistan. After all, the US presence in Afghanistan owes it to the UN Security Council resolutions 1368 and 1373, which legitimized use of force in Afghanistan. Now that the US is eager to leave Afghanistan would it not involve the UN? In any case, a withdrawal should be taken up by the UN Security Council in order to close the Afghan file.

Fourth, as the dialogue between the US and Taliban proceeds would the US be ready to facilitate the deletion of Taliban's name from the 1267 Committee list? This was also raised by the Taliban delegation at the Moscow Conference amongst other demands. The Taliban delegate described "Peace negotiations and sanctions list are two contradictory concepts and can't go side by side" so that "representatives of the Islamic Emirate are able to participate in peace talks in different places without any hurdle". Similarly, Taliban are demanding release of their members from the American and Afghan jails in order to pursue the peace dialogue. Yet another significant demand by the Taliban is the permission of opening a formal office of the Taliban "to issue peace related press releases,

respond to questions of (the) people as a responsible entity and remove national and international concerns.”

What does the US expect from Pakistan, especially when the Taliban are in control of half of the country and other neighbours of Afghanistan — China, Russia and Iran — are in direct contact with the Taliban. Naturally, the US is aware of the symbiotic relationship that exists between Pakistan and Afghanistan irrespective of the governments on both sides. Afghans of all hue and colour are familiar with Pakistan and have been beneficiary of this country in one way or the other, Taliban are no exception. Afghans are also aware that Pakistan provides easy access to the Afghans unlike its other neighbours; similarly Pakistan has provided such an access only to the Afghans in its neighbourhood.

As regards facilitation of dialogue between the US and Taliban, Pakistan will have to weigh its options carefully. Despite having contacts with the Taliban, Pakistan, by and large, has been maintaining a respectable distance with all Afghan groups, especially after the 9/11. How much can Pakistan pressurize Taliban depends on issues on the table.

Pakistan is keen to see stability in Afghanistan to address its own myriad of problems. It is likely to respond positively to President Trump’s letter. Given the past experience Pakistan would wish an orderly withdrawal of US-led NATO forces from Afghanistan, which was echoed by the military spokesperson, in his briefing that Washington should “leave Kabul as a friend of the region rather than a failure”. With this objective in mind, Pakistani policy makers are likely to urge the Taliban to consider long-term stability of Afghanistan and avoid raising unreasonable demands.

While facilitating a dialogue between the US and Taliban, Pakistan should insist on taking the neighbours of Afghanistan onboard. Right now Mr. Khalilzad is touring all neighbours of Afghanistan except Iran for obvious reasons. However, being a direct neighbour and a substantive stakeholder, Iran cannot be ignored. An inclusive approach would be needed; especially Afghanistan’s direct neighbours will have to be involved in any future settlement in Afghanistan.

From Pakistan’s perspective India is the bully on the block, which is evident from its involvement with the Tehreek Taliban Pakistan (TTP) and use of some

factions of the Kabul regimes against Pakistan ever since the fall of Taliban. Naturally, Pakistan's cooperation in facilitation of dialogue would be dependent on US' counselling of India to stop spoiler's role by using Afghan soil against Pakistan.

Since so much blood and treasure has been wasted during the past seventeen years one has to be cautiously optimistic to hazard a guess about the success of US-Taliban dialogue. Hopefully, Americans while making plans for troop withdrawal would take into account the long-term stability of Afghanistan and its neighbours, for a negligent approach could only encourage the extremists and spell disaster.

The writer is a former ambassador

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Will Brexit Bring Down Theresa May's Government? By Jonathan Hopkin

Brexit was always going to involve a tricky tradeoff between satisfying the political pressures at home to reduce immigration and diversify the United Kingdom's regulatory regime on the one hand, and facing the reality of life outside the European Union's markets for a country deeply embedded in them on the other. This tradeoff has been compounded by another: Theresa May's tenure as British prime minister has required her to navigate the tensions between Leavers and Remainers in her own parliamentary majority while negotiating with the European Union on the terms of Brexit. These various tensions have up to now been resolved by stalling. But the fast-approaching deadline for agreeing to the conditions for the United Kingdom's departure from the EU and to move to the transitional phase of Brexit means that real choices have to be made. These choices have placed a time bomb under the May government.

A TRADEOFF-FREE FANTASY

The unravelling of the May premiership began with the special cabinet meeting at the prime minister's country residence, Chequers, on July 6, a meeting which lasted through the weekend and produced an agreed Brexit White Paper. This document, which outlined the United Kingdom's formal proposal for its relationship with Europe after Brexit, emerged more than two years after the referendum, 14 months after May formally informed the EU of her country's intention to leave, and less than nine months before the official exit date next March. The White Paper proposes an awkward mix of high levels of integration in the European single market for goods, based on adherence to a "common rule book" in goods and a complex system of customs cooperation, alongside a greater British freedom to diverge in regulating services such as finance. May's hope was that this proposal could prove a realistic starting point for negotiations with Michel Barnier, the chief EU negotiator for Brexit, in the run-up to March.

Yet even before the document had been translated—awkwardly—into the EU's 22 other official languages, the political sands were giving way below the May government. The minister in charge of leaving the EU, David Davis, resigned immediately after the meeting, complaining that "the 'common rule book' policy hands control of large swaths of our economy to the EU and is certainly not

returning control of our laws in any real sense.” Days later, after some apparent hesitation, Foreign Minister Boris Johnson followed him out the door, lamenting May’s “fog of self-doubt” that he felt would mean a “semi-Brexit,” leaving the United Kingdom with the “status of a colony.” And from the backbenches of Parliament, Jacob Rees-Mogg, leader of the intensely Euroskeptic European Research Group faction of the Conservatives, dismissed May’s plan as “an unfortunate U-turn” and argued that the United Kingdom should be prepared to walk away from negotiations if the EU did not offer a better deal.

Meanwhile, in Brussels, Barnier poured cold water on the Chequers plan, expressing concerns about both the fairness of the British proposal for market access outside the EU regulatory framework and the bureaucratic and legal complexity of the British “maximum facilitation” plan for a shared customs space. Barnier also warned that just 13 weeks remain to find an agreement that protects Northern Ireland’s open border with the Irish Republic—the so-called “backstop”—so that the post-Brexit transitional period, which keeps the United Kingdom in the single market until a definitive trade deal can be negotiated, can be triggered on March 29, 2019. May’s carefully crafted negotiating position forced a split in her own government, only to be largely rejected by her European counterpart. Her weakness was compounded by desperately close votes in Parliament on the government’s trade bill, where only a combination of parliamentary chicanery and help from Labour rebels saved the prime minister from defeat on key amendments.

This close shave has brought a shift in tone, with the government now publishing alarming contingency plans for a “no deal” Brexit involving turning the M26 motorway into a temporary truck parking lot to cope with customs backlogs at Dover and using the army to ferry food and essential medicines around the country. All negotiations involve an element of bluff and brinksmanship. The supporters of the “no deal” approach—including, apparently, the new Brexit secretary, Dominic Raab, who this week argued that the United Kingdom should refuse to pay its “divorce bill” if Brussels did not offer a better deal—claim that the EU would meet British demands if only the government were courageous enough to threaten to walk away. But both the trading arithmetic and Europe’s legalistic approach to decision-making suggest otherwise. The IMF report published last week predicted a four percent hit to British GDP and a 0.5 percent hit to the EU27 under the no-deal scenario. These numbers give little reason for the EU to

blink first, even if it were possible to concede the United Kingdom's demands without blowing apart the Union's constitutional and regulatory framework.

So what do the no-dealers actually want? A small fringe genuinely appears to be pursuing a radical realignment of the United Kingdom's place in the global economy, either because of a romantic belief that the country can restore its imperial role in the world or because it is committed to extracting the City of London from the regulatory restraints imposed by Europe. But for others, "no deal" represents a dignified retreat from the fantasy that Brexit sold to the British electorate at the time of the 2016 referendum. During the campaign, Leavers promised that the United Kingdom could keep all the benefits of EU membership while freeing itself of the burdens: Johnson famously claimed to be "pro- having my cake and pro- eating it." But in the past two years, the European Union has shown no signs of wavering from its original, and logical, position: no market access for the United Kingdom unless it accepts all relevant EU rules and European Court of Justice oversight and protects the Irish peace agreement by resolving the border question. So for Leavers, the choice now is to either admit the tradeoff and the huge costs and risks of the Brexit project and reach an unsatisfactory compromise or to bail out of government and lambast the more pragmatic Theresa May for betraying the dream of a hard Brexit without consequences.

The defection of the hard Brexiters leaves May short of the votes she needs to pursue even the hybrid Brexit of the White Paper, which itself has little chance of being accepted by the EU27. Jeremy Corbyn's Labour Party, also riven by a deep internal divide over the issue and keen to face down a weakened May in a general election, is equally unwilling to throw the government a lifeline, even though the majority of Labour MPs would prefer a softer Brexit. The Democratic Unionists, whose votes provide May with her majority in Parliament, will not accept any Brexit deal that treats Northern Ireland differently from the rest of the United Kingdom, while the Irish government and the EU negotiators will not agree to any regulatory divergence between Dublin and Belfast.

The project that the electorate voted for, of access to the European market but with independence to set its own regulations, customs arrangements, and free trade agreements with the rest of the world, simply could never come to fruition.

The fate of the Brexit White Paper shows why the British government has taken so long to produce any detailed plan for Brexit: the project that the electorate voted for, of access to the European market but with independence to set its own regulations, customs arrangements, and free trade agreements with the rest of the world, simply could never come to fruition. By drawing the red lines of departure from the single market and customs union early on in her premiership, May won the temporary support of the hard Brexiters but made a Brexit acceptable to the British business community and the majority of Parliament and the public impossible. She has occupied 10 Downing Street for two years by promising a Brexit without tradeoffs, but as the deadline for agreement approaches, she has had to choose. With choice comes division, as the Brexit coalition fundamentally disagrees about which point of the tradeoff between sovereignty and economics the United Kingdom should be aiming for.

WILL MAY STAY?

Yet May could still survive. The paralysis of negotiations may suit her internal rivals and the opposition but could also leave the United Kingdom facing a cliff-edge Brexit in the spring of 2019, with planes grounded, customs posts overwhelmed, and supermarket shelves empty. May's internal opponents can blame all problems on the failure to make Brexit hard enough from the comfort of the backbenches, but they too fear the collapse of the government, for two reasons. First, they have neither the numbers nor the credibility to take over the process themselves. Second, the chief beneficiary of a government collapse could be Corbyn's Labour party, currently edging ahead in the polls. Forced to choose between an ignominious retreat from hard Brexit or the risk of an exasperated public voting for the most left-wing government in British history, it may be the Brexiters who blink first.

Source: <https://www.foreignaffairs.com/articles/united-kingdom/2018-07-24/will-brexiteer-bring-down-theresa-mays-government?cid=int-fnd&pgtype=hpg>

How a World Order Ends By Richard Haass

A stable world order is a rare thing. When one does arise, it tends to come after a great convulsion that creates both the conditions and the desire for something new. It requires a stable distribution of power and broad acceptance of the rules that govern the conduct of international relations. It also needs skillful statecraft, since an order is made, not born. And no matter how ripe the starting conditions or strong the initial desire, maintaining it demands creative diplomacy, functioning institutions, and effective action to adjust it when circumstances change and buttress it when challenges come.

Eventually, inevitably, even the best-managed order comes to an end. The balance of power underpinning it becomes imbalanced. The institutions supporting it fail to adapt to new conditions. Some countries fall, and others rise, the result of changing capacities, faltering wills, and growing ambitions. Those responsible for upholding the order make mistakes both in what they choose to do and in what they choose not to do.

But if the end of every order is inevitable, the timing and the manner of its ending are not. Nor is what comes in its wake. Orders tend to expire in a prolonged deterioration rather than a sudden collapse. And just as maintaining the order depends on effective statecraft and effective action, good policy and proactive diplomacy can help determine how that deterioration unfolds and what it brings. Yet for that to happen, something else must come first: recognition that the old order is never coming back and that efforts to resurrect it will be in vain. As with any ending, acceptance must come before one can move on.

In the search for parallels to today's world, scholars and practitioners have looked as far afield as ancient Greece, where the rise of a new power resulted in war between Athens and Sparta, and the period after World War I, when an isolationist United States and much of Europe sat on their hands as Germany and Japan ignored agreements and invaded their neighbors. But the more illuminating parallel to the present is the Concert of Europe in the nineteenth century, the most important and successful effort to build and sustain world order until our own time. From 1815 until the outbreak of World War I a century later, the order established at the Congress of Vienna defined many international

relationships and set (even if it often failed to enforce) basic rules for international conduct. It provides a model of how to collectively manage security in a multipolar world.

That order's demise and what followed offer instructive lessons for today—and an urgent warning. Just because an order is in irreversible decline does not mean that chaos or calamity is inevitable. But if the deterioration is managed poorly, catastrophe could well follow.

OUT OF THE ASHES

The global order of the second half of the twentieth century and the first part of the twenty-first grew out of the wreckage of two world wars. The nineteenth-century order followed an earlier international convulsion: the Napoleonic Wars, which, after the French Revolution and the rise of Napoleon Bonaparte, ravaged Europe for more than a decade. After defeating Napoleon and his armies, the victorious allies—Austria, Prussia, Russia, and the United Kingdom, the great powers of their day—came together in Vienna in 1814 and 1815. At the Congress of Vienna, they set out to ensure that France's military never again threatened their states and that revolutionary movements never again threatened their monarchies. The victorious powers also made the wise choice to integrate a defeated France, a course very different from the one taken with Germany following World War I and somewhat different from the one chosen with Russia in the wake of the Cold War.

The congress yielded a system known as the Concert of Europe. Although centered in Europe, it constituted the international order of its day given the dominant position of Europe and Europeans in the world. There was a set of shared understandings about relations between states, above all an agreement to rule out invasion of another country or involvement in the internal affairs of another without its permission. A rough military balance dissuaded any state tempted to overthrow the order from trying in the first place (and prevented any state that did try from succeeding). Foreign ministers met (at what came to be called “congresses”) whenever a major issue arose. The concert was conservative in every sense of the word. The Treaty of Vienna had made numerous territorial adjustments and then locked Europe's borders into place, allowing changes only if all signatories agreed. It also did what it could to back

monarchies and encourage others to come to their aid (as France did in Spain in 1823) when they were threatened by popular revolt.

The concert worked not because there was complete agreement among the great powers on every point but because each state had its own reasons for supporting the overall system. Austria was most concerned with resisting the forces of liberalism, which threatened the ruling monarchy. The United Kingdom was focused on staving off a renewed challenge from France while also guarding against a potential threat from Russia (which meant not weakening France so much that it couldn't help offset the threat from Russia). But there was enough overlap in interests and consensus on first-order questions that the concert prevented war between the major powers of the day.

The concert technically lasted a century, until the eve of World War I. But it had ceased to play a meaningful role long before then. The revolutionary waves that swept Europe in 1830 and 1848 revealed the limits of what members would do to maintain the existing order within states in the face of public pressure. Then, more consequentially, came the Crimean War. Ostensibly fought over the fate of Christians living within the Ottoman Empire, in actuality it was much more about who would control territory as that empire decayed. The conflict pitted France, the United Kingdom, and the Ottoman Empire against Russia. It lasted two and a half years, from 1853 to 1856. It was a costly war that highlighted the limits of the concert's ability to prevent great-power war; the great-power comity that had made the concert possible no longer existed. Subsequent wars between Austria and Prussia and Prussia and France demonstrated that major-power conflict had returned to the heart of Europe after a long hiatus. Matters seemed to stabilize for a time after that, but this was an illusion. Beneath the surface, German power was rising and empires were rotting. The combination set the stage for World War I and the end of what had been the concert.

WHAT AILS THE ORDER?

What lessons can be drawn from this history? As much as anything else, the rise and fall of major powers determines the viability of the prevailing order, since changes in economic strength, political cohesion, and military power shape what states can and are willing to do beyond their borders. Over the second half of the nineteenth century and the start of the twentieth, a powerful, unified Germany and a modern Japan rose, the Ottoman Empire and tsarist Russia declined, and

France and the United Kingdom grew stronger but not strong enough. Those changes upended the balance of power that had been the concert's foundation; Germany, in particular, came to view the status quo as inconsistent with its interests.

Changes in the technological and political context also affected that underlying balance. Under the concert, popular demands for democratic participation and surges of nationalism threatened the status quo within countries, while new forms of transportation, communication, and armaments transformed politics, economics, and warfare. The conditions that helped give rise to the concert were gradually undone.

Because orders tend to end with a whimper rather than a bang, the process of deterioration is often not evident to decision-makers until it has advanced considerably.

Yet it would be overly deterministic to attribute history to underlying conditions alone. Statecraft still matters. That the concert came into existence and lasted as long as it did underscores that people make a difference. The diplomats who crafted it—Metternich of Austria, Talleyrand of France, Castlereagh of the United Kingdom—were exceptional. The fact that the concert preserved peace despite the gap between two relatively liberal countries, France and the United Kingdom, and their more conservative partners shows that countries with different political systems and preferences can work together to maintain international order. Little that turns out to be good or bad in history is inevitable. The Crimean War might well have been avoided if more capable and careful leaders had been on the scene. It is far from clear that Russian actions warranted a military response by France and the United Kingdom of the nature and on the scale that took place. That the countries did what they did also underscores the power and dangers of nationalism. World War I broke out in no small part because the successors to German Chancellor Otto von Bismarck were unable to discipline the power of the modern German state he did so much to bring about.

Two other lessons stand out. First, it is not just core issues that can cause an order to deteriorate. The concert's great-power comity ended not because of disagreements over the social and political order within Europe but because of competition on the periphery. And second, because orders tend to end with a whimper rather than a bang, the process of deterioration is often not evident to

decision-makers until it has advanced considerably. By the outbreak of World War I, when it became obvious that the Concert of Europe no longer held, it was far too late to save it—or even to manage its dissolution.

A TALE OF TWO ORDERS

The global order built in the aftermath of World War II consisted of two parallel orders for most of its history. One grew out of the Cold War between the United States and the Soviet Union. At its core was a rough balance of military strength in Europe and Asia, backed up by nuclear deterrence. The two sides showed a degree of restraint in their rivalry. “Rollback”—Cold War parlance for what today is called “regime change”—was rejected as both infeasible and reckless. Both sides followed informal rules of the road that included a healthy respect for each other’s backyards and allies. Ultimately, they reached an understanding over the political order within Europe, the principal arena of Cold War competition, and in 1975 codified that mutual understanding in the Helsinki Accords. Even in a divided world, the two power centers agreed on how the competition would be waged; theirs was an order based on means rather than ends. That there were only two power centers made reaching such an agreement easier.

The other post–World War II order was the liberal order that operated alongside the Cold War order. Democracies were the main participants in this effort, which used aid and trade to strengthen ties and fostered respect for the rule of law both within and between countries. The economic dimension of this order was designed to bring about a world (or, more accurately, the non-communist half of it) defined by trade, development, and well-functioning monetary operations. Free trade would be an engine of economic growth and bind countries together so that war would be deemed too costly to wage; the dollar was accepted as the de facto global currency.

The diplomatic dimension of the order gave prominence to the UN. The idea was that a standing global forum could prevent or resolve international disputes. The UN Security Council, with five great-power permanent members and additional seats for a rotating membership, would orchestrate international relations. Yet the order depended just as much on the willingness of the noncommunist world (and U.S. allies in particular) to accept American primacy. As it turns out, they were prepared to do this, as the United States was more often than not viewed

as a relatively benign hegemon, one admired as much for what it was at home as for what it did abroad.

Both of these orders served the interests of the United States. The core peace was maintained in both Europe and Asia at a price that a growing U.S. economy could easily afford. Increased international trade and opportunities for investment contributed to U.S. economic growth. Over time, more countries joined the ranks of the democracies. Neither order reflected a perfect consensus; rather, each offered enough agreement so that it was not directly challenged. Where U.S. foreign policy got into trouble—such as in Vietnam and Iraq—it was not because of alliance commitments or considerations of order but because of ill-advised decisions to prosecute costly wars of choice.

SIGNS OF DECAY

Today, both orders have deteriorated. Although the Cold War itself ended long ago, the order it created came apart in a more piecemeal fashion—in part because Western efforts to integrate Russia into the liberal world order achieved little. One sign of the Cold War order's deterioration was Saddam Hussein's 1990 invasion of Kuwait, something Moscow likely would have prevented in previous years on the grounds that it was too risky. Although nuclear deterrence still holds, some of the arms control agreements buttressing it have been broken, and others are fraying.

Although Russia has avoided any direct military challenge to NATO, it has nonetheless shown a growing willingness to disrupt the status quo: through its use of force in Georgia in 2008 and Ukraine since 2014, its often indiscriminate military intervention in Syria, and its aggressive use of cyberwarfare to attempt to affect political outcomes in the United States and Europe. All of these represent a rejection of the principal constraints associated with the old order. From a Russian perspective, the same might be said of NATO enlargement, an initiative clearly at odds with Winston Churchill's dictum "In victory, magnanimity." Russia also judged the 2003 Iraq war and the 2011 NATO military intervention in Libya, which was undertaken in the name of humanitarianism but quickly evolved into regime change, as acts of bad faith and illegality inconsistent with notions of world order as it understood them.

The liberal order is exhibiting its own signs of deterioration. Authoritarianism is on the rise not just in the obvious places, such as China and Russia, but also in the Philippines, Turkey, and eastern Europe. Global trade has grown, but recent rounds of trade talks have ended without agreement, and the World Trade Organization (WTO) has proved unable to deal with today's most pressing challenges, including nontariff barriers and the theft of intellectual property. Resentment over the United States' exploitation of the dollar to impose sanctions is growing, as is concern over the country's accumulation of debt.

The UN Security Council is of little relevance to most of the world's conflicts, and international arrangements have failed more broadly to contend with the challenges associated with globalization. The composition of the Security Council bears less and less resemblance to the real distribution of power. The world has put itself on the record as against genocide and has asserted a right to intervene when governments fail to live up to the "responsibility to protect" their citizens, but the talk has not translated into action. The Nuclear Nonproliferation Treaty allows only five states to have nuclear weapons, but there are now nine that do (and many others that could follow suit if they chose to). The EU, by far the most significant regional arrangement, is struggling with Brexit and disputes over migration and sovereignty. And around the world, countries are increasingly resisting U.S. primacy.

POWER SHIFTS

Why is all this happening? It is instructive to look back to the gradual demise of the Concert of Europe. Today's world order has struggled to cope with power shifts: China's rise, the appearance of several medium powers (Iran and North Korea, in particular) that reject important aspects of the order, and the emergence of nonstate actors (from drug cartels to terrorist networks) that can pose a serious threat to order within and between states.

The technological and political context has changed in important ways, too. Globalization has had destabilizing effects, ranging from climate change to the spread of technology into far more hands than ever before, including a range of groups and people intent on disrupting the order. Nationalism and populism have surged—the result of greater inequality within countries, the dislocation associated with the 2008 financial crisis, job losses caused by trade and

technology, increased flows of migrants and refugees, and the power of social media to spread hate.

Meanwhile, effective statecraft is conspicuously lacking. Institutions have failed to adapt. No one today would design a UN Security Council that looked like the current one; yet real reform is impossible, since those who would lose influence block any changes. Efforts to build effective frameworks to deal with the challenges of globalization, including climate change and cyberattacks, have come up short. Mistakes within the EU—namely, the decisions to establish a common currency without creating a common fiscal policy or a banking union and to permit nearly unlimited immigration to Germany—have created a powerful backlash against existing governments, open borders, and the EU itself.

The United States, for its part, has committed costly overreach in trying to remake Afghanistan, invading Iraq, and pursuing regime change in Libya. But it has also taken a step back from maintaining global order and in certain cases has been guilty of costly underreach. In most instances, U.S. reluctance to act has come not over core issues but over peripheral ones that leaders wrote off as not worth the costs involved, such as the strife in Syria, where the United States failed to respond meaningfully when Syria first used chemical weapons or to do more to help anti-regime groups. This reluctance has increased others' propensity to disregard U.S. concerns and act independently. The Saudi-led military intervention in Yemen is a case in point. Russian actions in Syria and Ukraine should also be seen in this light; it is interesting that Crimea marked the effective end of the Concert of Europe and signaled a dramatic setback in the current order. Doubts about U.S. reliability have multiplied under the Trump administration, thanks to its withdrawal from numerous international pacts and its conditional approach to once inviolable U.S. alliance commitments in Europe and Asia.

MANAGING THE DETERIORATION

Given these changes, resurrecting the old order will be impossible. It would also be insufficient, thanks to the emergence of new challenges. Once this is acknowledged, the long deterioration of the Concert of Europe should serve as a lesson and a warning.

For the United States to heed that warning would mean strengthening certain aspects of the old order and supplementing them with measures that account for changing power dynamics and new global problems. The United States would have to shore up arms control and nonproliferation agreements; strengthen its alliances in Europe and Asia; bolster weak states that cannot contend with terrorists, cartels, and gangs; and counter authoritarian powers' interference in the democratic process. Yet it should not give up trying to integrate China and Russia into regional and global aspects of the order. Such efforts will necessarily involve a mix of compromise, incentives, and pushback. The judgment that attempts to integrate China and Russia have mostly failed should not be grounds for rejecting future efforts, as the course of the twenty-first century will in no small part reflect how those efforts fare.

The United States also needs to reach out to others to address problems of globalization, especially climate change, trade, and cyber-operations. These will require not resurrecting the old order but building a new one. Efforts to limit, and adapt to, climate change need to be more ambitious. The WTO must be amended to address the sorts of issues raised by China's appropriation of technology, provision of subsidies to domestic firms, and use of nontariff barriers to trade. Rules of the road are needed to regulate cyberspace. Together, this is tantamount to a call for a modern-day concert. Such a call is ambitious but necessary.

The United States must show restraint and recapture a degree of respect in order to regain its reputation as a benign actor. This will require some sharp departures from the way U.S. foreign policy has been practiced in recent years: to start, no longer carelessly invading other countries and no longer weaponizing U.S. economic policy through the overuse of sanctions and tariffs. But more than anything else, the current reflexive opposition to multilateralism needs to be rethought. It is one thing for a world order to unravel slowly; it is quite another for the country that had a large hand in building it to take the lead in dismantling it.

All of this also requires that the United States get its own house in order—reducing government debt, rebuilding infrastructure, improving public education, investing more in the social safety net, adopting a smart immigration system that allows talented foreigners to come and stay, tackling political dysfunction by making it less difficult to vote, and undoing gerrymandering. The United States

cannot effectively promote order abroad if it is divided at home, distracted by domestic problems, and lacking in resources.

The major alternatives to a modernized world order supported by the United States appear unlikely, unappealing, or both. A Chinese-led order, for example, would be an illiberal one, characterized by authoritarian domestic political systems and statist economies that place a premium on maintaining domestic stability. There would be a return to spheres of influence, with China attempting to dominate its region, likely resulting in clashes with other regional powers, such as India, Japan, and Vietnam, which would probably build up their conventional or even nuclear forces.

A new democratic, rules-based order fashioned and led by medium powers in Europe and Asia, as well as Canada, however attractive a concept, would simply lack the military capacity and domestic political will to get very far. A more likely alternative is a world with little order—a world of deeper disarray. Protectionism, nationalism, and populism would gain, and democracy would lose. Conflict within and across borders would become more common, and rivalry between great powers would increase. Cooperation on global challenges would be all but precluded. If this picture sounds familiar, that is because it increasingly corresponds to the world of today.

The deterioration of a world order can set in motion trends that spell catastrophe. World War I broke out some 60 years after the Concert of Europe had for all intents and purposes broken down in Crimea. What we are seeing today resembles the mid-nineteenth century in important ways: the post–World War II, post–Cold War order cannot be restored, but the world is not yet on the edge of a systemic crisis. Now is the time to make sure one never materializes, be it from a breakdown in U.S.-Chinese relations, a clash with Russia, a conflagration in the Middle East, or the cumulative effects of climate change. The good news is that it is far from inevitable that the world will eventually arrive at a catastrophe; the bad news is that it is far from certain that it will not.

Source: <https://www.foreignaffairs.com/articles/2018-12-11/how-world-order-ends?cid=int-nbb&pgtype=hpg>

Setback for Modi | Editorial

AHEAD of next year's general election, Indian ruling Bharatiya Janata Party lost key state elections in some of its strongholds of Rajasthan, Madhya Pradesh and Chhattisgarh. The results are seen as a clear setback to the incumbent Prime Minister Narendra Modi under whose command, the country has only seen rising tide of extremism and intolerance especially against the Muslims and Christians. Even the rhetoric against Pakistan did not help Modi to secure his strongholds.

The Indian analysts themselves see the latest contest at the state level between Congress and the BJP as a semi-final to the general election due by May next year. As the poll results show that the Congress has emphatically displaced the BJP, it indicates that the people in important states have totally rejected the internal and external policies of their Prime Minister Modi. As regards internal policies, Narendra Modi's grandiose promises – especially to create more jobs and increase incomes of farmers – have begun to bite. A lack of jobs and farmer distress could also be the crucial issues at next year's national election. According to analysts, the reason behind the Congress victory is the people feel that there is a lack of development in most parts of the country despite 15 years of the BJP governing there. So much disappointed were the people from the Modi junta that the spitting of venom against Pakistan by the BJP leaders did not help the Party secure sufficient votes to outclass the Congress. In this backdrop, it is advisable for Modi to revisit his policies be it regarding to its people or the neighbouring countries as the recent elections have proved that the saner elements in India are more concerned about their development than Pakistan bashing. Rather the Indian people want to have peaceful and cordial relations with the neighbouring country. Pakistan has always expressed readiness to hold dialogue with India and incumbent Prime Minister Imran Khan has repeatedly offered the Indian side to come to the table of negotiations. It is only through sitting together the two countries can resolve their outstanding disputes and then focus their energies on the people's welfare and alleviation of poverty. Instead of spending billions of dollars on weapons build-up, the most prudent path for Modi would have been to divert these resources to bring improvement in the living standards of the people. This is how he can win the hearts and minds of the people.

Source: <https://pakobserver.net/setback-for-modi/>

The Korean Connectivity By Dr. Ahmad Rashid Malik

The basic purpose of Ri Yonh-ho visit to Beijing was to seek Beijing's advice on resolving nuclear issues with Washington. He arrived in Beijing on 6 November on a four-day visit. He will discuss North Korea summit with the United States and the visit of North Korea by China's leaders. Ri also will meet with Chinese President Xi Jinping. China's advice seems to be more important to understand North Korean relations with the United States and South Korea. From these points of view, North Korean ties are more important. Kim has been on China's visit since 2018 and Belt and Road Initiative (BRI) in connection with the railway connection is an important issue to be discussed between Ri and Xi.

North Korea is learning the method of negotiations from Vietnam. Now North Korea is also learning economic development rather than focusing solely on the nuclear issue. There are UN-led sanctions on North Korea and there is a need to remove them. Other members of the UN are also important to help remove sanctions on North Korea, and this will bring more fruit to denuclearisation and economic development.

At the G-20 Summit, it was decided to pursue a nuclear free North Korea. US President Donald Trump has shown respect for President Kim Jong Un's view on denuclearisation. The understanding between the United States and China will further enhance understanding on North Korea and bring down many other issues. Despite slow progress, denuclearisation of North Korea is strongly on the cards and many things have been moving around.

President Trump and Kim have been forging a relationship that is essential to diffuse tension on the Korean Peninsula. So far things have proved good and moving. South Korean President Moon Jae-in has led specific efforts for improving military and security ties with his northern neighbour. This optimism looks good.

There is more understanding achieved between South and North Korea. The South's optimism is more on the way than anything else. As long as relations are good between the two, nothing negative could harm these relations. The second

summit level meeting between South and North Korea could further inject more understanding in resolving these issues. Pyongyang denuclearisation is gaining international approval and many countries have endorsed such an option. The logjam is likely to disappear.

The North and South Korea have been moving closer to a rail agreement as well. This agreement has been agreed between Kim and South Korean President Moon Jae-in. Both countries want to end the war-type situation and move closer. It will be the first time since 2007 a train from the South will enter North Korea. This will be considered the most positive post-negotiation settlement between the two Koreas and reconcile them. During a speech last year, he promised that the “severed inter-Korean railway will be connected again,” adding that one day, “a train departing from Busan and Mokpo will run through Pyongyang and Beijing, and head towards Russia and Europe.”

Hope that both sides will take this project positively. Beijing is likely to provide all kinds of help necessary for the railway connectivity between the two countries. In spite of challenges, Chinese help greatly matters. In future this railways connection will go beyond China, Mongolia and Russia. This route will be more convenient than air and sea cargo between these countries. This will turn the Korean Peninsula situation more pragmatic than anything else.

A set-up similar to the Belt and Road connectivity could be achieved if this project gets through. With increasing technology from China, this project is likely to gain significance in the years to come. More regional integration is likely to be achieved through this project. As a matter of fact, this project has the potential to lift much of passenger and cargo in the region.

South Korea sent a rail into North Korea for the first time in a decade. Under the plan, South Korea wants to set up train link by the end of the year. Once sanctions are lifted, the rail link would become a symbolic gesture of friendship between the two Koreas. Once connected, this will put a new confidence in their mutual relations.

The success of the train would depend on the determination of President Moon, The blockade of North Korean nuclear program and the missile program would be the starting point in running the train between the two countries by providing a

faster route to China and Eurasia. This Asian connectivity will be a turning point; to connect this part of Asia with Europe could bring many dividends.

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Source: <https://nation.com.pk/09-Dec-2018/the-korean-connectivity-dr-ahmad-rashid-malik>

10 Conflicts to Watch in 2018 (From North Korea to Venezuela) By Robert Malley

It's not all about Donald Trump.

That's a statement more easily written than believed, given the U.S. president's erratic comportment on the world stage — his tweets and taunts, his cavalier disregard of international accords, his readiness to undercut his own diplomats, his odd choice of foes, and his even odder choice of friends. And yet, a more inward-looking United States and a greater international diffusion of power, increasingly militarized foreign policy, and shrinking space for multilateralism and diplomacy are features of the international order that predate the current occupant of the White House and look set to outlast him.

The first trend — U.S. retrenchment — has been in the making for years, hastened by the 2003 Iraq War that, intended to showcase American power, did more to demonstrate its limitations. Overreach abroad, fatigue at home, and a natural rebalancing after the relatively brief period of largely uncontested U.S. supremacy in the 1990s mean the decline was likely inevitable. Trump's signature "America First" slogan harbors a toxic nativist, exclusionary, and intolerant worldview. His failure to appreciate the value of alliances to U.S. interests and his occasional disparagement of traditional partners is particularly self-defeating. His lamentations about the cost of U.S. overseas intervention lack any introspection regarding the price paid by peoples subjected to that intervention, focusing solely on that paid by those perpetrating it. But one ought not forget that Sen. Bernie Sanders (I-Vt.) in the same election season, and Barack Obama, as a candidate in the preceding ones, both rejected foreign entanglements and belittled nation building. Trump wasn't shaping the public mood. He was reflecting it.

The retrenchment is a matter of degree, of course, given the approximately 200,000 active-duty U.S. troops deployed worldwide. But in terms of ability to manipulate or mold events around the globe, U.S. influence has been waning as power spreads to the east and south, creating a more multipolar world in which armed nonstate actors are playing a much larger role.

The second trend, the growing militarization of foreign policy, also represents continuity as much as departure. Trump exhibits a taste for generals and disdain for diplomats; his secretary of state has an even more curious penchant to dismember the institution from which he derives his power. But they are magnifying a wider and older pattern. The space for diplomacy was shrinking long before Trump's administration took an ax to the State Department. Throughout conflict zones, leaders increasingly appear prone to fight more than to talk — and to fight by violating international norms rather than respecting them.

This owes much to how the rhetoric of counterterrorism has come to dominate foreign policy in theory and in practice. It has given license to governments to first label their armed opponents as terrorists and then treat them as such. Over a decade of intensive Western military operations has contributed to a more permissive environment for the use of force. Many recent conflicts have involved valuable geopolitical real estate, escalating regional and major power rivalries, more outside involvement in conflicts, and the fragmentation and proliferation of armed groups. There is more to play for, more players in the game, and less overlap among their core interests. All of these developments present obstacles to negotiated settlements.

The third trend is the erosion of multilateralism. Whereas former President Obama sought (with mixed success) to manage and cushion America's relative decline by bolstering international agreements — such as trade deals, the Paris climate accord, and the Iran nuclear negotiations — President Trump recoils from all that. Where Obama opted for burden-sharing, Trump's instinct is for burden-shedding.

Even this dynamic, however, has deeper roots. On matters of international peace and security in particular, multilateralism has been manhandled for years. Animosity between Russia and Western powers has rendered the United Nations Security Council impotent on major conflicts since at least the 2011 Libya intervention; that animosity now infects debates on most crises on the council's agenda. Trump is not the only leader emphasizing bilateral arrangements and ad hoc alliances above multilateral diplomacy and intergovernmental institutions.

Then again, much of it is about Trump, inescapably.

The most ominous threats in 2018 — nuclear war on the Korean Peninsula and a spiraling confrontation pitting the United States and its allies against Iran — could both be aggravated by Trump's actions, inactions, and idiosyncrasies. U.S. demands (in the North Korean case, denuclearization; in Iran's, unilateral renegotiation of the nuclear deal or Tehran's regional retreat) are unrealistic without serious diplomatic engagement or reciprocal concessions. In the former, Washington could face the prospect of provoking a nuclear war in order to avoid one, and in the latter, there is the possibility of jeopardizing a nuclear deal that is succeeding for the sake of a confrontation with Iran that almost certainly will not.

(A third potential flashpoint that didn't make it into our top 10 — because it came so late and was so unexpected and gratuitous — is the Jerusalem powder keg. At the time of writing, it has not yet exploded, perhaps because when one is as hopeless as the Palestinians there is little hope left to be dashed. Still, the Trump administration's decision to recognize Jerusalem as the capital of Israel for purely domestic political reasons, with no conceivable foreign-policy gain and a risk of explosion, must rank as a prime example of diplomatic malpractice.)

As with all trends, there are countervailing ones often propelled by discomfort that the dominant trends provoke. Europeans are defending the Iranian nuclear deal and may end up deepening their own common security and strategic independence, President Emmanuel Macron is testing the reach of French diplomacy, and international consensus on action against climate change has held. Perhaps African states, already leading efforts to manage crises on the continent, will step up in the Democratic Republic of the Congo or another of the continent's major conflicts. Perhaps they or another assortment of actors could make the case for more engagement and dialogue and for defusing crises rather than exacerbating them.

These may seem slender reeds on which to rest our hopes. But, as the following list of the International Crisis Group's top 10 conflicts to watch in 2018 unhappily illustrates, and for now at least, they may well be the only reeds we have.

1) NORTH KOREA

North Korea's nuclear and missile testing coupled with the White House's bellicose rhetoric make the threat of war on the Korean Peninsula — even a

catastrophic nuclear confrontation — higher now than at any time in recent history. Pyongyang's sixth nuclear test in September 2017 and the increasing range of its missiles clearly demonstrate its determination to advance its nuclear program and intercontinental strike capability. From the United States, meanwhile, comes careless saber-rattling and confusing signals about diplomacy.

Kim Jong Un's push for nuclear arms is driven partly by fear that without such deterrence he risks being deposed by outside powers and partly by perceived threats inside North Korea, notably elite rivalries, the tightly managed but still unpredictable impact of economic reform, and his difficulty in controlling information flow — including from foreign media channels.

The aggressive tone from Washington reflects equal urgency in the opposite direction. At least some senior officials believe North Korea must be prevented at all costs from advancing its nuclear program, in particular from being able to strike the continental United States with a missile carrying a nuclear payload. After crossing that threshold, they believe, Kim Jong Un will conclude that he can deter Washington from protecting its allies and thus impose demands — from lifting trade restrictions to expelling U.S. troops, all the way to Korean reunification on his terms. Those same officials appear convinced that he can be dissuaded from retaliating in the event of limited, targeted military action.

For now, the United States is implementing a “maximum pressure strategy”: corraling the Security Council into tougher sanctions, pressing China to do more to strangle its neighbor's economy, conducting large Air Force and Navy drills, and signaling directly or through congressional allies that it does not fear military confrontation. Despite conflicting messages from Secretary of State Rex Tillerson, the Trump administration is making clear that it is not interested in talks whose goal would be anything short of North Korea's denuclearization, an objective as worthy as it is delusional. As the White House sees it, the approach is working: U.S. military action is no longer unimaginable for either North Korea or China. It hopes the former will be compelled to back down and the latter will get them there.

But this approach means a race against time — with Washington almost certainly on the losing side. Restrictive measures will not bite immediately, and they will

bite the North Korean leadership last; ordinary citizens will suffer sooner and worse. Feeling threatened, Pyongyang is more likely to accelerate weapons development than halt or slow it. Both China and South Korea support tighter sanctions and are as frustrated with Pyongyang as they are alarmed by the prospect of U.S. military action. But South Korea has little power to alter the situation, China's willingness to pressure North Korea may be reaching its limit, and its influence over a fiercely independent neighbor resentful of its reliance on Beijing is easily overstated. While Chinese President Xi Jinping fears the prospect of war on the peninsula bringing chaos, a possibly U.S.-aligned regime, and U.S. troops to his doorstep, he also fears that squeezing Pyongyang could precipitate turmoil that could spill over into China.

Without a viable diplomatic off-ramp, Washington risks cornering itself into military action. Even a precisely targeted attack would likely provoke a North Korean response. While Pyongyang would think twice before initiating a conventional strike on Seoul, it could take other steps: an attack on a soft South Korean target; an asymmetric strike against U.S. assets on or around the peninsula; or crippling cyberattacks. These might not immediately trigger regional conflict, but they would provoke an unpredictable escalation.

A successful diplomatic initiative ultimately will need to address two competing preoccupations: U.S. and wider international fears of what the Pyongyang regime would do with an advanced nuclear capacity, and the regime's fear of what might happen to it without one. The U.S. government should marry its sanctions and those of the U.N. to a clear and realistic political goal. An incremental solution could include pauses on North Korean testing of its missile system or weapons, before Pyongyang crosses what the White House sees as a red line; the United States agreeing to less provocative military exercises; and consensus on humanitarian support even as sanctions kick in. That might not satisfy anyone. But at least it would provide the space needed to explore a more durable resolution.

2)U.S.-SAUDI-IRAN RIVALRY

This rivalry will likely eclipse other Middle Eastern fault lines in 2018. It is enabled and exacerbated by three parallel developments: the consolidation of the authority of Mohammed bin Salman, Saudi Arabia's assertive crown prince; the

Trump administration's more aggressive strategy toward Iran; and the end of the Islamic State's territorial control in Iraq and Syria, which allows Washington and Riyadh to aim the spotlight more firmly on Iran.

The contours of a U.S./Saudi strategy (with an important Israeli assist) are becoming clear. It is based on an overriding assumption that Iran has exploited passive regional and international actors to bolster its position in Syria, Iraq, Yemen, and Lebanon. Washington and Riyadh seek to re-establish a sense of deterrence by convincing Tehran that it will pay at least as high a price for its actions as it can inflict on its adversaries.

The strategy seems to involve multiple forms of pressure to contain, squeeze, exhaust, and ultimately push back Iran. It has an economic dimension (via U.S. sanctions); a diplomatic one (witness vocal U.S. and Saudi denunciations of Iran's regional behavior and Riyadh's ham-handed attempt to force Lebanese Prime Minister Saad Hariri's resignation); and a military one (so far exerted principally by Saudi Arabia in Yemen and by Israel in Syria).

Whether it will work is another question. Although recent protests in Iran have introduced a new and unpredictable variable, Tehran and its partners still appear to be in a strong position. The Bashar al-Assad regime, backed by Russian air power, is prevailing in Syria. Across Iraq, Iran-linked Shiite militias are entrenching themselves in state institutions. In Yemen, Tehran's relatively small investment in backing the Houthis has helped them weather the Saudi-led campaign and even launch missiles of unprecedented range and accuracy into Saudi territory.

Despite demonstrating its resolve to confront Iran and its partners, Riyadh has been unable to alter the balance of power. Forcing Hariri's resignation backfired, not just because he later withdrew it, but also because all of Lebanon united against the move and Hariri then inched closer to Lebanese President Michel Aoun and Hezbollah. In Yemen, Riyadh turned the Houthis and former President Ali Abdullah Saleh against each other, but in doing so further fragmented the country and complicated the search for a settlement and a face-saving Saudi exit from a war that is enormously costly not only to Yemenis but also to Riyadh's international standing. The Trump administration confronts similar obstacles. Thus far its belligerence, refusal to certify the nuclear deal, threats of new

sanctions, and launching of several strikes at and near regime targets in Syria have done little to reverse Tehran's reach.

With so many flashpoints, and so little diplomacy, the risk of an escalatory cycle is great: Any move — new U.S. sanctions that Iran would see as violating the nuclear deal; a Houthi missile strike hitting Riyadh or Abu Dhabi, for which Washington and Riyadh would hold Tehran responsible; or an Israeli strike in Syria that kills Iranians — could trigger a broader confrontation.

3) THE ROHINGYA CRISIS: MYANMAR AND BANGLADESH

Myanmar's Rohingya crisis has entered a dangerous new phase, threatening Myanmar's hard-won democratic transition, its stability, and that of Bangladesh and the region as a whole.

An August attack by the Arakan Rohingya Salvation Army (ARSA), a militant group in Myanmar's Rakhine state, prompted a brutal and indiscriminate military response targeting the long-mistreated Muslim Rohingya community. That assault led to a massive refugee exodus, with at least 655,000 Rohingya fleeing for Bangladesh. The U.N. called the operation a "textbook example" of ethnic cleansing. The government has heavily restricted humanitarian aid to the area, and international goodwill toward Aung San Suu Kyi, Myanmar's Nobel Peace Prize-winning state counsellor, has dissipated. Her government retains its hard-line stance toward the Rohingya and resists concessions on even immediate humanitarian issues. In this, it has the support of the population, which has embraced the Buddhist nationalist and anti-Rohingya rhetoric disseminated through state and social media.

Pressure from the U.N. Security Council is critical, and Western governments are moving toward targeted sanctions, which are a key signal that such actions cannot go unpunished. Unfortunately, these sanctions are unlikely to have a significant positive impact on Myanmar's policies. The focus is rightly on the right of refugees to return in a voluntary, safe and, dignified manner. In reality, however, and notwithstanding a late-November Bangladesh/Myanmar repatriation agreement, the refugees will not return unless Myanmar restores security for all communities, grants the Rohingya freedom of movement as well

as access to services and other rights, and allows humanitarian and refugee agencies unfettered access.

While publicly, Bangladesh's government is trying to persuade Myanmar to take the refugees back, privately it acknowledges the hopelessness of that endeavor. It has neither defined policies nor taken operational decisions on how to manage more than a million Rohingya in its southeast, along the Myanmar border, in the medium- to long-term. International funding for an under-resourced emergency operation will run out in February. All this — indeed, the very presence of a large population of stateless refugees — creates enormous dangers for Bangladesh. Conflict between refugees and a host community that is heavily outnumbered in parts of the southeast and faces rising prices and falling wages is an immediate risk. The refugees' presence also could be used to stoke communal conflict or aggravate political divisions ahead of elections expected in late 2018.

There are risks, too, for Myanmar. ARSA could regroup. It or even transnational groups exploiting the Rohingya cause or recruiting among the displaced could launch cross-border attacks, escalating both Muslim-Buddhist tension in Rakhine state and friction between Myanmar and Bangladesh. Any attack outside Rakhine would provoke broader Buddhist-Muslim tension and violence across the country. Acknowledging the crisis, implementing recommendations of the Kofi Annan-led Advisory Commission on Rakhine State, and disavowing divisive narratives would put the Myanmar government — and its people — on a better path.

4) YEMEN

With 8 million people on the brink of famine, 1 million declared cholera cases, and over 3 million internally displaced persons, the Yemen war could escalate further in 2018. After a period of rising tensions, dueling rallies, and armed assaults, former President Ali Abdullah Saleh announced in December that his General People's Congress was abandoning its partnership with the Houthis in favor of the Saudi-led coalition. Saleh paid for it with his life; he was killed immediately by his erstwhile partners.

Saudi Arabia and its allies — believing that the Houthi/General People's Congress split opens new opportunities and still convinced a military solution

exists — will likely intensify their campaign at a huge cost to civilians. Iran will keep finding ample opportunity to keep the Saudis bogged down, and the more anarchic Yemen's north becomes, the more likely that violence is to bleed across the border. The Houthis will continue to take the fight to the Saudi homefront, firing missiles toward Riyadh and threatening other Gulf states.

Negotiations, already a distant prospect, have become more complicated. The Houthis, feeling simultaneously emboldened and embattled, could adopt a more uncompromising stance. The General People's Congress, a pragmatic centrist party, could fragment further. The south is divided, owing partly to the widening rift between forces loyal to Yemeni President Abed Rabbo Mansour Hadi and southern separatists backed by the United Arab Emirates.

There are signs of mounting U.S. discomfort with the indiscriminate Saudi bombardment and the blockade of Houthi-controlled territories. But the Trump administration's belligerent rhetoric toward Iran encourages all the wrong tendencies in Riyadh. Saudi Arabia and its allies should instead lift the blockade of Yemen and reopen civilian airports. Politically, there should be a new Security Council resolution providing for a balanced settlement. The Saudis are loath to concede anything to a group they consider an Iranian proxy, but were they to embrace a realistic peace initiative, the onus would shift to the Houthis to accept it.

5) AFGHANISTAN

The War in Afghanistan looks set to intensify in 2018. The United States' new Afghanistan strategy raises the tempo of operations against the Taliban insurgency, with more U.S. forces, fiercer U.S. airstrikes, and more aggressive ground offensives by Afghan forces. The aim, according to senior officials, is to halt the Taliban's momentum and, eventually, force it into a political settlement. For now, though, the strategy is almost exclusively military.

This strategy faces serious obstacles. While hitting the Taliban harder might bring tactical gains, it is unlikely to change the war's course or the incentives of a locally rooted and potent insurgency. The Taliban currently controls or is contesting more territory than at any time since 2001; it is better equipped and, even if pressured through conventional fighting, it would retain the ability to

mount spectacular urban attacks that erode confidence in the government. Besides, between 2009 and 2012, the Taliban withstood more than 100,000 U.S. troops.

Military leaders contend that this time will be different because Trump, unlike Obama, has not set a withdrawal date. That argument holds little water. It also misreads the insurgency: Battlefield losses in the past have not impacted Taliban leaders' willingness to negotiate. Forthcoming Afghan elections (a parliamentary poll is slated for July 2018; a presidential vote is due in 2019) will suck oxygen from the military campaign. Every vote since 2004 has ignited some form of crisis, and political discord today is particularly severe, with President Ashraf Ghani accused by his critics of monopolizing power in the hands of a few advisors.

The strategy also underplays regional shifts. Thus far, U.S. regional diplomacy has centered on pressuring Pakistan; yet the calculations that motivate Islamabad's support for the insurgency are unlikely to change. The Taliban also now enjoys ties to Iran and Russia, which claim to view it as a bulwark against an Islamic State branch in Afghanistan that is small but resilient—and also capable of mounting high-profile attacks. Washington's militarized approach and diminished diplomacy risk signaling to those countries that it seeks not to stabilize and leave Afghanistan but to maintain a military presence. Given that they are likely to perceive such a presence as a threat to their own interests, it could lead them to increase support for insurgents. Nor does U.S. diplomacy on Afghanistan currently involve China, whose increasing clout in parts of South Asia will make it critical to any settlement.

It is true that demonstrating sustained U.S. support might reinforce the morale of the Afghan Army; a precipitous withdrawal, in contrast, could trigger chaos. But as the battlefield tempo increases, the Trump administration should keep lines of communication to the insurgency open and explore the contours of a settlement with Afghanistan's neighbors and other regional powers, however slim prospects currently appear. U.S. allies in Afghanistan should push for a greater diplomatic political component to the U.S. strategy. As it stands, that strategy sets the stage for more violence while closing avenues for de-escalation. Afghan civilians will pay the price.

6) SYRIA

After nearly seven years of war, President Bashar al-Assad's regime has the upper hand, thanks largely to Iranian and Russian backing. But the fighting is not over. Large swaths of the country remain outside regime control, regional and international powers disagree on a settlement, and Syria is an arena for the rivalry between Iran and its enemies. As the Islamic State is ousted from the east, prospects for escalation elsewhere will increase.

In eastern Syria, rival campaigns by pro-regime forces (supported by Iran-backed militias and Russian airpower) and the Kurdish-led Syrian Democratic Forces (the SDF, backed by the U.S.-led anti-Islamic State coalition), have forced an Islamic State retreat. In Syria and Iraq, Islamic State remnants have retreated into the desert to await new opportunities.

For the regime and the SDF, the fight against the Islamic State was a means to an end. The two aimed to capture territory and resources, but also to build on those gains — the regime by consolidating control; the Kurds by pressing for maximal autonomy. Thus far, the two sides mostly have avoided confrontation. With the Islamic State gone, the risks will increase.

The east is also perilous due to wider U.S.-Iran rivalry and the close proximity of these rival forces. Iranian gains, particularly the corridor linking regime-held parts of Syria to government-controlled Iraq, could provoke the U.S. to attempt to block what it views as a dangerous land bridge from Iran to the Mediterranean. Iran might target U.S. forces to retaliate against U.S. actions elsewhere or to push the United States out altogether.

In the southwest, Israel could view Iran-backed militias operating on and near the Golan Heights as a direct threat and take military action to push them back. Whether Moscow can prevent any Iranian or Hezbollah presence there, as it has pledged to do, is unclear. Israel may take matters into its own hands, striking Iran-allied forces. That pattern — prodding by Iran, pushback by Israel — could last for some time. But a wider confrontation is only one miscalculation away and could quickly spread beyond Syria, to Lebanon.

One of the gravest immediate dangers, however, is the possibility of an offensive by the Assad regime in Syria's northwest, where rebel-held areas are home to

some 2 million Syrians and into which Turkey has deployed military observers as part of a de-escalation deal with Iran and Russia. Regime and allied forces appear to have shifted some attention from the east to those areas, placing that deal under stress. A regime offensive in the northwest could provoke massive destruction and displacement.

7)THE SAHEL

Weak states across the Sahel region are struggling to manage an overlapping mix of intercommunal conflict, jihadi violence, and fighting over smuggling routes. Their leaders' predation and militarized responses often make things worse.

Mali's 2012 crisis — which saw the Malian army routed from the country's north, a coup that overthrew the government, and jihadis holding northern towns for almost a year — illustrates how quickly things can unravel. Since then, implementation of a peace deal that aimed to end that crisis has stalled, while instability has spread from the north to Mali's central region as well as parts of neighboring Niger and Burkina Faso.

Dynamics in each place are local, but governments' lack of authority and their inability to stem — and, at times, their frequent contribution to — violence is a common theme. Weapons that flooded the region as Libya collapsed after Muammar al-Qaddafi's overthrow have made local quarrels deadlier. The instability has opened a rich vein for jihadis, who piggyback on intercommunal conflict or use Islam to frame struggles against traditional authorities.

As the situation has degenerated, the regional and international response has focused excessively on military solutions. Europeans in particular view the region as a threat to their own safety and a source of migration and terrorism. In late 2017, a new French-backed force known as the G5 Sahel — comprising troops from Mali, Niger, Chad, Burkina Faso, and Mauritania — prepared to deploy into a field already crowded by France's own counterterrorism operations, U.S. Special Forces, and U.N. peacekeepers. While military action must play a part in reducing jihadis' influence, the G5 force raises more questions than it answers. It lacks a clear definition of the enemy, instead envisaging operations against an array of jihadis, traffickers, and other criminals. Disrupting smuggling in regions where that business represents the backbone of local economies could alienate

communities. Regional leaders also appear likely to misuse military aid to shore up their own power.

To avoid further deterioration, military efforts must be accompanied by a political strategy that rests on winning the support of local populations and defusing rather than aggravating local disputes. Opening or restoring lines of communication with some militant leaders should not be ruled out, if doing so can help diminish violence.

8) DEMOCRATIC REPUBLIC OF THE CONGO

President Joseph Kabila's determination to hold on to power threatens to escalate the crisis in Congo and a humanitarian emergency that is already among the world's worst. At the end of 2016, the Saint Sylvester agreement appeared to offer a way out, requiring elections by the end of 2017, after which Kabila would leave power (his second and, according to the Congolese Constitution, final term in office should have ended December 2016). Over the past year, however, his regime has backtracked, exploiting the Congolese opposition's disarray and waning international attention and renegeing on a power-sharing deal. In November, the election commission announced a new calendar — with a vote at the end of 2018, extending Kabila's rule for at least another year.

The most likely course in 2018 is gradual deterioration. But there are worse scenarios. As the regime clamps down, fails to secure parts of the country, and stokes instability in others, the risk of a steeper descent into chaos remains — with grave regional implications.

There are already troubling signs. Popular discontent raises the risk of unrest in urban centers; in recent days, the violent dispersal of protesters in Kinshasa and other towns has left several people dead. Elsewhere, local militias plague several provinces. Fighting over the past year in the Kasai region has reportedly left more than 3,000 dead, and the conflict in the country's east claims dozens of lives each month.

International engagement has been lackluster. Disagreements between Africa and the West do not help: Western powers are more critical and have sanctioned

some of Kabila's entourage, and African leaders and regional organizations are reluctant to criticize the regime openly, even as some recognize the dangers behind closed doors. Only more active, forceful, and united diplomacy — and ideally a more engaged Congolese opposition — stand a chance of nudging Kabila toward a peaceful transition. The Saint Sylvester principles (credible elections, no third term for Kabila, an opening of political space, and respect for human rights) still offer the best route out of the crisis.

9) UKRAINE

The conflict in eastern Ukraine has claimed over 10,000 lives and constitutes a grave ongoing humanitarian crisis. While it persists, relations between Russia and the West are unlikely to improve. Separatist-held areas are dysfunctional and dependent on Moscow. In other areas of Ukraine, mounting anger at corruption and the 2015 Minsk II agreement, which Russia and Ukraine's Western allies insist is the path to resolve the conflict, creates new challenges.

Implementation of that agreement has stalled: Moscow points to Kiev's failure to carry out the Minsk agreement's political provisions, including devolving power to separatist-held areas once they are reintegrated into Ukraine; Kiev argues it cannot do so while Russian interference and insecurity in those areas persist. Both sides continue to exchange fire across the line dividing Ukrainian troops from separatist and Russian forces.

Yet the east is not the whole story. The Ukrainian state remains fragile even outside areas where Moscow interferes directly. President Petro Poroshenko's government has not addressed the systemic corruption at the root of many of the country's problems. Many Ukrainians are losing faith in laws, institutions, and elites. Anger at the Minsk agreement, which Ukrainians see as a concession to separatists and Moscow, is growing, even among reformists.

Given the diplomatic deadlock, Russia's circulation of a draft U.N. Security Council resolution proposing peacekeepers for Ukraine in September 2017 came as a surprise. There are good reasons to suspect Russia's intentions. Despite the high costs of its entanglement, little suggests it intends to loosen its grip on eastern Ukraine. The lightly armed force it proposed, whose mandate would

include only providing security to Organization for Security and Cooperation in Europe monitors, would more likely freeze the conflict than resolve it.

Yet Moscow's proposal opens a window for Kiev and its Western allies to explore how peacekeepers might secure not only the line of separation but also the Ukraine-Russia border, and to create conditions for local elections and the reintegration of separatist-held areas. They should, however, factor in growing animosity toward the Minsk agreement. Europe's involvement is essential for progress on peacekeeping negotiations and to promote a more measured debate in Ukraine that can halt the nationalist backlash against the Minsk agreement.

10) VENEZUELA

Venezuela took yet another turn for the worse in 2017, as President Nicolás Maduro's government ran the country further into the ground while strengthening its political grip. The opposition has imploded. Prospects for a peaceful restoration of democracy appear ever slimmer. But with the economy in free fall, Maduro faces enormous challenges. Expect the humanitarian crisis to deepen in 2018 as GDP continues to contract.

In late November, Venezuela defaulted on part of its international debt. Sanctions will make debt restructuring nearly impossible. Increasing Russian support is unlikely to suffice, while China appears reluctant to bail Maduro out. A default could provoke the seizure of Venezuelan assets abroad, crippling the oil trade that accounts for 95 percent of the country's export earnings.

Street demonstrations and clashes that killed over 120 people between April and July subsided after the July election of a National Constituent Assembly composed entirely of government allies. Subsequent polls for state governors and mayors led to major opposition losses amid disputes over whether to participate. But food shortages, a collapsed health system, and spiraling violent crime mean conditions for unrest persist.

While opposition politicians look to the presidential vote, due by late 2018, as an opportunity and entry point for foreign engagement, the government is unlikely to permit a credible vote. It might call early polls, catch its opponents unprepared, and deploy the same voter suppression tactics it has used to win local and regional elections. If the opposition begins to show signs of recovery, Maduro

might seek to avoid elections altogether by claiming that external threats warrant a state of emergency. A less probable scenario is that the ruling party splits over who will succeed Maduro; without a formal mechanism, the military would be the likely arbiter. Meanwhile, the weak Venezuelan state will continue to provide a haven for criminal networks and opportunities for money laundering, drug trafficking, and people smuggling, further disquieting Venezuela's neighbors.

The prognosis for 2018 is further deterioration, humanitarian emergency, and an increased exodus of Venezuelans. Sustained domestic and international pressure — as well as guarantees of future immunity — will be required to push the government toward credible presidential elections.

Source: <https://foreignpolicy.com/2018/01/02/10-conflicts-to-watch-in-2018/>

China and Russia: A Strategic Alliance in the Making **By Graham Allison**

THE YEAR before he died in 2017, one of America's leading twentieth-century strategic thinkers, Zbigniew Brzezinski, sounded an alarm. In analyzing threats to American security, "the most dangerous scenario," he warned, would be "a grand coalition of China and Russia...united not by ideology but by complementary grievances." This coalition "would be reminiscent in scale and scope of the challenge once posed by the Sino-Soviet bloc, though this time China would likely be the leader and Russia the follower."

Few observers heard his admonition then. Even fewer today recognize how rapidly this grand alignment of the aggrieved has been moving from the realm of the hypothetical toward what could soon become a geostrategic fact. Defying the long-held convictions of Western analysts, and against huge structural differences, Beijing and Moscow are drawing closer together to meet what each sees as the "American threat."

For two proud nations with long memories, their convergence also serves as a kind of cosmic revenge on the diplomatic maneuver Richard Nixon and Henry Kissinger orchestrated a half century ago.

When Nixon became president (in 1969), he and his National Security Advisor Kissinger sought to establish a relationship with Communist China to widen the divide between it and the Soviet Union, which they rightly regarded as the preeminent—indeed, existential—threat.

Even as they watched communists pursue "wars of national liberation" around the globe, Nixon and Kissinger embraced George F. Kennan's strategic insight about containment: that nationalism would prove a sturdier pillar than communism. They also recognized that the crack in the Eastern Bloc between the Soviet Union and its junior Chinese partner could be widened by deft U.S. diplomacy at the expense of the Soviets.

We know how the story turned out—so it is difficult to appreciate how radical this thought was in 1969, though Nixon had noted a year earlier in an essay in

Foreign Affairs , “There is no place on this small planet for a billion of its potentially most able people to live in angry isolation.” Had Nixon asked his government’s interagency process to consider the possibility of the United States establishing a relationship with Mao’s Communist China, this option would doubtless have been rejected as not just unrealistic, but unsound. So instead, in a cloak of invisibility worthy of Harry Potter, Nixon sent Kissinger to Beijing for a series of meetings so secret that even his secretaries of state and defense were unaware of them. Ultimately, this led to Nixon’s historic visit in 1972 to China, recognition of Beijing (rather than Taipei) as its capital, and the creation of an uneasy but selectively cooperative relationship that contributed to the ultimate defeat of the Evil Empire.

The Nixon-Kissinger gambit is now known as “playing the China card.” Today we should be asking: is Xi Jinping’s China “playing the Russia card?”

THAT THOUGHT seems to strike many Washington strategists as outlandish. Secretary of Defense James Mattis repeatedly emphasizes Moscow and Beijing’s “natural non-convergence of interest.” And the differences in national interests, values and culture are stark. As Russian strategists think about the longer run, they must view China’s rise with consternation. Today’s map draws a line between Russia and China that leaves a large swath of what was in earlier centuries Chinese on the Russian side of the divide. That border has repeatedly seen violent clashes, the last in 1969.

Given these structural realities, the prospects for a Chinese-Russian alliance in the longer run are undoubtedly grim. But political leaders live in the here and now. Denied opportunities in the West, what alternative do Russians have but to turn East? Moreover, while history deals the hands, human beings play the cards, even sometimes practicing a quaint art known in earlier eras as diplomacy. The confluence of China’s strategic foresight and exquisite diplomacy, on the one hand, and U.S. and Western European clumsiness, on the other, has produced an increasingly thick and consequential alignment between two geopolitical rivals, Russia and China.

In international relations, an elementary proposition states: “the enemy of my enemy is a friend.” The balance of power—military, economic, intelligence, diplomatic—between rivals is critical. To the extent that China persuades Russia

to sit on its side of the see-saw, this adds to China's heft, a nuclear superpower alongside an economic superpower.

American presidents since Bill Clinton have not only neglected the formation of this grievance coalition; unintentionally but undeniably, they have nurtured it. Russia emerged from the collapse of the Soviet Union in 1991 with a leader eager to "bury Communism," as Boris Yeltsin put it, and join the West. The story of how we reached the depth of enmity today is a long one, strewn with mistakes by all parties. The Clinton administration's decision in 1996 to expand NATO toward Russia's borders, Kennan observed, was the "most fateful error of American policy in the entire post-cold-war era." He predicted that the consequence would be a Russia that "would likely look elsewhere for guarantees of a secure and hopeful future for themselves."

Vladimir Putin and Xi have watched the U.S.-led war in the Balkans (including the "accidental" bombing of China's embassy in Belgrade in 1999), Western-supported "color revolutions" topple governments in Georgia and then Ukraine, and even Secretary of State Hillary Clinton encourage street protests in 2011 against Russia's parliamentary elections. Putin would not have to suffer from paranoia to imagine that the United States was seeking to overthrow him.

As U.S. pressure on Russia grew with sanctions after Russia's annexation of Crimea and a diplomatic effort to "isolate" Russia, China opened its arms. At every point the United States and Western Europeans imposed pain, China has offered comfort. Particularly when the United States has attempted to "diss" Putin personally, Xi has found ways to demonstrate profound respect. Consider what has actually happened in Sino-Russian relations along seven dimensions: threat perceptions, relationship between leaders, official designation of the other, military and intelligence cooperation, economic entanglement, diplomatic coordination and elites' orientation.

WHEN RUSSIAN or Chinese national security leaders think about current threats, the specter they see is the United States of America. They believe the United States is not only challenging their interests in Eastern Europe or the South China Sea, but is actively seeking to undermine their authoritarian regimes. Indeed, Putin and Xi reportedly compare notes about the ways

Washington is working to weaken each leader's control within his own society and even topple him.

In contrast with Barack Obama's disdain towards Putin and Donald Trump's charge that China is "raping America," Xi has persuaded Putin that they are "best buddies." To which capital did Xi take his first trip after becoming president? Moscow. Which foreign leader gets to speak immediately after Xi at every international meeting China hosts? Putin. As Putin noted earlier this year, the only leader in the world with whom he had ever celebrated his birthday is Xi. In awarding Putin China's "Medal of Friendship," Xi called the Russian president his "best, most intimate friend."

Official U.S. national security documents designate Russia and China America's "strategic competitors," "strategic adversaries" and even "enemies." Increasingly, they are discussed in the same sentence, as if they were twins. According to the Trump National Security Strategy: "China and Russia challenge American power, influence, and interests, attempting to erode American security and prosperity." Both are accused of conducting major "influence operations" against the United States and interfering in U.S. elections.

By contrast, Chinese and Russian national security documents call their relationship a "comprehensive strategic partnership." According to Xi, this is "the world's most important bilateral relationship, and is the best relationship between large countries." China's ambassador to Russia, Li Hui, says "China and Russia are together now like lips and teeth." The words used by Russia's Foreign Ministry are "comprehensive, equal, and trust-based partnership and strategic cooperation." Even alpha male Putin has found an artful way to recognize publicly Russia's junior role in this partnership, saying "the main struggle, which is now underway, is that for global leadership and we are not going to contest China on this."

Most American experts discount Sino-Russian military cooperation. Commenting on this year's unprecedented military exercise in which 3,000 Chinese soldiers joined 300,000 Russians in practicing scenarios for conflict with NATO in Eastern Europe, Secretary of Defense Mattis said: "I see little in the long term that aligns Russia and China."

HE SHOULD look more carefully. What has emerged is what a former senior Russian national security official described to me as a “functional military alliance.” Russian and Chinese generals’ staffs now have candid, detailed discussions about the threat U.S. nuclear modernization and missile defenses pose to each of their strategic deterrents. For decades, in selling arms to China, Russia was careful to withhold its most advanced technologies. No longer. In recent years it has not only sold China its most advanced air defense systems, the S-400s, but has actively engaged with China in joint r&d on rockets engines—and UAVs. Joint military exercises by their navies in the Mediterranean Sea in 2015, the South China Sea in 2016 and the Baltic Sea in 2017 compare favorably with U.S.-Indian military exercises. As a Chinese colleague observed candidly, if the United States found itself in a conflict with China in the South China Sea, what should it expect Putin might do in the Baltics?

In their diplomacy, Russia and China mirror the relationship between the two leaders. On major international issues, they coordinate their positions. For example, when voting in the United Nations Security Council, they agree 98 percent of the time. Russia has backed every Chinese veto since 2007. The two have worked together to create and strengthen new organizations to rival traditional American-led international organizations, including the Shanghai Cooperation Organization and BRICs. For a Russian who wants to visit China, getting a visa takes one day; to visit the United States it takes them three hundred days to obtain a visa application interview.

Economically, Russia is slowly but surely pivoting east. China has displaced the United States and Germany as Moscow’s number one trading partner. Today, China is the top buyer of Russian crude oil. A decade ago, all gas pipelines in Russia flowed west. With the completion of the Power of Siberia pipeline in 2019, China will become the second largest market for Russian gas, just behind Germany.

When U.S.-led Western sanctions excluded Russia from American-dominated dollar-denominated markets, its relationship with China has allowed it to continue to buy and sell. In the current U.S. push to prevent Iran selling oil to the world, Russia is trading goods for Iranian oil and then selling it on to international markets, including China.

Meanwhile, Russian elites continue to look west. They are predominantly European in their culture, history, religion and dreams. Wealthy Russians buy second (and third) homes in London, New York and on the French Riviera. They speak English and travel to Paris, New York or London to shop. Many have children who live in the West.

Cultural change is hard, and slow. But oligarchs who now find themselves the targets of sanctions that prevent them doing business in the United States are exploring alternatives. And some of Russia's leading thinkers are changing their tune. The Honorary Chairman of Russia's Council on Foreign and Defense Policy Sergey Karaganov maintains that "the 'westernizer' today is a thing of the past. Those looking forward to the future most show interest in the East." Surveys this year show that 69 percent of Russians hold a negative view of the United States, while the same percentage of Russians hold a positive view of China. When asked "who their enemies are," two-thirds of Russians point to the United States, ranking it as Russia's greatest foe. Only two percent of Russians view China as their enemy.

Grievance is a powerful motivator; respect can have a powerful magnetic pull. In Putin's mind, the greatest geopolitical catastrophe of the twentieth century was the break-up of the Soviet Union. Who was responsible for that break-up? In Xi's mind, China's "century of humiliation" only ended once the Communist Party defeated the Nationalist Party in a bloody civil war. Which country supported those nationalists, and continues to arm their island fortress of Taiwan? Against the backdrop of this history, as we reflect on what the United States is now doing, we should ask whether Brzezinski's warning about the "most dangerous scenario" could soon become a fact.

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US Isolated For Blasting Iran Nuclear Deal

By Mohammad Jamil

LAST week, the United States was alone at the United Nations Security Council over its decision to withdraw from the Iran nuclear deal when the European Union praised the agreement for preventing Iran from obtaining a nuclear weapon. It was evident at the UN Security Council that there was staunch support among member states for the 2015 Iran nuclear deal, known as the Joint Comprehensive Plan of Action (JCPOA). Rosemary Di-Carlo, Undersecretary General for Political Affairs stated: “UN chief Antonio Guterres continued to view the JCPOA as a demonstration of successful multilateralism and a major achievement in nuclear non- proliferation, dialogue and diplomacy”. She reminded the Council that last month the International Atomic Energy Agency (IAEA) had reported that Iran continued to abide by its commitments on ballistic missile tests carried out since January this year; thus there was no reason for withdrawal from the agreement by the US.

Mike Pompeo, the US Secretary of State, claimed that the “Iranian regime’s ballistic missile activity has grown since the nuclear deal”, adding that “Iran has exploited the goodwill of nations and defied multiple Security Council resolutions in its quest for a robust ballistic missile force”. In reply, Mr Eshagh al Habib, the Acting Charge d’ Affaires of Iran, described the US withdrawal from the plan and the subsequent re-imposition of sanctions as an “unlawful conduct” and a “clear violation” of the resolution endorsing the plan. The five powers — China, France, Germany, Russia and the United Kingdom — have all reiterated in recent days that they will stick with the agreement namely the Joint Comprehensive Plan of Action (JCPOA). France, the United Kingdom and other key U.S. allies have shown no interest in abandoning the 2015 multilateral nuclear accord negotiated with Iran despite Trump’s pressure.

William Drozdiak, a foreign policy expert with the Brookings Institution and a Consultant on European issues, said “France, Germany and Britain will strongly resist any threatening calls by the United States to use armed military action against Iran, and they’ve already condemned the idea of forcing regime change.” Brian Hook, the Administration’s Special Representative on Iran, rejected the idea that the US had isolated itself from Europe and other allies by pursuing tough economic pressure on Iran. He said the US and the European Union agree

on the threat posed by Iran, if not the approach on how to address it. Hook noted that the sanctions pressure the U.S. has applied so far has been targeted at the private sector, and he said that most companies have made a business decision that they'd rather stop doing business with Iran than risk losing access to the U.S. market.

Iran and six major world powers had reached a nuclear deal in 2015 after more than a decade of negotiations. The world had hailed the nuclear deal; the then US President Barack Obama had termed the agreement as "major step to a more hopeful world", Iran's President Hassan Rouhani had then said it was a historic deal; and the European Union called it a "sign of hope for the entire world", while Israel called it an "historic surrender". Anyhow, under the deal, sanctions imposed by the United States, European Union and United Nations were to be lifted in return for Iran agreeing long-term curbs on a nuclear program that the West had been suspecting was aimed at producing a nuclear bomb. The agreement was touted a major political victory for both, the then US President Barack Obama and Iran's President Hassan Rouhani. In other words, it was a win-win position for both.

It was hoped that the deal would transform the Middle East, as Iran would get rid of its isolation. The US and the West would have Iran's full cooperation against IS/Daesh, as Iran was already helping Iraq and Syria in their fight against the IS militants. There was an aura of optimism that Iran would help reduce West's tension with Syria and improve situation in Yemen. However, Saudi Arabia and Arab countries had expressed their reservations, but the then US Administration was looking at a wider picture, as Iran was likely to play a positive role under the guidance of Hassan Rouhani, who is considered pragmatist. Of course, prices of oil in the world market had declined, and the developing countries like Pakistan benefited, as the bill for import of oil was substantially reduced. Pakistan had welcomed the N-deal between Iran and P5+1.

There was no reason to suspect that Iran would surreptitiously develop nuclear weapons, especially when there was concrete proof that Iran was not at all close to detonating the nuclear device. However, after 20 months' hectic negotiations, world powers and Iran had reached an agreement, which was delayed due to differences over nuances. Hassan Rouhani, during the debate at the time of presidential elections in Iran had stated: "It is good to have centrifuges running,

provided people's lives and livelihood are also running". This was reflective of fact that Iran's leadership cared for the problems faced by the Iranian people who suffered from biting sanctions. Saudi Arabia and Gulf countries should realize that with the change of political landscape of the Middle East, they have to learn to co-exist with Iran. Of course, Israel had opposed the Iran nuclear deal tooth and nail, and was happy after Trump announced to withdraw from the deal.

—The writer is a senior journalist based in Lahore.

Source: <https://pakobserver.net/us-isolated-for-blasting-iran-nuclear-deal/>

Pulling Out of Syria — & Afghanistan? |

Editorial

IT may be the right decision made for the wrong reason and executed in the wrong way. The reality of Donald Trump's presidency may be stranger than fiction, but Mr Trump's latest sudden decision — to immediately withdraw all US troops from Syria — may be a case of reverse wag the dog.

Besieged at home by an avalanche of investigations and convictions of key aides who served during Mr Trump's campaign for the presidency, the US leader took his own administration by surprise by tweeting that the American military campaign in Syria has ended.

In doing so, Mr Trump, who campaigned on a militarily strong but isolationist foreign policy, may be trying to appease his political base, which is roiled by lack of progress on building a wall along the US border with Mexico and sundry other crises that his presidency has been embroiled in.

Explore: Game changer or not? A year of America's Afghan plan

Nevertheless, the decision to withdraw precipitously from Syria is likely to have far-reaching consequences — and may even impact the ongoing incipient dialogue process in Afghanistan.

The effects of Mr Trump's shock decision to withdraw all US troops from Syria will likely increase the anxiety of the Afghan government and that of regional and international actors.

While the US president appeared to want to project strength in the fight against the militant Islamic State group — perhaps in part to differentiate himself from his predecessor Barack Obama's policy — a centrepiece of the Trump campaign was to end the wasteful wars that the US was fighting abroad. And while the US president was persuaded early on to maintain and slightly increase the US military presence in Afghanistan, it has long been apparent that Mr Trump has no interest in or appetite for prolonged military engagement in Afghanistan on his presidential watch.

That impatience has appeared to manifest itself in intensive American diplomacy in recent months to directly engage the Afghan Taliban in preliminary talks that could pave the way for a peaceful settlement in Afghanistan.

Yet, as the most recent talks in the UAE this week have demonstrated, the Afghan Taliban are resistant to engaging with the Afghan government and are seeking the maximum concessions from the Americans, such as prisoner releases and a withdrawal timetable for foreign troops, without necessarily offering much in return.

For Pakistan, the challenge has long been to nudge the Afghan Taliban to the negotiating table for what must ultimately be an Afghan-owned and Afghan-led peace process. But Mr Trump's decision to withdraw from Syria could have the effect of persuading the Taliban that they simply need to stall a little while longer before Mr Trump reaches the same impatient conclusion in Afghanistan.

A president who often seems disconnected from the policies of the rest of his administration is a perplexing scenario for the world to navigate, but Pakistan ought to remain focused on the goal of a peaceful settlement in Afghanistan.

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Trump and Mattis By Rizwan Ghani

AMERICAN corporate media is up in arms against Mattis' resignation as Defence Secretary over Trump's decision to withdraw US troops from Syria. Mattis was otherwise due to retire in February 2019 so it is not a big deal if he has resigned now. The timing of the resignation is a selfish decision of an outgoing four star general who just wants to be remembered after his departure. The criticism of Trump's Syria policy is also unjustified. In fact, it is a popular decision taken by a populist president. The American people wanted their sons and daughters back home and Trump has respected their wishes. He came to office on the election promise of withdrawing US troops from foreign lands. That is why he doesn't care about the Establishment. Even Obama didn't want to send US troops to Syria in the first place. In America, the US involvement in Syria is widely believed as someone else's burden.

The talk in media that Mattis was not happy with Trump's NATO policy is mere rumpus because he has stayed in office with Trump who did not support NATO. America's European allies are not happy about US withdrawal from Europe's security alliance against Russia which was basically being funded by America. Reportedly, 73 percent of NATO budget was being funded by the USA. Trump ended the one-sided arrangement after his European allies refused to pay for their share in continent's security. The growing trade between Europe and Russia shows that Trump was justified in his NATO approach under his America first policy. The new alliances are being made in Europe and Asia to protect national economic and trade interests. Under these new arrangements, America is a contender not an ally anymore. It is something that Mattis should have also comprehended.

Following Syria, there are reports of Trump's plan to withdraw 5000 of 14,000 US troops from Afghanistan. It is a step in the right direction. The wars should end in Syria and Afghanistan. It is time to end foreign occupation of these countries. Their people should be allowed to choose their governments and get on with their everyday life. Washington, Moscow and the UN should play their role to bring peace to these war torn countries and ask India to end its interference in Afghanistan. The end of occupation of Afghanistan will help to bring peace in the region. Senator Graham's warning of 2nd 9/11 due to proposed drawdown is

misplaced. The Afghans had no role in the first 9/11. In fact, the members of successive Afghan governments have been involved in mega corruption and drug trade which has destroyed the country. The corrupt regimes support continuation of Afghan occupation on different pretexts to protect themselves. The US lawmakers should help end all this to bring peace in Afghanistan, return of Afghan refugees and let Afghans elect their government.

Mattis was wrong in supporting strong military presence in Afghanistan to bolster diplomatic peace efforts. Trump got breakthrough with Kim without placing a single US soldier in North Korea. In fact, he scaled down US-South Korea military exercises as a confidence building measure ahead of the denuclearization talks. Reportedly, Trump has lost all patience with US military presence in Afghanistan. He said that what were the Americans doing in Afghanistan? Since the US officials are engaged in talks with Taliban, who are majority of local population and control significant amount of territory, so it is right time to scale down US military presence in Afghanistan as one of confidence building measure. The warnings of Pentagon officials of precipitous Afghan exit allowing militants new plots against America are misplaced. Trumps policy of ending US military presence in foreign countries is a shift in US policy which is more aligned with international laws of respecting sovereignty of other countries. From Pakistan, Imran should welcome this move and support Trump in his efforts to restore peace in Afghanistan so that region can work towards economic prosperity and trade. Islamabad and Washington should work together to end Indian interference in Afghanistan also. A stable, peaceful Afghanistan will help bring peace and prosperity in the region. Following the withdrawal of US troops from Syria, Netanyahu has said that Israel will defend its security. The GOP Senators who are equating US withdrawal from Syria a win for ISIS, Iran and Russia are doing disservice to Trump's pro-public policies who supports withdrawal of US forces from foreign countries. They should help diplomatic efforts to restore peace in the ME and Afghanistan instead. Pro-Israel American media is unduly highlighting Mattis' resignation as if entire US military establishment supports Israel over America. Pelosi is also playing politics on the resignation whereas Americans oppose pro-Israel US policies. Trump needs to dispel this media ploy by picking a staunch nationalist defence secretary under America first policy. Finally, Trump had promised in his election campaign to clear the cesspool in Washington. The rapid changes including people around him show that he is trying to uphold his election promise.

Source: <https://pakobserver.net/trump-and-mattis/>

The Importance of COP24 By Dr Shaukat

Ali

The hot debate in the cold month of December was COP24 (Conference of the Parties 24). People from all sectors of life were focused on Poland for two weeks as world leaders gathered for the mega climate change event.

Although COPs have taken place almost every year since the United Nations Framework Convention entered into force in 1994, the significant aspect of this year's COP was that the implementation of the 2015 Paris agreement was discussed. The agreement aimed to limit warming at 1.5 C. Therefore, it was expected that the outcomes of this conference would have substantial impacts in terms of halting global warming.

However, the fact is that up till now COPs have not yielded any significant outcome whether it is the Kyoto Protocol in 1997, Copenhagen 2009 or others. The only exception would be COP21 in Paris 2015, which produced optimistic outcomes. The agreement represents a hybrid of the top-down Kyoto approach and the bottom-up approach of the Copenhagen and Cancun agreements. It legally binds countries to procedural commitments but gives them liberty to decide voluntarily "nationally determined contribution" (NDC). It sets out a transparent action plan for tracking all countries' progress by technical experts. It establishes common binding procedural commitments for all countries, but leaves it to each to decide its nonbinding NDC.

There are lots of things in the Paris agreement which need to be clinched yet. That is the reason the international community gathered in Poland to figure out how the Paris agreement should be implemented to halt warming at 1.5 C.

Before the talk started, it was expected that the deal would not be as effective as was needed. This perception was there due to the increasingly stringent behaviour of the U.S government towards the issue of climate change. The US, the biggest emitter of GHGs, had tried to withdraw from the pact last year. This time somehow ministers managed to overcome the conflict between nations and devised a rulebook. This rulebook is broken down into themes such as how countries are to report and monitor their national pledges to curb greenhouse gas emissions and update their emissions plans.

However, last minute noise on carbon markets threatened to derail the two-week summit and people around the world lost hope once again over the climate negotiations. But a one-day extension in the summit proved fruitful and 196 nations finally agreed on the global climate accord rules which have set regulation on how to cut carbon emissions, ensure provision of financial resources to under-developed countries and devise mechanism of transparent reporting of efforts by nations to halt warming.

The goal of the accord is to keep global warming well below 2 degrees Celsius according to Paris Agreement 2015. There has been a big push for countries to up their ambition, and cut carbon deeper and with greater urgency. Many delegates want to see a rapid increase in ambition before 2020 to keep the chances of staying under 1.5C alive. However, legal bindings for under developing countries seem to be a challenge as the main constraints to climate change adaptation and mitigation lie in the lack of finances.

Poorer countries want some flexibility in the rules so that they are not overwhelmed with regulations that they don't have the capacity to put into practice. But financial support has been pledged by developed countries to enable developing countries to do the needful. This is especially important for the replenishment of the Green Climate Fund.

COP24 has important implications for Pakistan as the country faces the double challenges of the threat of rising average temperatures and the fears of economic strain that hinder the cutting down on greenhouse gases. A six-member delegation from Pakistan, headed by Malik Amin Aslam, vigorously participated in all the events at COP24. Pakistan's support for the Paris agreement was reiterated and efforts towards fighting global warming highlighted at the summit.

Pakistan has been elected the vice-president and rapporteur of the COP. This is a positive indication and reflects the seriousness of the recent government towards the issue of climate change. But it will take long-term efforts to minimise the vulnerability. According to Germanwatch, Pakistan is listed as the eight most affected country in the global Climate Risk Index.

The situation gets worse every coming year because Pakistan is getting repeatedly affected in terms of climate extremes and gets no time to recover. Therefore, predictable and reliable financial support is urgently required to tackle climate-induced loss and damage as well. In this regard, the consensus on the Paris rulebook is a ray of hope as its successful implementation will have an impact on Pakistan too.

Keeping in view the history of the failure of other COPs, it is important for all nations to fulfil their legal bindings as devised under COP24 so as to ensure its success. The betterment of our planet lies in serious, timely and solid actions directed to limit warming since we are already short on time.

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