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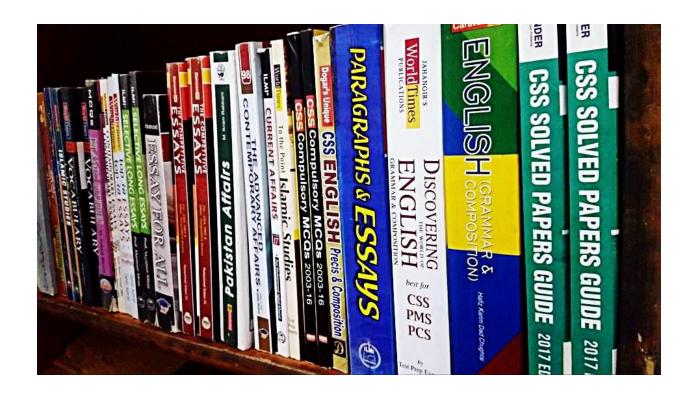


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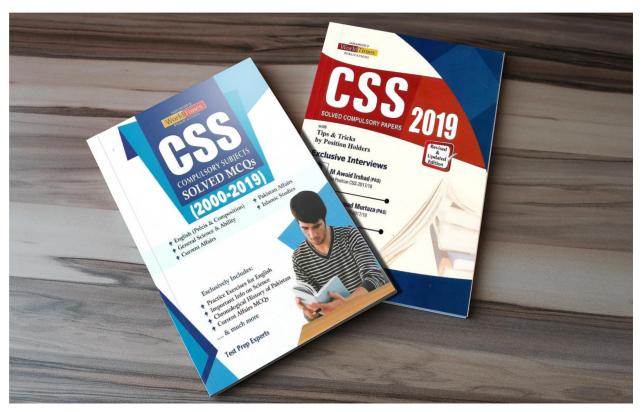
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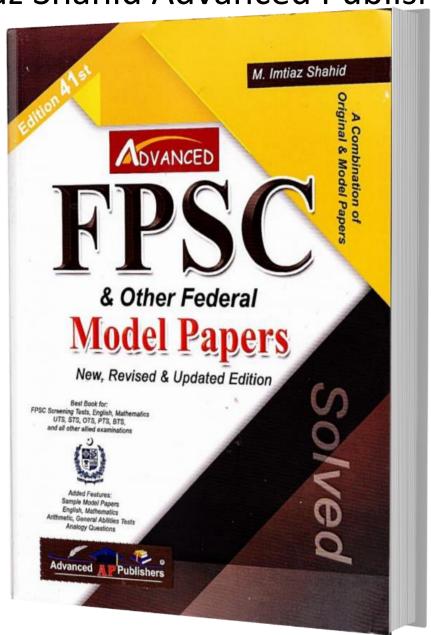
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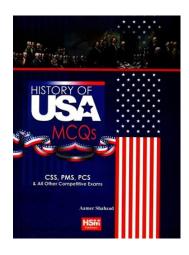


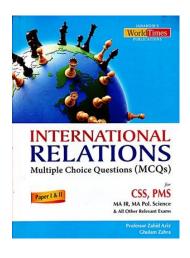
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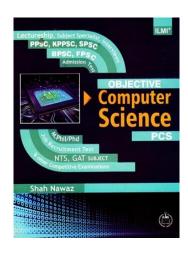


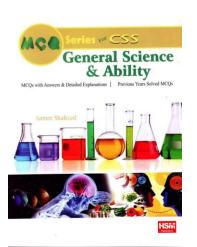
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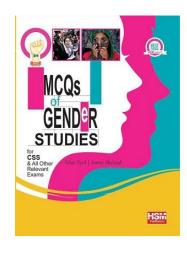


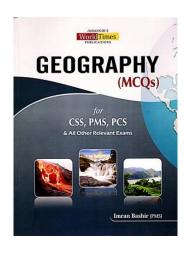


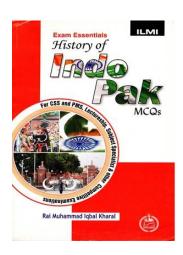


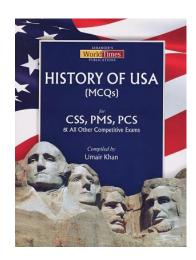














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#### **PAKISTAN**

## Where lies the road to peace in Afghanistan By Kamran Yousaf

Last week, Afghan President Ashraf Ghani led a high-powered delegation to Pakistan. This was his first visit to Pakistan since 2015 and came against the backdrop of the ongoing efforts for a political solution to the 18-year long conflict in Afghanistan. Ghani's visit is seen as part of the latest push by Pakistan to reset ties with its western neighbour – ties that are often marred by mistrust and blame game. The Afghan President had in the past spurned Pakistan's overtures but this time accepted the invitation from Prime Minister Imran Khan.

The statement issued after the meeting between Ghani and Imran spoke about opening a new chapter of friendship and cooperation between the two neighbours. The two leaders agreed to develop a 'forward looking vision' instead of competing for political interests.

The visit may have eased friction but the larger question remains: can the two countries sustain this positive momentum? We have seen in the past that such bonhomie has proven to be short-lived. When Ghani first visited Pakistan after his election as President in 2014, there was more than optimism that relations between the two countries under his term would see a qualitative change. Unlike, his predecessor Hamid Karzai, he had also visited the General Headquarters in Rawalpindi. So much so that he had postponed a visit to New Delhi to sign strategic pact with India in order to underline his priorities. But it did not take long when the familiar pattern returned. Like Karzai, Ghani also reverted to the old template accusing Pakistan of supporting the Afghan Taliban. He repeatedly kept saying that solution to the unrest in his country lies not in Afghanistan but Pakistan in a veiled reference to Islamabad's alleged backing of the insurgents.

So, has anything changed now that has prompted Ghani to accept another olive branch from Pakistan? There appears to be multiple reasons. First, since the PTI government took charge, there have been concerted efforts from behind the



scenes to reach out to the Afghan government. Those efforts lead to a flurry of high-level exchanges between the two countries. Secondly, the Ghani administration, feeling increasingly isolated in the ongoing peace talks between the US and Taliban, realised the need for reengaging with Pakistan.

The main obstacle in the way of improving Pak-Afghan ties is the trust deficit. Afghanistan has this suspicion that Pakistan still controls the Taliban and through them wants to install a government of its liking. Islamabad, however, time and again tried to dismiss this misperception. The other factor that has compounded the problem is anti-Pakistan sentiment currently prevalent among the young Afghans who think Pakistan is responsible for the current mess in their country. This is ironic given that fact that many young Afghans have grown up in Pakistan since their parents fled the war in 1979.

But other factors have also contributed to such misgivings. For example Pakistan believes that Afghanistan is providing shelter to groups involved in cross-border attacks. Islamabad minced no words in pointing fingers at National Directorate of Security (NDS) for working with Indian RAW to create trouble in Pakistan.

Clearly, the issues facing the two countries are far bigger to be resolved during a single visit. More importantly improvement in Pak-Afghan relationship is also in a way linked to the forward movement in ties between Islamabad and New Delhi. India is wary of Pakistan's role in Afghanistan while Islamabad is concerned that New Delhi's growing influence in its backyard would jeopardise its strategic interests. This means rapprochement between Pakistan and India will actually determine the future course of Afghanistan and not necessarily the recent visit of Ghani.

Source: https://tribune.com.pk/story/2003623/6-lies-road-peace-afghanistan/



#### There Is No Green Revolution Without Tax Justice By Eva Joly

The "green wave" recorded during the European elections on 26 May should give Europe momentum. It is now time we oppose our determination to build a social, democratic and ecological Europe, against the withdrawal desires of nationalists and Eurosceptics, or the temptations of the status quo offered by Conservatives and Liberals.

The strong mobilisation of young people for the climate gives me particular hope for the future. In France and Germany, the Greens were the highest-ranked party among the 18-34 demographic in this election. And though high school students cannot yet vote, they are already expressing their willingness to defend their future on the streets during the climate marches.

As my mandate as a European MP ends after ten years of fighting, I want to tell these young mobilised people from Europe and the rest of the world that it is up to them to take up the torch. I also want to convince them that there is no green revolution without tax justice.

First, because there is a direct link between environmental degradation and tax evasion. Take illegal fishing or logging, for example. The income from this trafficking is clearly not invested in savings banks; it is hidden in tax havens. Secondly, States must have more resources to finance the ecological transition we are calling for, and, for this reason, multinationals must pay their fair share of taxes. We must put an end to aggressive tax optimization strategies that allow them to pay no taxes despite record profits. That Google, for example, was able to transfer 19.9 billion Euros to Bermuda in 2017 through a Dutch shell company is outrageous. Tax evasion costs the European Union 20% of its corporate tax revenue each year.

For ten years, I have made tax justice a priority for my work, in the European Parliament. I leave now my position with a mixture of satisfaction and bitterness. Satisfaction first, because we have achieved important victories. Whistleblowers, who defend the general interest at the risk of their own lives, will now benefit from European protection. Financial crime will be better attacked through the creation



of a European Public Prosecutor's Office to coordinate cross-border investigations. Moreover, the European Union has finally required intermediaries – such as banks and tax lawyers – to transmit the plans they draw up on behalf of their clients to the authorities.

Today Europe that is more respectful of the environment, justice and solidarity, is within reach. It is also time for developing countries to seat at the table, and make their voices heard

The bitterness is there, however, because there is still so much to be done. The proposal for tax transparency for multinationals is still blocked by Member State governments, while we are entitled to check whether these companies are paying their taxes where they actually do business. Above all, I regret that Europe has not yet adopted unitary taxation of multinationals, imposing taxes on a multinational as a single entity — which they are in reality, rather than a myriad of so-called independent subsidiaries, as they claim. This would put an end to the sleight of hand that allows companies to declare their profits wherever they want, with the sole purpose of paying almost no tax!

This system, which benefits a handful of cheating states in the European Union – notably Ireland, the Netherlands and Luxembourg – harms all the others. It also engages our responsibility towards developing countries. For example, the Tax Justice Network has just revealed that tobacco giant British American Tobacco artificially declared part of its profits in a British subsidiary, where it is exempt from tax. If nothing changes, the company will have avoided paying € 625 million by 2030 to Bangladesh, Indonesia, Kenya, Guyana, Brazil and Trinidad and Tobago. Without transparency and unitary taxation, multinationals will be able to continue plundering poor countries from the South.

On May 31, in Paris, 129 countries agreed on the need to change global tax rules and prevent multinationals from declaring their profits – and associated taxes – wherever they want. In other words, they decided that multinationals should be considered as single entities – which they are in reality, rather than a myriad of so-called independent subsidiaries, as they claim. It is a revolution that we have been defending worldwide within the Independent Commission for the Reform of International Corporate Taxation (ICRICT). Of course, the political battles have only just started, because the interests diverge considerably among the 129 states.



For ten years, I have defended the vision of a fairer Europe. A Europe that puts an end to the impunity of the powerful. I have acted for a Europe that defends the general interest rather than multinationals. This Europe that is more respectful of the environment, justice and solidarity, is within reach. It is also time for developing countries to seat at the table, and make their voices heard

Source :https://dailytimes.com.pk/421097/there-is-no-green-revolution-without-tax-justice/



#### Russo-Pakistan Ties Strengthening By S M Hali

When Pakistan's first Prime Minister Nawabzada Liaquat Ali Khan visited USA in May 1950, analysts opined that Pakistan missed a historic opportunity to develop close ties with the USSR. Critics believe that the Soviet Union had extended an invitation first and if Pakistan had accepted the offer, history would have been different. What many critics remain oblivious to is the fact that the date for the Soviet invitation was 14 August, which happens to be Pakistan's Independence Day. Pakistan's Foreign Ministry requested for a change in date, which never came. USSR had made an overture to Pakistan first but after Pakistan's request for a change in date, apparently the Soviets were offended and extended an invitation to India, which jumped on the opportunity.

The rest is history as Pakistan was extended warm hospitality by the US and even after Liaquat Ali Khan's assassination in 1951, subsequent Pakistani leaders ensured that Pakistan was well entrenched in the US camp. The US invited Pakistan to join defence pacts SEATO and CENTO. It was the cold war era and the USSR considered all US allies to be inimical to Moscow. India, which was a pioneer of the Non Aligned Movement, became adept at running with the hare and hunting with the hounds. It maintained good relations with the USA but also cultivated close ties with the Soviet Union, which became a major defence hardware supplier for India and was willing to provide transfer of technology, which laid the foundations for India's indigenous defence industry.

Pakistan, on the other hand became too close to the USA, going to the extent of allowing its western ally the use of its military bases. The 1 May 1960 Gary Powers incident exposed Pakistan to extreme danger. The US Central Intelligence Agency had been operating its reconnaissance U-2 flights to spy on the Soviet nuclear assets since 1958 from Pakistan's air base at Peshawar. The Soviets were aware of the CIA's espionage missions but lacked effective countermeasures as the U-2s were operating above 70,000 feet. On this fateful day, a Soviet SA-2 Guideline Surface to Air Missile successfully targeted the intruding U-2 and Gary Powers, the U-2 pilot was captured alive and the U-2's secrets were unveiled. USSR was jubilant at its success, but the Soviet Premier Nikita Khrushchev drew a red circle



around Peshawar on the map and warned Pakistan that unless the U-2 flights ceased, Soviets missiles would target the launching pad.

Later events like the 1965 and 1971 Pakistan-India wars proved the futility of defence pacts with the US. The 1979 Soviet invasion of Afghanistan brought the US and Pakistan closer again but placed the latter in Soviet cross-hairs.

The breakup of Soviet Union did not help matters and Moscow remained antagonistic towards Islamabad. Slowly the ice thawed as both countries realized each other's importance and edged closer. Pakistan's acceptance into the Shanghai Cooperation Organization smoothed out ripples.

Russia and Pakistan have participated in joint military exercises and stepped up cooperation in developing strategies to combat terrorism. Pakistan has backed Russian endeavours to bring about peace in Afghanistan.

Pakistan's defence needs were traditionally met by western sources, especially the US, France, Britain and Sweden. China has been a traditional ally of Pakistan and met most of Pakistan's defence needs, including supporting the indigenous arms development efforts of Islamabad.

Russia and Pakistan have participated in joint military exercises and stepped up cooperation in developing strategies to combat terrorism. Pakistan has backed Russian endeavours to bring about peace in Afghanistan

Lately, Pakistan has expressed a desire to acquire Russian weapon systems. Recently, Pakistan has also shown interest in Russian fighter jets and attack helicopters, including the Sukhoi Su-35 and Mi-35M. During the 19th Meeting of the Council of the Heads of State of SCO, Pakistan Prime Minister Imran Khan met Russian President Vladimir Putin in a very friendly and cordial way and it was well observed by international media as well.

Prime Minister Imran Khan also mentioned that he is happy Pakistan is moving "closer" to Russia in the "changing" world. And he further said that "Yes, we are looking for arms from Russia, and I know our military is already in touch with Russian military".



It is much evident at international level that the power centres are changing and there are different power centres growing. Considering the present circumstances Pakistan's ties with Russia keep improving.

The relationship, which was dogged by doubts in 1950, has come a full circle as Moscow and Islamabad edge closer together. This scribe has been participating in Moscow Conference on International Security for the last three years, which has been attended by defence ministers from nearly thirty countries and over 800 delegates. Moscow this year provided the delegates an opportunity to view its military hardware and it was heartening to observe that Russian Military Industrial capability has come of age in sophistication and lethality. Acquisition of Russian military hardware will be a boon for Pakistan and establish a firm foundation for solidifying Russo-Pak ties.

Source: https://dailytimes.com.pk/420208/russo-pakistan-ties-strengthening/



## Modi Government's Kashmir Policy And Chances Of A Dialogue With Pakistan By Col (R) Muhammad Hanif

During the first term of Modi's premiership, Pakistan and the world have already witnessed India's much intensified military campaign in the state of Jammu and Kashmir to crush the peaceful indigenous freedom struggle in the state, causing endless human rights violations. But the freedom struggle continues to achieve the Kashmiris' right to self determination through a plebiscite as was promised by India's first Prime Minister (PM), Mr. Jawahar Lal Nehru and also promised by the United Nations Security Council (UNSC) resolutions of 1948/49.

Apart from its efforts to crush the Kashmiris' freedom struggle with the brutal use of force, in Modi's second term as India's premier, BJP intends to permanently integrate Jammu and Kashmir into India by implementing its declared election manifesto of abrogatingArticles 35 A and 370 of the Indian constitution. According to the Business Recorder dated 6 April 2019, BJP President Amit Shah said,"BJP remains committal to remove the Article 370 of India'sConstitution".

According to the Hindu dated 26 August 2017, Article 35A is a provision incorporated in the Indian Constitution giving the Jammu and Kashmir Legislative an authority to decide who all are 'permanent residents' of the State and confer on them special rights and privileges in public sector jobs, acquisition of property in the State, scholarships and other public aid and welfare. The article stipulates that persons not belonging to the state cannot purchase property in the state and become its permanent residents with a right to vote.

The Modi led BJP government, with a clear majority in the Lok Sabah wants to revoke article 35 A to allow nonresidents of the state to purchase property in the state and become its permanent residents with a right to vote. By this way the BJP government wants to settle Hindu population in the state of Jammu and Kashmir to end Muslims majority to defeat the plebiscite if ever it is held by the UNSC under its resolutions or if India decides to hold the plebiscite after attaining Hindu majority in the state.



There are least chances that Modi government will hold bilateral talks with Pakistan, as Pakistan says that Jammu and Kashmir dispute is the core issue without resolution of which peace cannot endure in South Asia

Article 370 of the Indian constitution is a temporary article that gives autonomous status to the state of Jammu and Kashmir till its final status was decided after ascertaining the will of the people of Jammu and Kashmir. The article exempted the State from the complete applicability of the Constitution of India, the State was allowed to have its own Constitution, and the Central legislative powers over the State were limited, at the time of framing, to the three subjects of defence, foreign affairs and communications. Other constitutional powers of the Central Government could be extended to the State only with the concurrence of the Constituent Assembly. The Article 370 could be abrogated or amended only upon the recommendation of the State's Constituent Assembly.

Although since late 1950s India has practically tarnished the spirit of the Article 370 through Presidential ordnances, thus extending many powers of the Central Government to the IOK to firm up its grip over the state and crush the long continuing freedom struggle there. However, Aricle 370 remains part of the Indian constitution, which the BJP wants to abrogate to permanently integrate the state with India like its other states.

Since Pakistan is a party to the Jammu and Kashmir dispute at the UNSC forum and it wants that people of Jammu and Kashmir should decide about the status of the state through a plebiscite to be held under the UNSC resolutions and under its supervision, it cannot allow India to either change the demography of Jammu and Kashmir to defeat the plebiscite by annulung Article 35 A of the Constitution or permanently integrate the state with it by violating the UNSC resolutions on the state by abrogating Article 370 of the Constitution. If India tries to do so, Pakistan will have to refer the matter to the UNSC, as India cannot change the demography and status of Jammu and Kashmir unilaterally. Same is the case with the people of Jammu and Kashmir, who want the settlement of the Jammu and Kashmir dispute in the light of UNSC resolutions and will vehemently resist the annulling of Articles 35 A and 370 of the Constitution by India..

In view of the above mentioned designs of the Modi led BJP, it can be said that there are least chances that Modi government will hold bilateral talks with Pakistan,



as Pakistan says that Jammu and Kashmir dispute is the core issue without resolution of which peace cannot endure in South Asia. In this scenario, Modi government is likely to follow its old policy of blaming Pakistan for supporting terrorism and refusing to hold the talks with Pakistan. However, if at all Modi decides to hold a dialogue with Pakistan in view of his anti Pakistan stance not getting due attention in the region and Pakistan's peace initiatives becoming more popular among the regional players, then, Modi's team will talk only about subsidiary issues rather than having a substantive dialogue on Jammu and Kashmir.

Source: https://dailytimes.com.pk/418508/modi-governments-kashmir-policy-and-chances-of-a-dialogue-with-pakistan/



#### Pakistan And US: Partners In New Economic Geography By Haroon Sharif

After successful engagements with the neighboring Arabian Gulf countries, Prime Minister Imran Khan's expected meeting with President Donald Trump is a welcome development for both countries and the region. It is also critical for Pakistan, as PM Khan did not engage with western leaders during the first year of his government. Despite being one of Pakistan's largest trading partners with USD 6.6 billion trade volume, the history of Pak-US relations remains turbulent, transactional, security-focused, and marred with distrust.

PM Khan will leave for a three-day visit to the US on July 20 and is expected to hold a one-on-one meeting with President Trump." Big news, if true. US-Pak ties have improved markedly since the start of US-Taliban talks.

The key question is that in a rapidly changing geopolitical landscape, will the upcoming meeting of two strong personalities lead to a potential convergence of views; to widen the bilateral relations towards economic transactions in the new emerging economic geography in South and West Asia. Or will the US continue to focus around Afghanistan, FATF, and China with a somewhat coercive mindset?

Many countries still believe that the proposed economic zones planned under CPEC are only meant to benefit Chinese companies

The current signals from the G-20 meeting in Japan, Pakistan's recent engagement with the Gulf countries and statements from Pakistan's powerful circles are giving some encouraging signs that the US may be considering flexibility and profiting from an emerging regional market that will also benefit Afghanistan in the medium term.

It is critical for Pakistan to understand that the resumption of economic and security assistance from the US is a non-starter. It cannot form the basis for a long term and mutually beneficial economic partnership between the two countries. The key objectives of a renewed engagement between the two countries should focus on widening the dialogue to shared economic gains, moving away from patronage-based transactions and partnering for enhanced regional connectivity and stability.



United States is among the few countries where Pakistan has a trade surplus of approximately USD 1.0 billion as almost 17 percent of Pakistan's exports valuing USD 3.7 billion went to the US in 2018. The flow of remittances from Pakistani diaspora in the US is USD 3.1 billion in 2019 – comprising 13 percent of total remittance flows to Pakistan. However, foreign direct investment from the US to Pakistan is on a decline and reached at an all-time low of USD 50 million in 2019, as compared to China's USD 1.8 billion in the same period.

So, what should be PM Khan's economic value proposition to the US, which could potentially influence the existing security led coercive approach and open up lucrative strategic avenues of economic gains for the private sector in both countries? Pakistan must realize that selling its geo-strategic location alone or opportunities in infrastructure development, privatization deals, tourism or housing are not attractive to foreign investors. As Pakistan goes through a painful stabilization period under the IMF program, US investors can only be attracted to economic transactions that will also support the strategic interests of the country in this region.

Firstly, Pakistan and the US may consider offering special incentives to Afghanistan to set up joint ventures in the recently announced Rashakai Economic Zone in Khyber Pakhtunkhwa. It will not only provide job opportunities for Afghan youth but will also connect Afghan enterprises with Chinese companies under the China-Pakistan Economic Corridor (CPEC). In return, Afghanistan should agree to revive the Peshawar-Kabul-Dushanbe motorway to connect Central Asia with CPEC.

Secondly, the US and Pakistan should set up a world-class technology park led by Pakistani information technology professionals in the US. It will not only give a boost to Pakistan's technology base, productivity and exports but will also help diversify the US technology sourcing space from China and India.

Thirdly, the US technical partnership with the planned Saudi and UAE investments in Pakistan's energy sector will be extremely beneficial for both countries.

PM Khan will have to take a careful and hard look at the capability of key state institutions, before taking a leadership role in economic diplomacy. The current structure of economic management and planning is incapable of strategic thinking



on progressive lines. Unless transformational economic initiatives like this one are insulated from the existing old school, Pakistan's value proposition will remain a talk shop. As I maintained during my stint as the Chairman of the Board of Investment, Pakistan's foreign office could play an instrumental role in promoting economic diplomacy. They can strengthen their institutional structure, by learning and encouraging economic transactions rather than trying to capture more power.

In recent years, most countries have merged the operations of commerce and foreign policy and Planning Commissions have lost their relevance several years back across the world. It is the modernization of institutions on professional grounds which could give a leadership role to Pakistan to leverage its strategic economic advantage. The Prime Minister's office has to converge the fragmented bureaucratic and political institutions to get initiatives moving. And it can only be done if competent technical professionals are attracted and not by creating extra layers of decision making.

#### Pakistan's "Should be" steps

The Prime Minister's team should be preparing a robust risk mitigation strategy to deal with the apparent sensitivities, which may hinder the objectives of a more comprehensive and sustainable engagement between the two countries. The PM must be watchful of the potential pressures which could be put indirectly by the US authorities to exploit Pakistan's vulnerable balance of payment situation. The political cost of the upcoming IMF program will have to be managed very carefully, both in the internal and external context. Pakistan's engagement with the Financial Action Task Force (FATF) has already been politicized, and the demands to do more are likely to continue, till the broader political objectives of the US are seen to be taking some shape. The stringent prior actions suggested by the Fund will have serious political consequences, especially in the absence of a medium-term growth program.

It is most heartening to learn that in a clear loud and unequivocal message the Financial Action Task Force FATF has sought to send out a blunt message to Pakis

Unfortunately, Pakistan has not developed a growth strategy to minimize its reliance on the traditional multilateral system for continued borrowing. Sooner or later, PM Khan will have to deal with the questions of unemployment, rising



poverty, declining manufacturing base, and an overall decline in economic opportunities. Such a situation will further reduce Pakistan's negotiation space. CPEC is becoming a reality as both countries (China and Pakistan) have now started the second phase of industrial cooperation. As a new economic cold war has already started between the US and China, it is time for Pakistan to demonstrate to the US, and the rest of the world that regional connectivity is being prioritized for shared prosperity and regional stability. So far, the country has struggled to communicate various aspects of CPEC transparently and efficiently to Pakistanis and the outside world.

The previous government oversold the infrastructure development under CPEC, as a game changer without analyzing or communicating its real benefits to the Pakistani economy and ordinary people.

This government has not taken any serious exercise to come up with a practical and evidence-based communication strategy about future private investments under CPEC. For instance, many countries still believe that the proposed economic zones planned under CPEC are only meant to benefit Chinese companies. In reality, the incentive structure of specialized economic zones is the same for any investor.

This again shows the institutional weaknesses in Pakistan, which have slowed down decision making on key priorities of economic growth. As pointed out earlier, a joint technology economic zone with the help of the US companies could change the negative perceptions and could be a win-win proposition for both countries.

#### Pakistan and Gulf Countries

Prime Minister Khan's visits to Saudi Arabia, UAE and Qatar have opened up doors for potentially large-scale investments in energy, hospitality, real estate development and food processing sectors. Given close strategic ties between the US and some Gulf countries, there is potential for US technology partnerships to add further benefit to these proposed ventures. The test for Pakistan lies in its ability to handle these projects on a professional and fast track basis. Otherwise, this interest will fade away in not too distant of a future. For US companies, it is a low hanging fruit to take a position in emerging, exciting regional opportunities. The companies which will be based in Pakistan could potentially access a market of over 400 million people in Western China, Central Asia, Pakistan, and Afghanistan.



Source: https://www.globalvillagespace.com/pakistan-and-us-partners-in-new-economic-geography/



#### **Demographic Explosion | Editorial**

The rich get richer and the poor get — children, writes F Scott Fitzgerald in his novel The Great Gatsby. On this World Population Day we need to seriously focus on the demographic explosion taking place in Pakistan like most Third World countries. Countries with manageable populations are doing splendidly well. Most overpopulated countries present a pathetic picture. After China and India, Pakistan is among the next 11 most populated countries of the world. Pakistan's population is more than 20 million. By 2050, it is expected to double. Pakistan's fertility rate is 3.48 births per woman. This needs to be reduced if we have to progress because with the present rate of population growth we will not be able to make any worthwhile progress. The rise in population in geometrical proportions cannot keep pace with the means of subsistence which increase in arithmetical proportions, if they increase at all.

Now is the time to convince people of the importance of birth control. We are facing various problems such as water shortage, persisting electricity shortage, housing shortage, etc. We are not able to provide the increasing number of people with jobs, healthy food, and educational facilities. The rapidly rising population is also leading to social tensions. New projections by Unesco indicate that one in four Pakistani children will not be completing primary school by the deadline of 2030. Unesco says the country will only be half-way to the target of 12 years of education for all, with 50 per cent of youths still not completing upper secondary education at the current rates. Drop-out rates at the school level in Pakistan is alarmingly high. A large number of Pakistani children are out of school. Placing emphasis on education is necessary to achieve a manageable population.

The population of a country should be near-stationary. There should also be an appropriate inequality. These are the keys to progress and development.

Source: https://tribune.com.pk/story/2010492/6-demographic-explosion-2/



## The Economic Case For Reform Of The Judicial System By Femi Ogunlende

The issue of reform of the legal and judicial systems is seemingly a perennial topic for local and international NGOs and donors. These organisations invariably view the judicial system through the wider lens of the 'rule of law', with its emphasis on a 'rights' based approach to reform. Unfortunately, all too often, the concept of the 'rule of law' adopted by such organisations within their programmes lacks clarity and usually promotes the reform of institutions ranging from law enforcement agencies; to government bodies; to legislative institutions; to the judiciary; and to the wider legal profession. The case for reform of the Judicial system gets lost in the mix as it is put as part of a wider need for a 'rights' based reform of various institutions falling under the umbrella of the 'rule of law'. What is far less often part of the public discourse are the economic case for reform of the judicial system and the need for a focused approach to reform.

There is a temptation to look at the challenges currently facing the judicial system in Pakistan as primarily being a moral one, concerned with the enforcement and protection of rights, rather than an economic one. Ignoring the economic benefits that can be provided by a judicial system is a misguided notion. One need only look at the industrialised countries to see the significant economic benefit to be derived from having a properly-funded and functioning judicial system. England & Wales have built a whole legal services' industry on the stability of the English judicial system. The Law Society of England & Wales estimates that the total value of legal services to the UK economy in 2016 was £25.7 billion, of which about £4.1 billion was made up of exports, helping the UK balance of payments. However, what these figures don't show, which is arguably more important, is the business activity and foreign investment generated in the UK by it having a predictable, stable and properly-funded and functioning judicial system. Arguably the City of London could not function, and would very likely not exist as a global financial centre, without the properly-functioning judicial system that exists to support it. The two go hand in hand.

For a judicial system to function optimally, it needs a sufficient number of judges. There are approximately 3,000 judicial roles in England & Wales serving a population of approximately 56 million. In contrast, there are approximately 4,000



judges in Pakistan serving a population of approximately 200 million. These are broad figures not taking into account factors such as complexity and size of the two economies or government resources, but they do provide a broad picture that is of some value. The lack of judges in Pakistan exasperates other structural deficiencies in the judicial system. For example, there are approximately 1.9 million undisposed of cases in Pakistan. This must partly be due to the lack of available judges. With its properly-funded and reformed judicial system, it is unsurprising that the UK is near the top of the World Justice Project Rule of Law Index 2019, being ranked at 12 out of 126 countries. While Pakistan with its underfunded and unreformed judicial system is near the bottom ranked at 117 by the index.

I suspect that few would argue against the assertion that successive governments in Pakistan of all political persuasions have been reticent to properly fund and strengthen the judicial system. However, the lack of progress in improving the judicial system in Pakistan should not be laid entirely at the door of the successive governments over the last 30 or 40 years (although I accept they shoulder the bulk of the blame). NGOs, international NGOs and donors arguably have also done little to help. The first time I travelled to Pakistan was in 2004 as part of a programme titled 'Access to Justice', which I understood to be part of a wider 'rule of law' programme. I was one of half a dozen young practising barristers from London. Coming back to Pakistan in 2016, I expected to see some meaningful progress. However, the legal and judicial landscape I observed then seems to materially have changed very little, if at all, in those 12 years. This is despite two decades of programmes aimed to achieve reform in the judicial and legal systems. The root of the infectiveness of these programmes is arguably the overly wide concept of the 'rule of law' adopted, which resulted in programmes being overly ambitious in their scope. A strategy that simultaneously calls for the overhaul of law enforcement agencies, government bodies and institutions, penal institutions, the legal profession and the judiciary, with the best will in the world, has very little chance of success in a country with limited resources. There simply hasn't been the political will or financial resources for such a broad-ranged assault on the impediments to the 'rule of law' in Pakistan. The wide-ranged approach to improving the 'rule of law' has demonstrably failed. What is arguably required is a limited and more focused approach that concentrates on tackling the most fundamental problem first — the judicial system. The judiciary and the judicial system are the foundation upon which the whole structure of the 'rule of law' is built.



In practical terms, this means you need to first ensure that there are enough judges to hear cases, while simultaneously improving the training and appointment process for the judiciary. I do not pretend that this is a panacea for all the systemic challenges that exist, but it is a good place to start. In addition to increasing the number of judges on the bench, the second key change is the complete overhaul of the civil and criminal procedural rules. The importance of having procedural rules that promote efficiency, fairness and speed in litigation cannot be overemphasised. The Pakistani civil procedural rules and their criminal counterparts are over 100 years old. Law, and in particular the common law, is an organic and evolving discipline. As a system of dispute resolution, the common law needs to be able to adapt to changing times and to reflect and shape, as the case may require, the prevailing social norms and attitudes. In these circumstances, it is clear that procedural rules designed by a colonial power for an economic and social environment that has changed beyond recognition can no longer be fit for purpose. A modern Pakistan requires modern procedural rules for its court system. It is recognised that over the years new procedural tools have been incorporated. However, these are add-ons to the existing structure rather than a comprehensive re-thinking of the rules and their approach. Simply making amendments to the existing rules is insufficient. A comprehensively re-imagined set of new civil and criminal procedural rules could transform the whole judicial system, making the whole process far quicker, fairer and easier to understand for non-lawyers. This is something that could be done relatively cheaply and quickly.

Both the government and NGOs (including international NGOs and donors) should give greater consideration to the economic benefits that can be derived from the judicial system. A properly-reformed judicial system will be better placed to play its role in promoting economic growth and protecting the rights of citizens.

Source: https://tribune.com.pk/story/2010499/6-economic-case-reform-judicial-system/



#### <u>Pakistan's Foreign Policy Wins By Nabeel</u> <u>Qadeer</u>

A quicksand awaited the incumbent government during these days last year. A year down, while the economic situation in the country appears bleak at present, the future looks bright as the direction of the incumbent government's economic team is starting to show glimmers of hope. While the country still faces numerous issues on several fronts, the foreign policy of Pakistan seems to be reaping significant results, giving the country a stronger geostrategic and economic positioning in the region.

Let's break it down and see how. The biggest and the core issue were the record low foreign reserves of around \$10 billion held by the SBP and external debt of almost \$92 billion. All financial matters act as the foundation of other problems of energy and power, poverty gap, corruption and injustice, and a deepening debt trap.

Hence, the not-so-easy options had to be explored that lead to a longer route but would equip to take calculated small jumps over the quicksand.

Prime Minister Imran Khan took foreign policy as a catalyst for these option cards. One after the other, he has won on the international front, gaining economic-political benefits for Pakistan. The approach has been different from the onset: front foot instead of defensive. It mapped the monstrous challenging financial and monetary situation on possible solutions. This followed developing an agendadriven, win-all strategy: some local home-based measures such as the Tax Amnesty Scheme and other global foreign policy-based steps. Next, and most importantly, the government made a choice — choosing its first line of 'circle' in today's intertwined complex world with vested interests, which is backed by the New Global Economy.

Pakistan has made that choice well. Scan the last ten months and list down countries Pakistan has been interacting with on the global front. China, Saudi Arabia, the UAE, Qatar, Turkey, Malaysia, Iran and now also Russia.



Where it played a key role in securing initial financial support to kickstart the economy, it positioned Pakistan better on the negotiation table with IMF. On another front, series of investment forums held in friendly countries has paved the way for bilateral business opportunities and trade agreements including the Free Trade Agreement with China. If utilised effectively, this will have a trickled-down socio-economic effect on to a more micro level.

Here's an example: the forward-looking Belt and Road Initiative being driven by China has CPEC at its heart. For Pakistan, reliance on the economic corridor has positioned it as an important regional player, further increasing the significance of its strategic location. On a deeper level, besides bringing the largest-ever amount in FDI, it has a ripple effect, impacting other industries as well. Similarly, initiatives of mutual benefit proposed by Prime Minister Imran Khan at the Second Belt & Road Forum including BRI Tourism Corridor, Anti-Corruption Cooperation Office and further liberalisation of trade and investment flows, all point towards expanding base of cooperation and strengthening foreign relations.

One such avenue is establishing a CPEC forum to educate youth, disseminate knowledge about business prospects and create synergies between entities within Pakistan and China.

The economic situation of any country is deeply linked to its foreign relations. Pakistan's geo-political strategic location gives it an edge. As the government records its successive foreign policy wins, the people must put aside differences and stand by it.

The government made a tough choice to take a more challenging, unconventional route aligning its foreign and economic policies. Are the people ready to make a tough choice: do you want temporary comfort or a permanent change? I trust us to make a wise choice and win for Pakistan.

Source: https://tribune.com.pk/story/2009699/6-pakistans-foreign-policy-wins/



#### Afghanistan — The Nature Of Peace We Are Likely To See By Maj Gen (Retd) Inam Ul Haque

Most contemporary analysis on the Afghan issue misses socio-anthropological approach to the genesis and possible solution(s) of the situation per se. Without the inclusion of such insight, the discourse would always remain incomplete.

The Murree huddle under the Lahore Process in June 2019 is significant in the sense that a demi-official group was able to bring together Afghans of many political and ethnic affiliations. But the process fails short due to its inability to bring to the table the main stakeholders — the Taliban. Without authorisation/meaningful participation by the Afghan Taliban, no political process can be a success.

The Taliban are and would stick to their fundamental demand of complete withdrawal of the Occupation Forces before a ceasefire, because they simply cannot afford otherwise for three very cogent reasons. (1) A Movement like the Taliban, where a large percentage of the combat strength is contractual, seasonal, and/ or voluntary with only a core of salaried cadre, would not be able to negotiate from a position of strength; in a post-ceasefire scenario, when majority of their cadre is de-mobilised and has retreated back to their villages. The essence and lifeline of the Movement remains in maintaining the combat tempo and retain what is called, combat relevance. (2) Agreeing to a ceasefire at the US terms, when the Taliban control the operational tempo in Afghanistan does not make any military sense. They are ascendant as per reliable media reports, they control vast areas outside the few cities secured by the Nato/ US/ Afghan Forces, they operate in highly-protected cities with impunity and they also dominate the night. (3) The Taliban Rank and File would rise up against any ceasefire, where they seemingly don't have a very significant, immediate and visible advantage, with the potential of internal fissures and ultimate splintering of the Movement. Most of these disenfranchised Taliban are likely to cross over to the IS, making it difficult for the Movement to secure Afghanistan in a post settlement scenario. The Taliban leadership is very sensitive to the pulse of their cadre.



Mid-level and ranking Taliban field commanders are more radicalised than the erstwhile Mujahideen. Some years ago, the US/ISAF officials were advised against killing the Taliban high and mid-level leadership in nightly raids by the US Special Forces on the presumption that the replacement ranking commanders/foot soldiers were/are raised in a violence-laden environment and are not very amenable to flexible positions. This truism has borne fruit, but then US-dominated Afghan decision-makers are known for trying the correct option after all bad options are tried first.

Sociologically, like all tribal societies, Afghanistan also had a very resolute Conflict Resolution Mechanism (CRM). This was moored in a strong social system — the and its variants in the Hazara Highlands and other areas of non-Pashtun habitation, the institution of Jirga, the notion of Nanewatee (going to the doorstep of the aggrieved), and the tradition of mashar and kashar (respect given to the decisions of elders by those younger) and the institution of spin-geeray (the whitebearded elderly cadre). However, the traditional CRM operates in vacuum, when there are no outside supporters to the parties in conflict. That is not the case now. The CRM today stands badly degraded because of the greater sociological changes in the Afghan society due to emigration and migration and the warconsequent violence and disruptions. Secondly, the traditional Afghan power elite/nobility has been replaced by newer, younger and moneyed power elite, whose ability to generate and sustain consensus is limited. Thirdly, the scope and span of the conflict and the stakes of all sides involved, necessitates outside arbitration, as the inherent CRM does not have the capacity to deal with the magnitude of the conflict alone, without being nurtured to its earlier effect in a longdrawn process that nobody can afford more when outside powers, however, have their own interests and positions. To put it candidly, in the zero-sum Afghan game, win for Pakistan, for example, is India's loss.

So how can there be peace under such a challenging environment. There are two possible options. The first outcome is of a negotiated settlement on ceasefire, the nature of the interim government, the status of women, Afghan constitution and the distribution of resources. It is all easier said than done. Taliban's reluctance to talk directly to the Afghan government is a case in point. Geneva Accords (14 April 1988) were possible because of the robust Seven Parties' Alliance representing Afghan Mujahideen of all religious, political and ethnic backgrounds, Pakistan's unflinching and pivotal military and intelligent support and the backing of the US



and the erstwhile USSR, who wanted to cut loose and run. This time around, Taliban decision-making seems more dominated by military considerations, Pakistan seems to have conceded some space to Doha, Moscow and Beijing and there is hardly any counter-weight to the US, who wants to cut loose and run. And other stakeholders like Iran, Russia, India and China are vying for competing agendas and end states.

The second outcome is the continuation of military operations by the Taliban till their complete victory and control over the Afghan territory. If history and sociology of the Afghanistan is any guide, this seems to be the most likely outcome, and Pakistan must brace for it at the policy and planning levels. If operations by IS are taken into account, the situation becomes worrisome. A New York Times article on 14 June 2019 titled 'US Special Forces Battle Against ISIS Turns to Containment' says "... the [US] officials acknowledge that it all amounts to more of a containment effort than anything that could eradicate the Islamic State loyalists here".

In case of a peace settlement, the IS reportedly is planning a concerted recruitment drive to lure in the disenfranchised Taliban and other elements. It has cash due to extortion, abductions, illicit trade in opiates and has a committed cadre repatriated from the Middle East/ elsewhere, besides the defected Taliban. And geographic advantage of their strongholds in the Eastern Afghanistan makes them safely entrenched. So, the Afghan conflict is likely to be morphed either into the Taliban battling the US/ Nato and/or the Afghan Government Forces; and/ or the Taliban fighting the IS Forces. Again from a sociological-historic standpoint; to have effective control and governance, one group has to emerge predominantly victorious at the cost of the others. Democratic experience under the US has and is likely to remain in infancy like similar initiatives in the past.

Source: https://tribune.com.pk/story/2008926/6-afghanistan-nature-peace-likely-see/



#### Trump-Imran Summit By Kamran Yousaf

It is official now that Prime Minister Imran Khan will meet US President Donald Trump on July 22 at the White House. This will be the first summit meeting between the two countries since former President Barrack Obama hosted then Prime Minister Nawaz Sharif in October 2015. Relations between the two ostensible allies have remained fragile during Obama's two terms but took a turn for the worse when Trump assumed charge in January 2017. Unlike Obama, Trump abandoned the diplomatic niceties in dealing with Pakistan. In his first tweet of 2018, Trump had said the United States "foolishly" given Pakistan more than \$33 billion in aid over the last 15 years, "and they have given us nothing but lies and deceit, thinking of our leaders as fools."

He subsequently suspended the entire security assistance to Pakistan, once again reinforcing the perception that the two countries could never be natural allies.

The election of Imran Khan as Prime Minister added a new dimension to the already tricky ties given the fact that like Trump, Imran is also being seen as an unconventional politician. And that was on display in November last year when Trump and Imran had a war of words on Twitter. It was triggered by Trump's diatribe against Pakistan. He reiterated his allegations that Pakistan had done 'nothing' for the US despite receiving 'billions of dollars' in aid. But the Pakistani Prime Minister hit back at Trump by calling his assertions as 'false.' "He [Trump] needs to be informed about historical facts. Pakistan has suffered enough fighting US' war. Now we will do what is best for our people and our interests," he responded to the Trump's claims. The public spat between the two leaders further dented hopes of any reset in ties between Pakistan and the US.

But then there is Afghanistan where the US has been struggling to bring peace and ensure an honourable exit. To succeed in this endeavour, the Trump administration needed Pakistan's support. It was because of this reason that despite adopting a hardline stance towards Pakistan, Trump had to write a letter to Prime Minister Imran seeking his help in bringing the Taliban to the negotiating table. Imran did respond to Trump's request positively as Pakistan was able to convince the Taliban to hold direct talks with the US government first in the United Arab Emirates (UAE) and then in Doha. Negotiations are underway with reports of



significant progress. The only trouble at the moment is the Taliban's refusal to hold direct talks with the Afghan government. Another obstacle is insurgents' resistance to agree on a ceasefire.

Nevertheless, Trump's invitation to Prime Minister Imran for a visit suggests that his administration is apparently satisfied with the steps Pakistan has taken to facilitate the peace deal in Afghanistan. The recent US move to declare the Balochistan Liberation Army (BLA) a global terrorist outfit is also seen as acknowledgement of Pakistan's 'positive role.' The IMF Executive Board's approval of six billion dollar bailout package is another indication that the US may have softened its stance towards Pakistan.

Against this backdrop, the upcoming meeting between the two leaders would be very significant. The Foreign Office said the agenda was still being worked out but added the visit was meant to 'refresh ties.'

If the two leaders are able to reset the fragile relationship, this will certainly be a good omen for Pakistan. Improved relationship between the two countries can greatly benefit Pakistan, which is in desperate need of US support to avoid being blacklisted when the Financial Action Task Force (FATF) will meet in October in Paris to review Islamabad's case.

The challenge for Prime Minister Imran, though, is: can he neutralise hawks within the Trump administration who view Pakistan through the Indian lens.

Source: https://tribune.com.pk/story/2008435/6-trump-imran-summit/



## Sustainable Development Goals (Sdgs) And Pakistan By Mahar Munawar

Mankind had long been under the illusion that we are maters of nature. The truth has dawn on us that we are not masters, but dependents on nature for our socioeconomic and spiritual growth. Threatened by the unfolding climate-change, the human civilization is faced with unprecedented and realistic doom and gloom scenario not in too far future. We are now facing the deadly backlash from nature due to the destruction of the earth's physical environment. There is belated realization that over exploitation of finite natural resources of mother Earth, has its limits and catastrophic consequences for the people and the planet. It has forced mankind to move away from the environment-unfriendly development approach to sustainable development model in harmony with Mother Nature that stands injured by human recklessness and callousness. The UN defines the sustainable as "the development that meets the needs of the present without compromising the ability of future generations to meet their own needs". Sustainable development is a paradigm shift in global development concept and practice as it is premised on the need for a sustainable, inclusive and resilient future for planet and its inhabitants. This development idea seeks to synergies the three core interconnected elements: economic growth, social inclusion and environmental protection. "When it comes to sustainable development...every country is a developing country," aptly put by David Navarro, Special Advisor to the UN Secretary-General on the 2030 Agenda for Sustainable Development and Climate Change.

As the time frame for the Millennium Development Goals (MDGs)expired in 2015, the global community moved to build up on the MDGs by encompassing new environmental and development areas notably sustainable consumption, climate change, economic inequality, innovation, peace and justice. Thus, on 25 September 2015, the 193 countries of the UN General Assembly adopted the 2030 Development Agenda titled "Transforming our world: the 2030 Agenda for Sustainable Development", through the Resolution A/RES/70/1. This post-2015 agenda comprises of 92 paragraphs. The Paragraph 51 lays out the 17 Sustainable Development Goals. The SDGs are a diverse collection of 17 global goals, 169 targets and 230 indicators that officially came into effect on 1 January 2016. Over the next fifteen years, these Global Goals seek to end poverty, fight inequalities, and tackle climate change among other things. On 1 January 2016,



SDGs of the 2030 Agenda for Sustainable Development officially came into force. The SDGs require around \$3 trillion a year for their implementation. Compared to the MDGs, the SDGs are much more comprehensive and inclusive with tri-dimensional focus on economic development, social well-being and environmental protection.

Apart from other multiple challenges, overemphasis on state security at cost of human security, governance issues and inadequate budgetary allocations for the achievement of SDGs have been a key impediment to the SDGs in Pakistan While SDGs are not legal obligation, all stakeholders state and non-state actors are expected to lend ownership and devise the national frameworks for translating the 17 global goals into a tangible reality. Being a member of the UN, Pakistan is under obligation to implement and achieve the goals under the framework of the Agenda 2030. On 16th February 2016, the Parliament unanimously adopted the SDGs as the national development agenda. Further, it also established the Parliamentary SDGs Secretariat based at the National Assembly. institutionalize 2030 Agenda, Ministry of Planning, Development & Reform (Moped), Government of Pakistan, Planning & Development Departments of provincial governments with the support of UNDP has rolled out a five years joint project of "National Initiative for Sustainable Development Goals". In order to synergies efforts and coordination among federal and provincial ministries and subsidiary organizations, a Federal SDGs Support Unit has been formed at the ministry.

Notwithstanding the legislative and structural measures, the country continues to fare poorly on the ground as reflected by Pakistan's low ranking on the HDI. Pakistan is ranked 150th among 189 countries surveyed in the UN's 2018 Human Development Index measured by combining indicators of life expectancy, educational attainment and income. Poverty all aviation is the first and foremost goal among the SDGs. According to UNDP, 39 percent of Pakistanis (4 out of 10) are condemned to languish in multidimensional poverty, with the highest poverty prevalence in Baluchistan and erstwhile FATA region. In its report for 2017-18, World Justice Project put the country at number 105 out of a total of 113 countries reviewed on the basis of rule of law, absence of corruption and security. Pakistan Education Statistics 2016-17 show that 22.84mn (44pc) out of the total 51.53 million children, are out of school.



Apart from other multiple challenges, overemphasis on state security at cost of human security, governance issues and inadequate budgetary allocations for the achievement of SDGs have been a key impediment to the SDGs in Pakistan. In budget 2019-20, the country has allocated meager amount of Rs24m that is insufficient to meet SDGs targets that require massive public funding. Appreciation of human security role in national security calculus, sustainable economic growth, adequate funding and the localization of the SDGs and good governance are some of the critical measures needed to materialize the SDGs that will potentially push the country in the league of the upper middle-class countries by 2030.

Source: https://dailytimes.com.pk/427595/sustainable-development-goals-sdgs-and-pakistan



# Gender Responsive Urban Planning By S Ahad

Like so much else in our development and planning regime, gender responsiveness too may not be on the radar of an urban planner designing a new project or a parliamentarian seeking funds for the development programs of his constituency, not perhaps even for the female parliamentarians nominated on the women's quota. This is the high time to raise awareness on the need of inclusive urban planning and equitable human settlements as public housing is one of the top priority agendas of the government. For the government scheme of public housing idle state land has been identified in several districts and planning might be under way for making these wilderness habitable (the writer is not sure if any planning has yet started as progress on development plans is always shrouded in so much mystery, that Right to Information Acts have to be introduced and invoked for public scrutiny, accountability and transparency). Though the Federal Housing Task Force, as announced in November 2018, had no woman member on it but it is hoped that in its brain storming sessions it would co-opt a gender specialist.

Affordable housing and access to shelter is a colossal problem in urban planning and the lack of public housing projects has left the people to the mercy of the market forces. This has led to making illegal housing another field for the mafias to make quick buck. Karachi and Islamabad are the glaring examples of the inaction and apathy of the state functionaries, either due to lethargy or absence of political will to address these issues. Adequate shelter is identified as not only just roof over one's head but also as one providing adequate security and a minimum desirable level of civic facilities like water, sanitation, waste removal, lighting etc. All these attributes of an adequate shelter are the features which affect women more than men. There can be no home where its inhabitants are not safe, similarly absence of a decent facility of water, sanitation, waste removal means engagement of women and girls for these provision thus reducing time available to them for other productive activities including domestic chores. Collection of waste and its removal exposes women to health hazards also and inadequate lighting, among other things, becomes security hazard for women, elderly, and the children.



Gender mainstreaming is not an alternate to gender focused programs but requires that all the programs should be analyzed incisively to unveil and address hidden discriminations and to bring out the different needs of the two genders Lack of affordable housing has led to sprawling slums; illegal occupation of state land and over crowded housing units which perpetuate joint family system, where again the brunt of this social problem is borne by women.

Housing is just one area of urban planning but in view of government's plans of public housing for the low income families, this area may serve as an example of either the lack of knowledge on the issue by the planners or willfully relegating gender mainstreaming to a very low priority. The United Nations Economic and Social Council requires all the entities within the UN to take gender perspective in all of the policies and programs (Conclusions 1997/2). Gender mainstreaming is defined as "Mainstreaming a gender perspective is the process of assessing the implications for women and men of any planned action, including legislation, policies or programs, in all areas and at all levels. It is a strategy for making women's as well as men's concerns and experiences an integral dimension of the design, implementation, monitoring and evaluation of policies and programs in all political, economic and societal spheres so that women and men benefit equally and inequality is not perpetuated. The ultimate goal is to achieve gender equality."

Gender mainstreaming is not an alternate to gender focused programs but requires that all the programs should be analyzed incisively to unveil and address hidden discriminations and to bring out the different needs of the two genders. Obstacles in the path of gender sensitive urban planning are not only cultural and institutional but also inadequate understanding of gender related requirements aggravates the problem. For example, there would hardly be a gender activist vocalizing concerns over gender insensitive urban planning or an urban planner mindful of the gender aspect of his work. However, paying the credit where it's due, Orangi Pilot Project, has been one such program which focuses on social aspects of urban planning and has engaged and trained social activists on these lines. We have often seen public primary schools for girls built away from the settlements and lacking in basic facilities of four walls and sanitation. The reason for schools in such inhospitable areas often comes to be explained as that it was a donation by a local land owner so he chose to donate the barren, uncultivated land which was away from the village since the land closer to it was obviously costlier. In an attempt to save the development budget for school buildings from lapsing, which is viewed as adverse



performance of a public sector manager, planners both from public sector and political arena, overlook the safety and security of the school girls at such a desolate place. Therefore, urban planning with no or little gender consideration is not always due to lack of public funding but also due to lack of sensitivity on the subject.

For women in our country, it always is an intersection of vulnerabilities, as they have no access to the economic resources and cultural and social mores also militate against them so an affirmative action is required to make the public policies and programs gender sensitive. It may be mentioned that no priority for women or a different eligibility criterion has been announced yet in the government's scheme for public housing, unlike the rural housing schemes of the past like Jinnah Abadi where there were quotas for priority groups including widows. It is hoped that government's scheme of public housing would be made an inclusive one.

In order to raise awareness on the gender aspect of planning issues and gender mainstreaming, Local Government Departments, Physical Health and Urban Development Departments and above all the Planning and Development Departments in the provinces have a key role to play. As environmental impact assessments are made an integral part of any infrastructure project, gender impact assessment may also be made an in-built feature of urban planning. As the first step, women development departments shall compile a sex-disaggregated data of the projects approved for the next fiscal year and also of the projects completed in the year ending on 30th June this year as the new financial year has started and we may begin with a clear idea of what has been done so far and what needs to be done.

Source :https://dailytimes.com.pk/426431/gender-responsive-urban-planning/?fbclid=IwAR0Xyky\_EaDIhIN8IOEgctLKujJThhdF3GjaVI\_ncfsEy9-89nMm2ryuv1Y

### **Pak-US Relations**

Revelling in Prime Minister Imran Khan's successful US visit, Foreign Minister Shah Mahmud Qureshi has claimed that the PTI government has attained "immense success" in turning an unfavourable atmosphere in the Pakistan-US relationship into a favourable one. Conceding that the PM succeeded in establishing a rapport with the US President, there is a need to realise that with the kind of expectations being entertained by President Trump it would be a hard task to keep him sweet. It must not be forgotten either that the bureaucracy in Washington does not harbour a very favourable view of Pakistan.

American casualties have increased in Afghanistan from 13 last year to at least 14 in the last seven months alone. Despite the ongoing talks between the Afghan Taliban and the Khalilzad-led US team there is yet no let up to the terrorist attacks. On the first day of the Afghan presidential campaign on July 18, 20 people died in a terrorist attack targeting the Kabul office of President Ghani's running mate for the office of the Vice President. Pakistan faces an uphill task persuading the Taliban to announce a ceasefire and hold talks with the government in Kabul as desired by the USA. What is more the USA expects the task to be completed apace as Secretary of State Mike Pompeo wants more of the US troops to be evacuated before November 2020. It's ironic that while Pakistan is trying to intercede between the Taliban and the government, neither is bothered about stopping the Tehreeker-Taliban Pakistan elements from launching attacks on Pakistan's army from Afghan soil.

Keeping an unpredictable President pleased is not an easy assignment. It would therefore be premature to claim that PM Imran Khan's US visit was an "immense success." While Pakistan is still meditating over inviting the Afghan Taliban for talks, State Department has reminded it that besides other things the PM had vowed to urge the Taliban to negotiate with the Afghan government and that it's time to make progress on the success of Trump-Imran meeting.

Shah Mahmud Qureshi would do well to spend time holding talks with the State Department bureaucracy to convince it of both Pakistan's sincerity and its limitations in bringing the Taliban round.

#### **ECONOMY**

## World Economic Forum Important For Pakistan By Ikram Sehgal

Founded in 1971 the World Economic Forum (WEF) is an international organization for public-private partnership. The Forum engages the foremost business, political and other leaders of society to shape global regional and industrial agendas. With globalization moving forward at a fast pace WEF has become to be one of the most influential international economic organizations. Membership is awarded to leading companies on recommendation. Truly independent and impartial WEF is not tied to any special interests or groups. The WEF works under supervision of the 7-member Swiss Federal Council, which constitutes the Federal Govt, serving as the collective executive head of govt of the state of Switzerland

Geopolitical shifts have created new challenges affecting global dynamics. Today non-state actors have reshaped their agendas, adjusted their capabilities and are able to challenge and disrupt not only national systems but global ones also. Focus is made during the Davos meetings on the rising public anger against global inequality and globalisation. Klaus Schwab believes, "to withstand this threat, countries cannot simply close themselves off. The only way forward is to make sure that globalization is benefiting everyone". Nations must cooperate and interact on shared interests. WEF's reputation for great integrity is derived from its commitment of being totally impartial. Not tied to any political, partisan or national interests and "committed to improving the state of the World". Global leaders are called on "to renew the systems that have supported international cooperation in the past by adapting them for today's complex, multi-polar world in ways that foster genuinely inclusive growth." To quote WEF founder and Executive Chairman Klaus Schwab in 2017 "Responsive Leadership means recognizing the increasing frustration and discontent among those not experiencing economic development and social progress. Their situation will only become more uncertain with the onset of the Fourth Industrial Revolution and its impact on future employment".

The annual meeting of WEF in Davos gives a platform to representatives of hundreds of companies, governments and social activists. Around the year different groups work and research on pressing problems of the world today such as climate change, corruption, migration and others. Members can engage in up to six different working groups. The Forum produces a series of research reports and engages in a number of initiatives that seek to tackle global challenges through public-private collaboration. Typically, more than 2,000 people are invited to attend, participate, or cover the event. Davos is a unique once-a-year opportunity bringing together the world's most prominent politicians, heads of State and/or govt, business and industrial leaders, policy makers, academics and scholars, scientists, philanthropists, social workers, media personalities, etc under one roof to discuss and shape global and regional agendas relating to economics, health, environment, media, security, and a host of other topics. CEOs of multinational corporations mingle with world leaders and A-list celebrities to discuss a range of topics such as the global economy, commodity prices, environmental issues, etc.

WEF's mission to "improve the state of the world" means engaging top global leaders to collaborate in shaping the global, regional and industry agendas. Davos gets your narrative not only heard but understood. While going there is important to make it happen you have to be heard in public sessions. A handful of Pakistani businessmen at Davos can never shoulder the burden of projecting Pakistan. Davos is a unique opportunity to showcase Pakistan, it is imperative that our major business leaders use the Davos platform to be counted as the outstanding entrepreneurs they are. The overwhelming consensus among the world's rich, powerful and/or knowledgeable is that the WEF Annual Meeting at Davos truly remains the most important economic and socio-political event in the world calendar.

It can be said without exaggeration that the current one day visit of the President of the WEF, Mr Borge Brende, formerly the Norwegian Foreign Minister, to Pakistan is closely related to the efforts that have been made over many years by Pakistani WEF members

WEF's "Partnership Against Corruption Initiative" (PACI), of which I am a member since 2013, gives strategic direction to WEF's anti-corruption efforts, the meeting of this community of champions serves to promote business driven global and anti-corruption agenda, sharing best practices to improve their organizational resilience

and joining forces to strengthen moves towards a more level playing field against corruption. More than 100 participant global leader companies and organisations such as Basel Institute, Transparency International, etc are in Vanguard. To quote David Seaton, Chairman and Chief Executive of Fluor Corporation (the former Chairman of PACI Vanguard), "it is time for leaders from businesses, govt and civil society to support game-changing initiatives to fight corruption and end bribery. We should align around a global agenda and a true multi-stakeholder partnership, creating a level playing field and supporting growth, competitiveness and trust in leadership. "Chatham House Rules" should not prevent mentioning the salutary role played by Secretary General OECD Angel Gurria. OECD's Anti-Bribery Convention represents the harmonized legal, regulatory and enforcement frameworks as the single most important initiative to help businesses operate on a level playing field against corruption. PACI intends working with govts at the national and social levels to reduce incidents of corruption in the life cycle of strategic infra-structure projects.

Pakistan's private sector is represented – among others – by Pathfinder Group and Martin Dow Group, who have been organizing for many years events in Davos with the aim to promote a positive image of Pakistan. My son Zarrar Sehgal, a WEF Young Global Leader (YGL) represents the Group at Davos. The signature event is the traditional PAKISTAN BREAKFAST hosted jointly by the two GROUPs. Facing a serious crisis of image internationally, the PAKISTAN BREAKFAST has been successful in dispelling the negative perception before a very precocious audience. In 2018 former PM Abbasi was on the dot when he said, "There are two Pakistan's, one is on the CNN and the other is the reality" reflecting that at times the international media has shown bias in very quickly disseminating any news that paints Pakistan in a negative manner. The many positive and good aspects of Pakistan are unfortunately overlooked or misreported many times. The huge gap between perception and reality was bridged by the Pakistan Breakfast. The guests at the event meet with senior Pakistan leaders in every walk of life to exchange views with a world audience in a very candid manner. Prime Minister Imran Khan was not able to grace the event this year.

It can be said without exaggeration that the current one day visit of the President of the WEF, Mr. Borges Brenda, formerly the Norwegian Foreign Minister, to Pakistan is closely related to the efforts that have been made over many years by Pakistani WEF members. Unfortunately, there has been a popular understanding



that to spend so much money on so many people year after year is wastage. It even seems that the absence of PM Iran Khan this year was a sign of our government not understanding the importance that the WEF has come to represent. To quote from an earlier article of mine "Where it is the duty of our official diplomatic corps, aided by the government media machinery, to counter this negative perception, Davis is a living symbol of their continuing failure to cope with their primary task to work for Pakistan's good in the international forums."It is high time that this attitude is abandoned and the opportunities that may come from association with the WEF are availed of. Mr. Brenda's one-day visit today even if for a short while – is important and should be an eye opener to Pakistan and the beginning of a fruitful cooperation in future. He will meet Pakistan Prime Minister Iran Khan and other members of the government, among them Omar Aye, Energy Minister, Nader Babar, Adviser on Petroleum to PM, Abdul Razzed Dagwood. Adviser to PM on Commerce, Adviser to the PM on Climate Change, Minister of Education Shafqat Mahmood and Zulfigar Bukhari, Adviser to the PM on Human Resources as well as Sohail Mahmood, Foreign Secretary. This is the first visit of a high WEF official to Pakistan after almost twenty years and the names on the meeting list indicate the varied fields of interest that the WEF is having in view.

Along with the Chairman Martin Dow Group Ali Akhai, son of late Jawed Akhai, a visionary of extraordinary talent and a hard-core Pakistani Zarrar and I are hosting a lunch in honour of Mr. Brende in the course of which the guests will have an opportunity to personally meet the President of WEF and hear about the WEF agenda and how Pakistan can be included into it.

It is hoped that from the personal meetings with Pakistani officials new impulse is coming for better cooperation and integration of Pakistan into the global community economically, socially and in many other regards. On his part Mr. Brende will be able to personally understand the difficulties that Pakistan is facing and take away with him ideas for projects that could be started in future to Pakistan's benefit (the writer is a defence and security analyst).

Source: https://dailytimes.com.pk/427631/world-economic-forum-important-for-pakistan/



## Stability and identity RanaBy Muhammad Amir

WHILE its effects are palpably visible in political and economic ambits, instability also adds to confusion and insecurities, and causes behavioural changes among individuals. It can even trigger crises of personal and social identities, which Pakistani power elites tend to confuse with external factors threatening our national security.

The current atmosphere of political and economic chaos is not new. Yet it presents the country's renewed challenge to come out of its chronic instability. Apparently, the current political regime is also failing to bring some fresh approaches and new perspectives to cure our economic malaise. On the other hand, it is miserably struggling to sell an impression of stability to the people, who are -enormously agonised by the ongoing economic adjustments and corrections.

Anxiety kills the potential for productivity and creativity, so essential for the growth and development of state and society. The recent Quetta Literary Festival (QLF) reflected this growing anxiety among the intelligentsia and educated youth of Pakistan. For one, most discussions on the future of our state and society linked it to the prospective direction of Pakistan's stability and identity.

Stability has always been the top priority of any state, because it also indicates that the state is functioning well. However, stability cannot be imposed; it comes as a natural outcome of coherent policies and actions of state institutions and cordial relations between state and society. Instability, nonetheless, triggers various types of insecurities among the state organs and segments of society. A sense of discrimination and humiliation not only compounds this problem but also aggravates identity crises among communities, particular those with -problematic group histories.

Dignity and empowerment may be more important than economics or security. The common Pakistani faces multiple levels of discrimination at the hands of multiple actors and due to many factors. Some believe they are being discriminated against on the basis of their race, language, culture, facial appearance, faith or sect. Ethnic, religious and sectarian-based profiling is



common and often used by the state as well as majority ethnic, religious and sectarian groups. A study by an Islamabad-based think tank, titled Who Am I? A Study on Identity and Co-Existence in Pakistan, is reflective of debates at the QLF, indicating that while people of small federating units and/or ethno-religious minorities feel discrimination when interacting with public departments or state institutions, two factors in particular aggravate them. The first is linked with human dignity and the second with empowerment.

A significant majority of the study's participants believed in human dignity more than economics or security, and asserted that it is one's sense of dignity or lack thereof that develops identity. The dignity factor is relatively new, but has been developing along with securitisation over the last two decades, in the form of security check posts on highways, in urban areas, on campuses and in government departments.

The study also noted that most of the respondents from Balochistan, Khyber Pakhtunkhwa and the latter's tribal districts had experienced some sort of humiliation at check posts, which they interpret as profiling. One can understand that these two provinces have suffered greatly from terrorism and insurgencies, which have added to their insecurity and sensitivity. Perhaps this is why security institutions have also worked on improving their social skills in recent years, to respect local sensitivities. However, it remains a major factor in the people's increasing sense of insecurity and humiliation.

It was also noted that educated youth (especially in Balochistan, Sindh, KP's tribal districts and Gilgit-Baltistan) feel less empowered in society. A big segment of youth, regardless of religious or education backgrounds, joined militant groups, not necessarily by falling for extremist or separatist ideologies, but because they were awed by the militants' stature, and wanted to be seen the same way. The desire for power and prestige in their areas is so pronounced that these youngsters were suffering from a crisis of identity.

Similar factors can be identified in Pakistan's identity politics, which is centred on group identities. Nationalist political and social movements want a broader sense of belonging and ownership in the system, which the power elites only share with a select group of cronies.



It is interesting that, in the majoritarian Punjab, a sense of cultural marginalisation is resurfacing. The Punjabi intelligentsia complains that, for the sake of national unity, it has sacrificed its cultural and ethnic identity. However, voices from other provinces feel that the Punjabi power elites should have adopted a federalist approach rather than emphasising a strong centre and creating uniformity. The federalist approach would have provided a better coherence among the federating units, and Punjab should also have not compromised its -cultural background.

The debate on identity and stability cannot be complete without discussing the role of religion. The state and power elites still strongly believe that religion is the only factor that can glue the nation and, in this attempt, promote religiously inspired actors who follow their design. A variety of such actors are at the elites' service; the latter choose and abandon them as needed. According to the study, using religion for national coherence is not only an inclination in Punjab; such voices' power is gradually increasing in Sindh and Balochistan too.

One interesting finding of the study was about local-level problems and how people relate these with broader sociopolitical issues. The majority of respondents highlighted civic issues such as access to clean water, education, health, population management, traffic, etc. This was followed by issues related to personal liberties such as freedom of expression and physical security. Strikingly, many talked about local-level disputes in the shape of class differences or local mafias. However, the majority believed that even if the solutions to these day-to-day issues would not help resolve big issues such as an identity crisis, they support more -freedom and sociopolitical securities for a better and healthier society and stable state.

Source: https://www.dawn.com/news/1491193/stability-and-identity



### Economy And Security By Raashid Wali Janjua

Pakistan's security and economy have jostled closely as conjoined twins right from the country's inception as an independent state in 1947. Pakistani historians and scholars might cavil at Indian machinations to strangulate Pakistan economically, yet even Indian writers like Kamal Davar concede that "the unwillingness of Indian leaders, notably PM Jawaharlal Nehru and Home Minister Sardar Patel to be generous to the new state especially in the division of assets, also made reconciliation difficult between the two states." It was the fear of an implacably hostile foe on the east and a refractory neighbour on the West that compelled Pakistan to seek US led military alliances leveraging its geostrategic location for economic gains.

Pakistan as per Kamal Davar had received 30 per cent of British Army, 40 per cent of its Navy and 20 per cent of its air force. As a result the first Prime Minister of Pakistan was forced in 1948 to allocate 75 per cent of the budget to defence forces. This large expenditure due to country's security imperatives had to be balanced through aid commitment of strategic security agreements with the United States, ostensibly to counter the looming shadow of communism in South Asia. Pakistan became a frontline state of US war against communism in late fifties pretty much like her war against terrorism in 2001. Pakistan's security needs forced a significant expenditure on the defence of the country that remained the barometer of security for very long time. The dismemberment of the country and the fear psychosis generated thereby did little to assuage the insecurity bred in a high external threat environment.

The end of the bipolarity in global power relations with the demise of Soviet Union heralded a new age of unipolarity with a hyper power ruling the world like a colossus. Soon the proximate identities and socio-political angularities that had lain dormant under the client-patron inter- state relationships of Cold War era emerged out of the wood works to haunt the planners of the New World Order. Geopolitics that was to give way to geo-economics stood in the window gasping for one last breath before plunging to its natural death in this new age. Pakistan became a hotbed of internal as well as external machinations of forces inimical to its existence. Michael Desch the US based scholar has propounded a theory about



a combination of external and internal threats that determine the nature of civilian control of the military. According to the author "the civilian control should be best in times of high external and low internal threat and worst in times of low external threat and high internal threat."

The time has come to link our economic and security sinews through meaningful reforms and not just window dressing. Unrealistic tax target setting without winning the trust of the population and business community is a self-defeating exercise

According to above theory the security compulsions in high external threat environment should give the civilian leadership of Pakistan better control of economic and foreign policies whereas in high internal threat environment the civilian control would pose problems. In Pakistan under the present government the civilian leadership is getting the fullest cooperation from the military which appears mindful of the linkage between the economic and security dimensions of statecraft in both high external as well as high internal threat environments. What the military and civilian leadership both should be mindful is the changing nature of the security and the role played by the economics in it. The notion of national security tho longer remains confined to military threats. It is the notion of human security that has gained salience in this age of geo-economics.

Human security is a very comprehensive term that includes personal, economic, political, community, and environmental security. The concept is people centered and securitizes people's welfare instead of external threats only. The role of economy in case of human security assumes even greater salience than the traditional military threats centered notion of national security. Our public policies should reflect this change and for the change to actually materialize we need a drastic reorientation of our national priorities. Now how to reorient our foreign and defence policies to reduce our external threats in order to focus more on human security threats?

The country first of all needs to reassess its defence policy. If the reliance is to be kept on nuclear deterrence for national defence the maintenance of very large conventional forces act against that objective. The credibility and effectiveness of our nuclear deterrence through a triad of nuclear delivery means should spare our conventional defence forces to save the national resources for expenditure elsewhere. Through cost cutting on lesser conventional component we could in



fact have better trained and technologically equipped armed forces instead of a vast multitude of infantry heavy, low tech military. We should logically reap the dividends of a nuclear deterrence in terms of costs saved. It makes no sense for a cash strapped economy in perpetual balance of payments crisis spending equally profligate amounts on nuclear as well as conventional defence.

A national security review by a balanced mix of civil and military experts led by the Prime Minister's office should carry out an appraisal of our defence needs and security response with focus on retaining an optimal balance between our nuclear and conventional components. Our diplomacy should break new frontiers instead of remaining mired in the age old rut of confrontational politics. Unfortunately in this we would be up against an obdurate and visionless Indian leadership and an opportunist super power. The deft diplomacy should offer both the detractors such attractive stakes that force both to view Pakistan as an opportunity rather than a challenge. In that CPEC can act as an inclusive strand of an extra regional economic alliance including India, US, and Gulf states besides roping in Central Asian Regional Economic Cooperation forum.

After getting above fundamentals right our economic managers should focus on an internationally linked yet indigenous, home spun, and nationalistic economic planning. Instead of relying on IMF experts that specialize in administering nostrums to sick economies like Egypt Pakistan specific solutions should be found by coopting local economic wisdom, of which there is an abundance here. One size fits all IMF prescription that squeezes poor to subsidize the rich, devalues currency with no visible advantages to exporters, taxes the business community beyond its capacity, hurts agriculture through removal of subsidies, and fuels inflation through price hikes in gas and electricity prices is a sure recipe of failure for Pakistan as in the past. With disposable incomes down by 40 per cent and a rampant inflation riding the bandwagon of Bretton woods wisdom, a frustrated population gasping for breath, is hardly an inspiring sight for national economic revival.

A time has come to link our economic and security sinews together through meaningful reforms and not just window dressing. Unrealistic tax target setting before winning the trust of the population and business community is a self defeating exercise. The government should motivate people before clamping down



on tax evaders in an environment where the ease of doing business is not a mere statistic but a facilitative reality of a new economic environment.

Source: https://dailytimes.com.pk/421485/economy-and-security/



# Trump's Trade War Is The Wrong Way To Compete With China By Tom Donilon

The rivalry between the United States and China is here to stay. But the Trump administration is bringing the wrong tools to the contest, applying blunt trade-war tactics reminiscent of the nineteenth century instead of crafting a strategy to keep the United States the world's economic and technological leader in the twenty-first. Defensive protectionism will not meet the China challenge; only domestic revival can do that. Restoring the United States' global standing and revitalizing its economy will require an ambitious strategy that doesn't rely solely on changing Chinese behavior so much as on preparing the United States to compete.

After a pause in the trade war earlier this year, the cycle of escalation has resumed. In the last several months, the White House has hiked tariffs on hundreds of billions of dollars' worth of Chinese imports and announced sanctions on the Chinese telecommunications giant Huawei. China has retaliated with tariffs of its own and is now preparing for a protracted economic conflict.

The Trump administration is right that China's high-tech mercantilism threatens U.S. economic competitiveness and national security. China aims to replace the United States as the global leader in several high-tech sectors. The Trump administration is also right that the United States should push back. But so far the United States has not responded with nearly enough ambition.

Tariffs were always a poor choice to change Beijing's behavior. At best, the administration's punitive measures will shape China's policies at the margin, earning U.S. companies a little more access to the Chinese market and slightly reducing the trade deficit. In the meantime, however, the tariffs are hurting U.S. businesses, consumers, and farmers. They are alienating U.S. allies. And, analysts warn, they are increasing the risk of a global recession.

There's a better solution. History offers a blueprint: the United States' strongest response to external economic and technological challengers has always been to invest in itself. When, in 1957, the Soviet Union launched the world's first artificial satellite, Sputnik, the United States responded by passing the National Defense Education Act, which transformed all levels of science and math education,



dramatically boosted federal funding for basic research and development, and created NASA and DARPA, which supported the development of many of the technologies that power modern society. Today, China's technological advancements—a more serious threat to U.S. primacy than the Soviet Union ever posed—should produce a similar response.

The flaw in the administration's strategy is that it has focused too much on China and almost not at all on the United States. The missing piece is revitalization at home. Rather than slapping tariffs on Chinese goods, the United States should be investing in science, technology, education, and infrastructure; restoring its voice on key values; strengthening U.S. alliances; and reforming the immigration system to bring in the entrepreneurs and skilled workers of tomorrow.

The right strategy would start by returning science and technology to the center of policymaking. The Trump administration, more than any other in modern history, has purposely reduced the role of science in government. When the federal government released its mandated National Climate Assessment last November, the president dismissed it. The administration has neglected or disbanded long-standing scientific committees across the government, including JASON, the Department of Defense's premier outside science advisory group.

These actions are short-sighted. The U.S. government has long played an essential role in developing new technologies, from groundbreaking medical advances to the microchips used in iPhones. As the economists Jonathan Gruber and Simon Johnson show in their new book, Jump-Starting America, public investments in science have produced big returns, fueling the strongest periods of U.S. economic growth. Every \$10 million in public funding given to the National Institutes of Health, for example, has produced an additional \$30 million in value for the private sector.

But amnesia about these achievements has set in. U.S. government spending on R & D has fallen steadily as a share of GDP, from around two percent in the 1960s to just 0.7 percent today. Trump's most recent budget proposes to slash billions of dollars in funding from scientific and medical research. In the past, Congress has wisely rejected similar cuts and last year approved the largest R & D funding boost in a decade. But the United States needs a much greater leap in R & D support if it is to keep up with China. Between 1991 and 2015, China raised its R & D



spending 30-fold, averaging an 18 percent increase each year since 2000. As a result, the National Science Board estimates that China might have overtaken the United States as the world's leader in research spending last year, and if not, it will do so soon.

Just as the government-driven space race sparked a golden age of U.S. technological development, a new national program of basic research and development can reestablish the United States' technological leadership. Acting alone, the private sector is simply unlikely to innovate on the scale and at the speed necessary to compete with China, which is devoting significant public resources to moonshot projects such as quantum computing, artificial intelligence, and biotechnology. Nor can private firms—naturally focused on more narrow commercial goals—be relied on to make farsighted investments in basic R & D—investments that might not yield a profit in the next decade, but that will form the foundation for the next generation of technology. Only with greater federal support, and by cultivating public-private research partnerships, can America lead in developing new technologies.

The United States should be making much greater long-term investments in education, too. Instead of running up deficits in the service of tax cuts that will exacerbate inequality, the federal government should focus on investments that bring tangible returns. As MIT President Rafael Reif has written, fending off Chinese technological supremacy requires sustaining the United States' unique asset: its "large number of first-rate ... universities pursuing advanced research with long-term federal support." A forthcoming Council on Foreign Relations report wisely proposes investing an additional \$10 billion a year over the next five years to support technological research at universities.

As well as developing cutting-edge technologies, the United States also needs to stay ahead of their disruptive effects. Robots and artificial intelligence are already beginning to displace workers and will eventually transform almost every sector of the economy, from health care to transportation. A recent Brookings Institution study found that nearly a quarter of American workers face a high risk of losing their jobs to automation in the coming decades.

The government should work with the private sector and educational institutions to prepare Americans to weather the effects of new technologies on labor markets.



Schools and universities should train students for the jobs that technology is least likely to obviate—according to the McKinsey Institute, those involving critical thinking, social interaction, and management. Getting this transition right will do far more for the U.S. economy and society than Trump's trade wars ever could.

If the United States is to remain the world's most attractive place to invest and innovate, it will need to revamp its infrastructure. Under President Dwight Eisenhower, the United States embarked on a vast public works project to build the country's first national network of highways. The Interstate Highway System generated economic dividends that strengthened the country over the long term. Today, the deteriorating state of American roads, bridges, tunnels, and airports threatens to roll back many of those gains. The American Society of Civil Engineers estimated in 2016 that a failure to repair U.S. infrastructure will cost the United States \$3.9 trillion in GDP and 2.5 million jobs by 2025.

Future generations of Americans will judge today's leaders harshly for squandering this moment.

The United States is overdue for a twenty-first-century version of Eisenhower's road-building project, one that upgrades the country's infrastructure and prepares it for the era of high-speed rail, electric vehicles, and self-driving cars. As the Trump administration has fought to make cars and trucks less efficient, China is pushing electric vehicles, encouraging Chinese drivers to buy them, and building a grid to support their use. China has also begun designing infrastructure to better serve self-driving cars, potentially speeding up their development.

Future generations of Americans will judge today's leaders harshly for squandering this moment. The country desperately needs new and rebuilt infrastructure, the economy is entering the late stages of a long recovery, and interest rates are historically low, making borrowing cheap. As the economists Lawrence Summers and Jason Furman recently argued in this magazine, "long-term structural declines in interest rates mean that policymakers should reconsider the traditional fiscal approach that has often wrong-headedly limited worthwhile investments." There may never be a better time to undertake a large-scale infrastructure program.

The United States is also failing to capitalize on its status as a nation of immigrants. To compete with China, the United States needs to remain a place that talented



immigrants both can and want to call home. The United States has long enjoyed a demographic advantage over China: in part due to the legacy of the one-child policy, China's population is shrinking and aging while the United States' is still growing. But that demographic edge is eroding. According to Census Bureau estimates, U.S. population growth is at an 80-year low. The demographer William Frey projects that as native-born Americans have fewer and fewer children, immigration will provide the main source of population growth in the decades ahead. Immigration boosts economic growth, too, since immigrants tend to be younger than the native population, more likely to work, and often more successful when they do. The longtime technology investor Mary Meeker recently found that more than half of the country's 25 most valuable tech companies were founded by a first- or second-generation immigrant.

The Trump administration's hostility to immigration, therefore, threatens to undermine one of the United States' most important advantages. A future administration should reverse course, enacting a set of reforms that will bring in more talented immigrants and restore the United States' image abroad as a welcoming place for newcomers.

The United States needs to set its house in order, but even then, it cannot go it alone in a global economic, technological, and military competition with China. Trump's trade wars have alienated the United States' closest partners. A recent poll in Germany found that the German public now views the United States as a less trustworthy trading partner than China. Regaining the United States' stature in the world is essential, as only a collective front can pressure Beijing to stop stealing intellectual property and start granting foreign companies greater access to the Chinese market.

A good place for the next president to start would be by reviving U.S. participation in the Trans-Pacific Partnership. A stronger TPP with U.S. involvement would be the ultimate tool for checking China's unfair trade practices. It would signal to Beijing that it can only shape Asia's economic future by respecting intellectual property, dismantling bloated state-owned enterprises, and playing fairly with other countries. Trump's decision to scrap the TPP, in 2017, conveyed exactly the opposite message, assuring China's leaders that they could double down on the old ways of doing business without consequences.



The administration's China policy reflects Trump's belief that China has long taken advantage of the United States, especially on trade. Whatever the merits of that position, a response focused on changing China's behavior is woefully inadequate. U.S. primacy was born not by defensive protectionism but by building the greatest economic engine in human history. Keeping ahead of China is much more about us than about them.

Source: https://www.foreignaffairs.com/articles/china/2019-06-25/trumps-trade-war-wrong-way-compete-china



### **Problems With The Economy By M A NIAZ**

The problems with the economy are not showing signs of going away, despite the optimistic pronouncements of government officials, and the increasing worry of the Chief of Army Staff about the economy, which seems reflected in two developments, the first being his inclusion as a member of the National Development Council, the second his being the chief guest at a seminar in the National Defence University on the challenges facing the economy.

The Prime Minister in office resents the slur of 'selected' enough to have the word ruled unparliamentary in the National Assembly, but that should not obscure the fact that from the so many expectations of Imran Khan, the foremost was that he would pull the country out of its current economic crisis. The most potent symbol of the crisis seems to be the value of the rupee, which continues to fall. The armed forces have been reduced to accepting a freeze on their budget. That may not be much of a sacrifice, because what has been frozen is the revised budget, which increased because of a war scare, with the result that the budget estimates for 2019-2020 are substantially more than those for the previous budget estimates.

It is no surprise that oil-exporting friendly countries like Saudi Arabia and the UAE included oil on deferred payments; not only is oil the only thing they have in abundance, but it is something that Pakistan has to import, even if it were broke There seem to be a number of factors behind this, one being that the country does not export enough. Imports are not just luxury goods, and include fuel, palm oil and medicines. Apart from their being essential, when the rupee loses value, their price increases. This is on top of the normal inflation that is the price of the capitalist system. Foreign workers' remittances represent not only a source of foreign exchange, but also the proceeds of exporting labour. As the demand for dollars exceeds that for rupees, the rupee-price of the dollar goes up. As all those traders selling to Pakistan want dollars, the rupee is under permanent pressure to devalue. There is no equilibrium really at which the price should settle, because the goods Pakistan wants will remain in demand, no matter what. It is no surprise that oilexporting friendly countries like Saudi Arabia and the UAE included oil on deferred payments; not only is oil the only thing they have in abundance, but it is something that Pakistan has to import, even if it were broke.



Another pressure on the rupee is the need to make loan repayments. If it was simply a matter of dollars in and dollars out, it would be different, but Pakistan has got to pay interest as well. The alternative is to default, but that would mean that it could not get any money from the money markets, or at best at very high rates of interest. One of the results is that whenever Pakistan has to make a large repayment, the government has to pick up dollars from the State Bank, which in turn goes to the market, and thus creates a demand which can only be slaked by the fall in the price of the rupee. This is what seems to have happened with the post-Budget fall of the rupee.

This is the place at which the government becomes involved. It has to make those repayments, and originally it needs revenues to pay for the dollars from the State Bank. It took the original loans. Broadly, the theory was that the money was borrowed to fund development. However, some of the loans were for defence equipment. Also, a government which had money for development could afford more money for defence. Military expenditure was something that Pakistan found it could not avoid, first with India threatening from Pakistan's creation, and then Afghanistan added from 1979 onward to the present, with first one superpower, then the other in it. Both presented a challenge to the armed forces, not to forget that the War on Terror created its own dynamic. All of this has meant that the military wants the economy to work so that it can do its job effectively.

The PTI thesis which found favour with its voters was that the political parties were built on an edifice of corruption, and smashing that edifice would lead to prosperity. The PTI achieved the imprisonment of Mian Nawaz Sharif pre elections and he remains incarcerated today. But the economy is still in bad shape. So what is the take-home? That corruption is good for the economy? In the words of Gordon Gecko in the film Wall Street, that "Greed is good". Or that the Sharifs were honest and did not erect an edifice of corruption, merely one of loyalty.

There is even a doubt raised that it might not be a failure of personnel, but a systemic failure. That would explain the bringing in of experts, those who have been trained in the West, and can overcome the problem of having 'natives' try to run a developed economy. That would also explain why even these foreign-trained experts have not been able to fix the economy.



However, that would create a dilemma not just for the PTI and its backers, but for the PML-N and the PPP as well: It would mean that there would be a substitute needed for the PTI, with none in sight. The PML-N and the PPP might find that they are not in a position to return to office.

It should not be forgotten that the military is deeply invested in the system, to the extent that it ensured the preservation of the 1973 Constitution in both episodes of direct rule after the loss of East Pakistan. Will something similar solve the problems the people face? It may well not, but it may not matter, because, as Lenin said repeatedly, revolutions occur when both government and people feel they cannot carry on as before.

Source :https://www.pakistantoday.com.pk/2019/07/04/problems-with-the-economy/



### Going Forward With IMF By Syed Ali Imran

Uncertainties and speculations regarding the loan package from International Monetary fund (IMF) have ended with the news of its approval, finally. First time came into power PTI government has paid a huge price in securing this package by taking some very unpopular decisions. While negotiating with IMF the government suffered a huge loss of its Finance Minister who is considered the brain of the party and the most trusted key player of Mr. Khan, The Chairman PTI and Prime Minister of Pakistan. The situation highlights the importance of said Package which seems predictably necessary not only for due debt repayments but to rescue Pakistan from an unhealthy fiscal management. In securing this package Government has taken some aggressive measures related to Exchange Rate, Interest Rate, Inflation and above all Taxation which is not only the wish list of IMF but considered as tools for correcting fiscal management system of Pakistan. A new financial team of experts is induced which apparently are determined towards achieving the targets assigned including documentation of economy. However, these measures have increased the cost of doing business which is reflecting in growth rate of the country that showing an economic slowdown. If this trend may have been continued for a longer duration, it will create a situation of Economic Shut Down. Free float of exchange rate results inflation if there may be shortage of Dollars in economy which is to be checked through increasing discount rate that translates into increase in cost of doing business. Now, when the country will observe a definite inflow of dollars aided by strict fiscal and monetary polices, the situation should be reversed accordingly.

A stable Rupee and availability of cheaper funds, or anyone from these two, can reduce the pressure on Industries heavily dependent on these twin input costs. If these twin input costs may not be controlled, the situation of slow-down of economy may result in a complete shutdown

Due to unpredictable exchange rate and variation, costing is getting difficult not only for import based industries but exporters as well. Importers have multiple options of international payments including spot payment method or on deferred payments basis. When Pak Rupee shows a stable trend, importer tries to avail deferred payment option which gives him a free of cost loan upto a limited time period. In times of devaluation spot payment basis is the best option for foreign



payments however it doesn't give extended time for payment not more than 5 days as prescribed in UCP 600 (Unified Custom Procedures 600). Importer then asks Bank to give loan on some mark up which bubbles up its finance cost along with already inflicted cost due to devaluation. On export side, due to unpredictable situation, buyer holds his orders to negotiate rate if further devaluation may occur. Unreasonably depreciated Pak Rupee is not in favor of even exporters which can get a gain in short run but in longer run it can hurt the going concern. This scenario is bringing inflation in the economy which will soon witness a double digit. The number is already almost doubled from last fiscal year i.e. it increased from 3.9% FY18 to 7.3% FY19. Rise in inflation is attributed to increase in energy cost due to devaluation which also includes revision in gas prices that means if this happens, State Bank of Pakistan (SBP) will increase its policy rate accordingly. It is expected that the policy rate will increase by some 75-100 basis points (BPS) to check the vertical trend of inflation. The situation can be explained in a statement that government is controlling twin deficit i.e. Current Account Deficit and Trade Deficit by increasing twin input costs i.e. through devaluation and interest rate hike.

Recently a data revealed about the performance of Large Scale Manufacturing Industries (LSM) which shows a decline of 3.51% during first ten months of current fiscal year as compared to corresponding period last year. Though the suffered LSMs are majorly import based industries having multinationals at their back like automobile, food-beverages-tobacco, petroleum products, pharmaceutical, chemicals, paper-boards and steel-iron products. Despite of 35% devaluation of currency, export based LSM i.e. Textile sector also showed a negative trend slightly due to heavily dependent on spinning sector which is not a potential value added product having huge international market. Performer LSMs are Fertilizers, electronics, leather products, engineering products, rubber products, and wood products. Overall performance of LSMs are deteriorating further with rise in twin input costs however there is an opportunity for those local industries who are producing import substitutions. As exporters could not performed neither in times of lowest cost of production nor in present times therefore the chances of growth of manufacturers producing import alternative are brighter. It will reduce the country's import based trade deficit. Government needs to facilitate these local units to grow further while giving them cheaper credit facilities which are available to exporters together with increasing the performance of Quality Control Units to gain public trust in these goods.



Increasing discount rate will definitely increase finance cost of these local manufacturers who are producing or capable of producing import substitutions which otherwise were forced to shut down when exchange rate was artificially controlled by inflicting external loans by previous regime.

Now as \$6Billion Dollars IMF loan is approved for 39 months with an upfront payment of \$1Billion Dollars it is expected that a further \$38Billion Dollars will be available for Pakistan from external sources with IMF recommendations over the program period which is a good sign for the economy having huge external payments. It means on average a Billion Dollar per month maybe available for Government to finance its external payments. In previous regime, facility extended by IMF to Pakistan, no amount of additional funding from other sources as a consequence of IMF approval was specifically pointed out by the fund. Now with these expected inflows, the position of foreign reserves will be stable and it will definitely control Rupee depreciation. It is expected that the Rupee will further appreciated and take place around Rs.148-152 per dollar in near future. Meanwhile on the other side Mr. Shabar Zaidi is determined to achieve a huge target of tax collection while broadening the base of tax payers by taking strict measures for documentation of economy, inflation will come down after touching a 13% peak which should must result in decreasing policy rate accordingly. A stable Rupee and availability of cheaper funds, or anyone from these two, can reduce the pressure on Industries heavily dependent on these twin input costs. If these twin input costs may not be controlled, the situation of slow-down of economy may result in a complete shutdown.

Source: https://dailytimes.com.pk/426430/going-forward-with-imf/

#### WORLD

Iran in 2019: A SWOT Analysis By Abdul Rasool Syed

One of Iran's key strengths is its geography. It is ideally located between Middle East and Central Asia, with access to major water bodies such as the Persian Gulf and Caspian Sea. This very fact enhances its geo-political and geo-strategic importance in the region. In terms of size, it is the second largest in the Middle East and the eighteenth largest country in the world, with a population of approximately 82 million people.

Moreover, its gargantuan wealth of hydrocarbon resources, for sure, multiplies its economic strengths to an unprecedented extent, occupying the world's fourth-largest oil reserves after Venezuela, Saudi Arabia and Canada, and the second largest proven gas reserves after Russia. This richness in energy resources makes its economy the twenty-fifth biggest in terms of GDP and standing eighteenth in terms of its purchasing power parity.

Ali Khamenei, the Supreme leader, exercises veto power over Iranian decision making, heads (IRGC), the judicial system, state television, among other powers. The Islamic republic is also rich in human capital. It is the land of the young and highly- educated people. About two-third of its population is below the age of 35 and nearly 10 million out of its 81 million inhabitants have university degrees. It is interesting to note how Iran churns out about the same number of engineering graduates every year as that of the US—around 240,000, which puts it fourth in the world after India, China and the US.

What's more is that Iranian society is quiet tech-savvy and well-connected to the outside world; 64% of Iranians are netizens, while mobile penetration has reached more than 110 percent (meaning that some Iranians have more than one phone). They have also proved their mettle in reverse engineering capabilities and technological innovation.

In addition, although stifled for the years since revolution, Iranians are also known for their entrepreneurial skills, which is a strong pull for the foreign investors.



Militarily, Iran is ranked as the 14th most powerful armed force in the world by Global firepower's 2019 military strength ranking. Iran's total military personnel strength is 873,000(est) consisting of two parallel organizations; the regular armed forces and the Islamic revolutionary Guards Corps (IRGC).

Its army is well- equipped with modern and sophisticated weaponry and throughout the years they have developed ballistic missiles with a range of up to 2000 kilometers, such as the sejjil series. Iran's navy has been showcasing its Ghadir-class mini-submarines, which can launch cruise missiles. The boats are able to carry a crew of nine and yet, weigh less than 150 metric tons.

Interestingly, in 2011, Iran took control and captured US's unmanned Lockheed Martin RQ-170 sentinel amid flight, and used the technology of reverse engineering to create its own drone.

The kingdom, in order to gather international support to isolate Iran, has left no stone unturned to project the Islamic republic as a "rogue state".

Inter alia, it has also been reported that Iran is one of the five countries that has the cyber-army capability of conducting cyber-warfare operations. To this end, they have established two garrisons for cyber warfare at Zanjan and Isfahan.

#### The Weaknesses

One of the biggest weaknesses of the Islamic republic, according to political luminaries, is its prevailing dual system of government that mixes elections with a powerful supreme leader. Ali Khamenei, the Supreme leader, exercises veto power over Iranian decision making, heads (IRGC), the judicial system, state television, among other powers. Thus, Supremacy of religious leaders over the elected body eclipses the status of the latter.

Iran's economy also remains in doldrums due to sanctions imposed by exogenous powers, as well as endogenous bottlenecks. It is plagued with corruption and mismanagement. The IRGC and various religious foundations control much of the economy, stifling competition and thereby making reforms almost a herculean task. The private investment, therefore, remains skittish. Moreover, Iran lacks export diversification, being a one product economy, its economic growth relies heavily only on oil and the Gas Industry.



Besides, international sanctions discourage foreign investors to invest in Iran. The banking sector is also under-developed due to monstrous sanctions, sanctions from which oil revenues also suffer tremendously from. This worsening economic situation has created social unrest in the Islamic republic. Protests against the government have become quotidian affair. Many Iranians have now reached up to a position where they now hanker for the regime's change and deem it as the only way out.

In addition to a weak economy, Iran's hard power is also limited. The expeditionary skill of the IRGC, coupled with Iran's use of proxies in Iraq, Lebanon, Syria, and Yemen, often create a sense that Iran is militarily active throughout the Muslim world; which is true, however, it also highlights one of Iran's biggest weaknesses—its lack of conventional military strength.

Tehran lacks the ability to project significant amounts of conventional power beyond its borders. An analyst, Thomas Juneau contends: Militarily, Iran can deter, deny, spoil, but it can rarely shape the events. As a result, it can subvert its neighbors, but it is vulnerable to conventional military pressure.

This disappointment and dissatisfaction prevalent among the Iranian masses is undoubtedly a colossal threat that can be exploited by the adversaries of the Islamic Republic of Iran.

And so far, as its soft power is concerned, Iran has miserably failed to showcase it to the world. Though home to one of the richest artistic traditions in world history, encompassing many disciplines, including architecture, painting, weaving, pottery, calligraphy metalworking and stonemasonry, yet the world remains oblivious to this softer aspect of Islamic republic.

#### The Opportunities

The Islamic republic's geo-strategic location, coupled with its geographic spread and military preparedness, provides it with an opportunity to exercise domineering influence in the region. In this regard, US setbacks in Afghanistan and Iraq have been a blessing in disguise for Tehran to spread its tentacles across the greater Middle East by furthering its interests and thereby play the role of regional hegemony.



Economically, there is great room for growth and development in Iran's economy, for instance, its gas sector is currently under-developed. It provides an opportunity to those at the helm to exploit this source of revenue at its maximum. Moreover, its banking sector, due to prevalent severe sanctions, is also in shambles; if the ongoing tense situation between the US and Iran gets normalized and the sanctions are lifted or relaxed, the Iranian economy may see the boom by harnessing its untapped gas potential and export diversification. It is, therefore, advisable for Iran to resolve its issues through diplomatic means rather than getting itself engaged in any armed conflict with the US.

Additionally, Iran, so far, enjoys the support from China and Russia, which oppose the sanctions on it. It should, therefore, continue cementing its ties with these global powers. Alliance with these countries would also help Tehran dilute "the maximum pressure campaign" launched by America against it.

#### The Threats

One of the biggest threats currently hovering over Iran is the ongoing escalation of tension between the Washington and Tehran that has brought the two countries to the brink. If, in any case, this situation snowballs and keeps lingering on, it would bring disastrous consequences for the whole region. Both the countries should, therefore, avoid any possible armed conflict by resorting to peaceful means of resolving the issue.

Saudi Arabia, a chronic adversary of Iran and a close ally of America in the region, also poses a big threat to Iran. The kingdom, in order to gather international support to isolate Iran, has left no stone unturned to project the Islamic republic as a "rogue state". To delegitimize the regime after the 1979 revolution, it emphasized Iran's Shiite status, funding preachers around the world and otherwise trying to deny the revolution's religious credentials.

Another big threat that Iran is confronted with is its dwindling economy. Despite being resilient to the sanctions for a long time, it has eventually started feeling the ballooning impact of such sanctions on its economy. Apart from this, internal corruption and economic mismanagement have also added salt to its economic wounds, severely affecting the purchasing power of the people and incubating high youth unemployment that has engendered the social unrest in the country. The Iranian people, therefore, are living in despair. This disappointment and



dissatisfaction prevalent among the Iranian masses is undoubtedly a colossal threat that can be exploited by the adversaries of the Islamic Republic of Iran

Source: https://www.globalvillagespace.com/iran-in-2019-a-swot-analysis/



## Global Digital Cooperation By Antonio Guterres

New technologies offer monumental opportunities to turbocharge the work of the United Nations for peace, sustainable development and human rights. Scientific progress is helping to cure deadly diseases, feed growing populations, drive economic growth and connect people across the world like never before. Rapidly developing fields such as artificial intelligence, blockchain and biotechnology hold great potential to improve well-being and generate innovative solutions for global challenges.

The pace of change is remarkable. More than 90 per cent of all the data that exists today was produced in the last two years. As a tech leader said to me recently, even though the field already advances at lightning speed, future developments will never again be as slow as they are today.

We must make full use of these life-saving and life-enhancing capacities. As the world strives to achieve the Sustainable Development Goals — the internationally agreed blueprint for building a better world for all — digital technologies can be especially helpful in those areas where the world is most lagging behind. We must pursue inclusive approaches that bring together all stakeholders while promoting meaningful participation of women in science, technology, engineering and math.

While many of us struggle to recall how we lived without the Internet, a gaping digital divide remains. For more than half the world's population, access is expensive, slow or simply nonexistent resulting in inequalities in other key areas such as education, health and wealth. Digital opportunities must reach all, for the benefit of all.

We must also recognise the threats posed by new technologies. Weapons systems that can identify and kill on their own are closer to becoming a reality — a morally repugnant development. Social media is being used to spread hatred and lies. Technology is being exploited by terrorists, and organised criminal networks lurk on the dark web, profiting from encryption and near-anonymous cryptocurrency payments to traffic in people and illegal drugs. While innovation continues to open up new fields of employment, many workers fear their jobs will fall victim to



automation, underscoring the need for large-scale re-training, expanded social protection schemes and education from the earliest grades that emphasises lifelong learning.

We can and must do more to ensure that digital technologies are a force for good. That is why I established a High-level Panel on Digital Cooperation, which has recently issued its report. Led by Melinda Gates of the Gates Foundation and Jack Ma of Alibaba, the panel brought together detailed recommendations for eliciting the best of new technologies.

The panel has recommended ways to close the digital divide, increase cooperation, and better govern digital technology development through open, agile, and multi-stakeholder models. Classical forms of governance do not apply. Technology moves so fast that by the time decision makers gather to prepare, discuss, approve, ratify and implement a convention or new agreement, the landscape has changed entirely. Analogue policymaking won't work in a digital world.

I welcome the High-Level Panel's recognition of the UN as a uniquely legitimate and dynamic platform where governments, civil society, academia, the scientific community and the tech industry itself can come together to discuss the way forward. Beyond the UN's convening power, our standard-setting, capacity-building and data-gathering efforts are also well-placed to contribute.

The age of digital interdependence deepens with each livestream, online transaction and path-breaking platform. As with other quintessential global phenomena — trade, communications, climate change and human mobility — international cooperation can be the difference between progress and chaos. We need to move now to build trust, stay ahead of emerging issues and shape a peaceful, prosperous and positive digital future for all.

Source: https://tribune.com.pk/story/2003010/6-global-digital-cooperation/



## **Deal Of The Century Or Hypocrisy Of The Century By Rustam Shah Mohmand**

The long awaited Trump plan for ending the Palestinian-Israeli conflict has been unveiled in a conference in Bahrain. Both the Israeli government and the Palestinian Authority are absent from the deliberations.

The plan envisages an enormous investment in Gaza, West Bank and the three Middle Eastern countries — Egypt, Jordan, Lebanon — hosting a large number of Palestinians displaced from their homes in the aftermath of the wars and the occupation of their lands in 1948-49 and 1967. The total investment as part of the economic dimension of the plan would be \$50 billion.

The Trump initiative seeks to bolster the economies of the three Arab countries with large Palestinian population as well as Gaza, West Bank and Jerusalem by making major investment in infrastructure, tourism, education and agriculture.

The architect of the new initiative which has been dubbed the deal of the century, Jared Kushner, Adviser to President Trump and his son-in-law, has claimed that the plan would create hundreds of thousands of new jobs for the Palestinians and would transform the economic landscape of the area.

The workshop in Bahrain is being attended by officials from Saudi Arabia, Jordan, Egypt and Lebanon, besides a large number of businessmen from across the Arab world, the US and Israel.

Jared Kushner, who has close family ties with Israeli Prime Minister Benjamin Netanyahu, believes the Trump plan would create conditions for advancement on the political front in finding a sustainable solution to the seven-decade old Israeli-Palestinian conflict.

Palestinian Authority President Mahmoud Abbas has rejected the plan saying it would take the focus away from the real cause of the conflict i.e. the illegal occupation of the Palestinian land by Israel. Hamas has also voiced its complete opposition to any such plan that would be tantamount to accepting Israel's illegal occupation of Arab lands in wars of aggression.



In reality the plan is a typical Trump response to a complex political and human rights issue by inciting stakeholders with promise of making fortunes. Even the amount that is proposed to be invested would be raised from within the wealthy Arab states in the hope that a rejuvenated Palestinian economy would change the whole socio-economic dynamics of the area and that would create huge opportunities for rapid economic growth of all regional countries.

But here is a paradox: The Trump administration has cut off funds for the Palestinian Authority making it totally ineffective. What is more the US has also reduced substantially its funding for the UNRWA — the UN agency that takes care of the needs of displaced Palestinians, thus making UNRWA, desperately seeking assistance or suspending its activities in a number of areas.

On the one hand the Trump Administration is calling for a huge investment plan to help Palestinians raise their living standard while on the other it is cutting off vital financial aid to cripple the UN agency that is mandated to look after the Palestinian displaced families!

The initiative comes in the backdrop of two very significant and damaging US moves — both seen as reinforcing the Israeli occupation and its narrative.

The recognition of Jerusalem as the capital of Israel and the shifting of US embassy there was clearly an anti-Palestinian move in complete defiance of the international law and in sheer disregard of the aspirations of Palestinian. The recognition of Golan Heights as Israeli territory was another act of appearament of Israeli ambitions and against all international norms of justice. That was a gift to Netanyahu, the ultra-right Israeli Prime Minister, to boost his chances of reelection in the upcoming Israeli election.

Netanyahu has hinted in recent statements that Israel may annex parts of West Bank and create more settlements. That would irreparably damage the prospects or hopes of the two states solution.

The Jared Kushner Plan is essentially a camouflaged initiative to kill the two states solution. In a major departure from the US foreign policy stance of supporting the two states solution, the plan jettisons any mention of an Independent Palestinian state with East Jerusalem as its capital.



The new initiative wrongly labeled as the deal of the century by some in Washington is going to fail because it is intrinsically designed to perpetuate Israeli occupation of lands that rightfully belong to Palestinians. In the garb of that hidden agenda, an ambience of the flow of huge funds into the region is being promoted. All this is orchestrated to alter the whole narrative and deepen the political status quo in a bid to silence any opposition to illegal Israeli occupation.

The initiative would only create more suspicions, more frustration. Simultaneously, it could lead to more polarisation in the Arab world. And from that perspective, the scheme may deliver some gains for the US-Israel scheme.

Recognising that Israel has been in defiance of so many UN resolutions with the full backing of the US, it is hardly surprising that there is nothing that the US would not do to safeguard and promote Israeli national interests at the expense of justice and the rights of Palestinians. The new deal is not really the deal of the century, it is hypocrisy of the century. The international community and the UN must focus on helping to secure the rights of the impoverished Palestinians who have suffered one of the longest periods of persecution in contemporary history.

Source: https://tribune.com.pk/story/2002336/6-deal-century-hypocrisy-century/



#### Will The World Keep Its Promise To Fight Climate Change By Maryam Inam

Despite being one of the smallest contributors to global greenhouse gas emissions, Pakistan remains one of the countries most vulnerable to the impacts of climate change. As a result, the country continues to suffer both socially and economically. The situation is further exacerbated by the lack of financial resources and technical capacity, causing Pakistan to incur human and economic losses worth billions of dollars due to climate change.

The international community realised the dynamics where the developed countries' emissions were adversely affecting the world. Therefore, in order to stabilise the emissions, the United Nations Convention on Climate Change, an international environmental treaty, was established. Under it, countries meet twice a year in climate change conferences to advance the global climate policy and agenda. In the annual meeting of 2015, however, all the nations agreed to transform their development trajectories so that the average global rise in temperature can be limited to between 1.5 and 2 degrees Celsius above the pre-industrial level. This is now commonly known as the Paris Agreement.

One of the major components of the Agreement was the flow of climate finance from the Global North to the Global South. This was largely based on the idea of climate justice; since the developing countries continue to experience the adverse impacts of climate change because of emissions caused by the most developed parts of the world.

Another important feature of the Paris Agreement consists of the climate action plans, which are also called the Nationally Determined Contributions (NDCs), in which countries highlight their plans and efforts to reduce national greenhouse gas emissions and adaptation measures to counter the negative impacts of climate change. However, the least developed and developing countries lack financial resources, and based on the concept of climate justice, rely on the developed countries to fund their mitigation and adaptation efforts.



Given Pakistan's vulnerability, internal resources are not enough and significant financial and technical support is required from the developed countries for it to fully realise its climate action plans

Pakistan abided by the Paris Agreement and the Ministry of Climate Change submitted its first intended NDC in 2016, where it committed to reduce the projected emissions till the year 2030 by 20 per cent, subject to receiving \$40 billion from the international community. Pakistan also agreed to enhance its adaptation efforts if it received \$7-14 billion a year. The government has also aligned NDCs with the country's strategic plan, the 'Vision 2025', and has streamlined it into plans, policies, and sectoral growth targets, which are set by various ministries and government entities. Moreover, Pakistan is also revising its NDCs according to higher ambition in terms of greenhouse gas reductions and will be submitting its revised draft by 2020.

While Pakistan is making efforts to fight climate change and keeping all its promises under the Paris Agreement, it is perhaps not being supported as much by the international community, particularly in terms of climate finance. Before the Agreement is implemented in 2020, the developed countries had to disburse \$100 billion a year to the developing countries to support their NDCs and climate actions. Unfortunately, that has not been the case and as a result, many developing countries, including Pakistan, lack the financial resources to fully implement their planned climate actions.

Although Pakistan has started receiving support from the Green Climate Fund (GCF), it is far less than anticipated. Two projects have been accepted, one for mitigation and one for adaptation for which collectively GCF has approved \$86 million, although the total value of these projects is \$621 million. This is perhaps because the developed countries have not been pitching the required amount and as a result, less is available for disbursement to the developing countries.

Climate finance has been a much-debated topic in the international climate change discussions. Even in the ongoing UN climate change conference in Bonn, Germany, developing countries have been pushing developed countries for more finance for their climate actions. In one of the side events of the conference, Eddy Perez, International Policy Analyst, Climate Action Network, Canada said, "There will not be implementation of NDCs if there is no support, because developing



countries need that support to prepare and implement climate plans domestically." Mandy Barnett, from South African National Biodiversity Institute, in one of the sessions also talked about the need for steady flow of climate finance and said, "We need to bring climate finance as close to the ground as possible for lasting and transformative results."

The government of Pakistan is committed towards addressing the grave issue of climate change. Despite having financial constraints, it allocates over five per cent of its annual budget to climate-related expenditures compared to approximately two per cent for education and less than two per cent for health. However, given its vulnerability, internal resources are not enough and significant financial and technical support is required from the developed countries for it to fully realise its climate action plans.

Source :https://www.pakistantoday.com.pk/2019/06/30/will-the-world-keep-its-promise-to-fight-climate-change/



#### Flaring US-Iran Rivalry By ASAD HUSSAIN

Right after the 1648 Treaty of Westphalia, the world has seen a sustainable period of peace, development, progression, respect for human rights and the indispensable phenomenon of globalisation. Moreover, and more worryingly, a few states on the world stage started pursuing their nefarious designs of hegemony which compelled them to flex their muscles for waging catastrophic and bloody wars against their competitors. Under such a sorry state of affairs, the world has seen two ruinous and extremely harmful world wars. However, the period of 1945-1979, once again, was marked by harmony and multilateral co-operation in trade and human development. Notwithstanding, the triumph of the USA in the Cold War era against the USSR, which provided the former with impunity to trigger dismay in the world and alter the desired matters with the toolkit of coercion.

Having unlearnt the lesson from the previous wars in Vietnam, Iraq and Afghanistan (the last ongoing), the mighty USA is trying to keep another recipe for unrest and war in the already fragile region of South-Asia. The USA and Iran are beating the war drums in the Persian Gulf and creating the clouds of uncertainty and putting everyone on tenterhooks.

The recent events like the attack on an oil tanker in the Arab Gulf and shooting down of the USA's drone by Iran's revolutionary guard, have pushed the war-like situation to its present instability. Not only this, the USA has augmented its presence in the region by an increase in deployment of 2,500 additional troops, intensified its economic strangulation and planned to hit certain areas of Iran. All these preparations in Washington's will yield another clumsy situation in the region which will be a lose- lose option for all the strategic actors.

Trump is looking at the 2020 elections. His deft diplomacy in dealing with this conundrum will adorn him with popularity in the upcoming polls. However, war with Iran will lower his chance of winning

Now, at this stage, the USA is entirely perplexed as Iran can launch an attack from any side which could hurt the USA's interest and could lower its international prestige and stature. Iran can target US vessels passing through the narrow channel of the Strait of Hormuz, the missiles of Iran can strike against US forces,



Iranian-led militias can target US personnel and US installations in Afghanistan, Syria and Iraq. Furthermore, Iran has the edge to carry out disastrous missile attacks on Israel and its occupied territories. Hence, in order to avert these dangerous outcomes, the USA and Israel are planning for pre-emptive aerial strikes to obviate and annihilate the missiles of Iran and for further extinguishing her naval capabilities.

Here the matter of deep concern is, that all the international powers, be they China or Russia, are silent over this issue, even while it worsens. The ramifications of this tussle would be numerous and disastrous. To spell out a few; the conflict would blow fires in the conflicts where Tehran has a hand, like Yemen, Iraq, Afghanistan and Syria, and proxy and frontline wars between Iranian troops and forces allied to the USA. Not only this, the ethnic insurgencies in the provinces of Iran would lead to a civil war; disturbing and perturbing the entire region. Furthermore, Iranian government efforts to speed up its nuclear programme would lead to a halt in the regular flow of oil; hence, the demand and supply of oil will increase its prices and ultimately leading to a global economic recession.

Under such circumstances, expedited efforts are highly desirable to avert and avoid a future Armageddon. In this regard, the proposal of the UN Secretary General for holding an independent investigation into the attacks on tankers in the Persian Gulf is the right decision. During that process, no party would be able to wage war or disrupt the peace of the region. Moreover, all the five parties (other than the USA) in the P5+1 deal, Russia, China, France, Britain and Germany, should take up the mantle to diplomatically solve the war-like situation. They should tell Iran to avoid breaching the pact and make the Trump Administration to loosen its screws on Iran in economic terms and allow her to conduct trade as per the original deal.

Additionally, the aforementioned powers should arrange a meeting where all the pact members must attend the sitting and Iran and the US are convinced to resolve this issue through peace, talks, rebooting relations and giving co-operation a chance to avoid any catastrophe. Lastly, all the strategic competitors should sit together to resolve the ultimate and find an agreeable solution for missiles and arms-control regimes to lessen or reduce further derailment of peace and progress.



Apparently, the Trump Administration is internally divided in terms of dealing with the Iran issue. Secretary of State Mike Pompeo, CIA Director Gina Haspel and National Security Advisor John Bolton are strongly vocal to wage war against Iran, but President Donald Trump is looking at the 2020 elections. His deft diplomacy in dealing with this conundrum will adorn him with popularity in the upcoming polls. However, war with Iran will lower his chance of winning the elections. Therefore, Trump is widely tipped to handle this issue with extreme care and worry.

Source; https://www.pakistantoday.com.pk/2019/06/28/flaring-us-iran-rivalry/



## Belt And Road Initiative: Target Towards Globalization 5.0 Hassnain Javed

The strategic initiative of the One Belt One Road Initiative has expanded and restructured with new routes being added along the initial project program. Now the plan aims to reach 4.4 Billion people in around 69 countries with a combined effect of US \$ 2 trillion on their GDP. Primarily the initiative would bridge the infrastructure gap and redistribute funds amongst the Asian economies. According to the implementation guideline for the Belt and Road initiative published by China's National Development and Reform Commission (NDRC) in March 2015 "development plans along the Belt and Road routes aims to improve connectivity in five areas: policy, infrastructure, trade, currency, and people". An area of utmost priority is given to the development of infrastructure to improve the connectivity of the region like the construction of roads, railways and ports. Another priority area is that of the energy sector that is essential for the smooth running of industries along the initiative such as power grids, oil and gas pipelines, liquefied natural gas terminals, high-voltage power lines, nuclear power reactors, renewable energy installations and other energy projects. Additionally for the flow of technology and its acceptance, the communication lines and mega IT, projects are also under the pipeline across Asia, the Middle East, East Africa and Europe.

The region is of the most significance since the global stats shows that East Asia is one of the most dynamic and fastest growing regions of the world. Despite of the rich treasures of natural resources, the Central Asia still lags behind in terms of development. This initiative understands particular issue therefore; the stem of its infrastructure is being developed from Central Asia. Such a move aims to reduce the friction in this region and to ensure a bilateral trade for equitable economic growth, development, and integration. The strategic goals of the Shanghai Cooperation Organization (SCO) further emphasizes on the importance of regional stability and better understanding of each other's political makeup to combat the forces of terrorists and extremists groups.

By the development and transformation of the infrastructure relating to transport, energy, and communication along the Road and the Belt, not only China but also regional connected economies like Pakistan would be able to solve the problems relating to regional connectivity



On the other hand, the one belt one-road initiative spreads over the ASEAN countries that have a history marred with neglect of regional connectivity and a desperate need for infrastructure to overcome the impending need for stable energy resources (SIEW 2015). For a 21st, Century China moving towards globalization the challenges that come with a sustainable domestic economy are numerous. Some of these challenges include 'lack of access to the resource markets for final products; reduction or reallocation of industrial overcapacity and diversification of its enormous US\$3.51 trillion in foreign reserves.

I am of view the Belt and Road initiative is a window to crack some of these problems in an efficient manner. By the development and transformation of the infrastructure relating to transport, energy, and communication along the Road and the Belt, not only China but also regional connected economies like Pakistan would be able to solve the problems relating to regional connectivity. Over a span of two millennia, China has emerged as world power, which can be seen from the production, trade, finance culture, ecology, security, military and geopolitics. At an international level, China has evolved as a world power with substantial participation in structure, bilateral trade agreements and peace treaties. China dwells upon its span over a large unprecedented geographic region that exercises control without any military power. Therefore, the given ideology of soft power without the use of force imposes an interest-driven discourse of its political, economic, and security reality on others.

The "Reform and Opening Up" policy, has been continually working on to improve its multilateral trade agreements and strategy for economic cooperation that provides mutual benefits for future developments. The Chinese President Xi introduced the new idea that aims at creating a win-win strategy in the concept of "three together".

Many countries playing a part in China's One Belt One Road Initiative are working for improving infrastructure, IT and sustainable energy resources that are looking for strengthening their relationships with China. However, there are also some parties that are of the exact opposite view. Therefore the support and trust of the public and business communities, is essential for the acceptance of the initiative. The indigenous communities are very sensitive towards their religion and customs, in the countries along the path of the Belt and Road, hence getting local support



for making decisions in the concerned countries relating to this multilevel and multipurpose gigantic project is very important.

China move towards globalization is not new indeed it involves the constant and persistent effort of the government, policy makers and the public at large. Pakistan should also take the same inspiration and make use of this platform at most efficient manner. Last weekend, I have attended Industrial Energy Efficiency international conference organized by Energy Foundation China in Beijing where delegates from more than 20 countries have participated and put forth their proposals to make effective use of China's Belt and Road initiative in energy conservation, green and healthy economy.

Source: https://dailytimes.com.pk/419241/belt-and-road-initiative-target-towards-globalization-5-0/



#### Why America Prefers a Weak and Peaceful Europe By Samo Burja

The United States has a very large military—its budget is nearly four times greater than China's (although China is four times as populous and maintains nearly twice as many active personnel). The U.S. military budget is nearly two and a half times greater than those of all of Europe's North Atlantic Treaty Organization countries combined. Washington's defense budget is greater than the combined defense budgets of China, Saudi Arabia, Russia, the United Kingdom, India, France and Japan. Furthermore, many of the soldiers in this enormous military are stationed outside of the American homeland.

The U.S. military maintains over eight-hundred bases in foreign countries—the largest number of any country in the world. Some were inherited from prior holdings of European empires such as Spain and Britain. Others were gained over the course of wars the United States fought. Some others were attained via negotiation with a host government as part of an alliance or in exchange for American security guarantees.

This global military presence is normally explained with the following narrative: peaceful democracies around the globe—not inclined to threaten each other—have given up solving their problems through violence. They no longer wish to build and maintain fearsome militaries. Instead, America benevolently provides them a security umbrella within which they thrive, and which, in turn, ensures the stability of the global economy and world order.

An example of this can be seen in Europe's relatively peaceful history since 1945. The common refrain is that European culture, once exceptionally warlike and combative, changed due to the Second World War. Reeling from the death and destruction of World War II, former imperial powers supported the establishment of new institutions, such as the European Union and NATO, in order to prevent another war from breaking out on the continent. The last seventy-five years of European peace—for the most part—is thus explained by this memory of midcentury devastation and the advent of new political institutions.

If this explanation were true, then why is the United States subsidizing European security? As U.S. President Donald Trump has famously said of America's NATO



allies: "They are not paying their fair share." And Trump's point, whatever his own reasoning, would follow logically from the common narrative. Meanwhile, many on the Left insist that the military budget be reduced to allow for more spending on domestic concerns. While many on both the Right and the Left object to an increase in U.S. military presence and spending, the fundamental narrative remains, and its assumptions often go unchallenged.

But unquestionably accepting this common narrative is to misread the history of postwar European peace. It is also to misunderstand the geopolitical dynamics that either push in the direction of war or make peaceful coexistence more likely. Instead of being the product of new institutions, or the result of a collective memory of war, European peace has a simpler explanation: effective disarmament and subordination to the American sphere of influence.

This is not simply a quid pro quo financial dynamic, in which German military spending or build-up (as might well become the case) could substitute for the security and stability that American spending and presence has provided. It is no coincidence that one-third of U.S. military personnel deployed between 1950 and 2000 were sent to Germany, which alone hosted more than ten million Americans during this time period. If elites and the public want to comprehend why Europe has been so peaceful for the past seven decades, they must start by understanding how disarmament and the American sphere of influence contributed to this peace.

European states are now largely incapable of taking unilateral military action—against each other or anyone else. Not only that, but America acts in Europe as security guarantor of last—and, potentially, nuclear—resort. NATO has pushed member states (minus America) to specialize their militaries. The United Kingdom and France have even discussed sharing their aircraft carriers. The stated reasons, namely, budget constraints and "interoperability," do not fully explain the need to specialize a military. Limited budgets only call for a country to specialize its military when the goal is to reduce capabilities that are duplicated between it and an ally. A specialized military is a force without all the features necessary for independent military action—or indeed military independence. The effect of NATO pushing its members to specialize is that they become more dependent not only on each other but also, ultimately, on the United States.



Since the end of World War II, the United States has blocked independent military action by allies. During the 1956 Suez Crisis, the government of Egypt nationalized the Suez Canal. In response, Britain, France and Israel invaded the country. Rather than backing its allies, the United States joined its rival—the Soviet Union—in putting diplomatic and financial pressure on the interlopers until they withdrew. When this succeeded, the three countries were humiliated, the UK in particular. The Suez Crisis can be regarded as the final nail in the coffin of the British Empire—it showed that even if Britain had independent military capability, it would not be able to deploy it against American wishes.

In France, we find an example of a country that tried to buck this trend, succeeded for a time, but ultimately found its way back into Uncle Sam's warm embrace. French president Charles de Gaulle was a talented and headstrong statesman, and he wanted to maintain France's status as an independent world power against rising American and Soviet influence. After twelve years of retirement, he returned to politics in 1958, shortly after the Suez Crisis demonstrated Britain was subordinate to America. He undertook a number of efforts to buttress and expand France's own sphere of influence, including a withdrawal from NATO. In 1967, de Gaulle kicked the U.S. military out of some twelve air bases in France. Although Le Général's efforts failed in the long run—France fully rejoined NATO in 2009—the country still maintains an effective ability to intervene unilaterally in West Africa, a fragment of its former colonial empire. To this day, France is the only major country in Western Europe without an American military base.

The case of Russian geopolitics also abrades the common narrative of European peace. Although Russia had a very different political history following World War II than most European countries, it suffered immense devastation in that "Great Patriotic War" —unmatched in terms of absolute casualties, comparable in relative terms only to Poland and possibly Germany. Yet the memory of this devastation fuels nationalist militarism rather than a sense of "never again," or the desire for greater political integration in Europe. Under President Vladimir Putin, Russia has maintained its status outside the American sphere. Putin takes pride in his ability to act independently on what he sees as Russian security interests. Russia, of all the European countries, is the only one that cultivates its own sphere of influence outside of—or in conflict with—America's.



Washington exerts its military dominance worldwide. This has kept the international system favorable to American economic and ideological interests. It simplified a world of many militarized, independent states capable of unilateral (and very deadly) action into one in which the United States has an immense sphere of influence, and only a handful of global competitors, like China and Russia, are capable of unilateral action. Most states in the American sphere rely on the United States as an ultimate security guarantor. Therefore, they can "outsource" security to America; effectively disarming themselves and becoming incapable of taking independent military action.

The result of this de facto disarmament of states within the American sphere has also tended to mitigate and prevent regional conflicts. In Europe, where regular wars had been a natural occurrence for centuries, peace is now the norm. The term "frozen conflict" is regularly used to describe the Russian strategy of stationing troops in previously warring states, such as in Moldova or Georgia, to "freeze" tensions. But America perfected this strategy decades ago: Britain and France, or France and Germany, no longer go to war with one another—a sharp contrast to their long history of doing so.

Most European countries with American military bases are simply dependent on the United States for military power, but some would not exist at all without the intervention and continued presence of American troops. Bosnia and Kosovo are two examples of such countries. American intervention in the Balkans in the 1990s prevented Serbia—and to a lesser extent, Croatia—from occupying and integrating Bosnia and Kosovo.

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## Why Donald Trump Will Push Iran Into A War By Paul R. Pillar

The statement by Secretary of State Mike Pompeo on the latest incident involving tankers in the Gulf of Oman is questionable on multiple counts, beginning with his immediate, semi-automatic attribution of responsibility to Iran. The origin of the fires and explosions on the tankers is still undetermined, grainy videos notwithstanding. The Japanese company that owns one of the tankers reports that the crew's description of what hit the ship doesn't square with the U.S. administration's version. And no one has yet explained why the Iranian regime would go out of its way to embarrass Prime Minister Shinzo Abe of Japan—which has been one of the leading buyers of Iranian oil—by sabotaging a Japanese tanker on the very day Abe was meeting with Iran's Supreme Leader Ali Khamenei.

Pompeo's listing of the reasons behind what he labeled as the "assessment of the United States Government" regarding Iranian responsibility is curious in other respects. One of Pompeo's reasons is "recent similar Iranian attacks on shipping"—an apparent reference to an incident in May in which four tankers off the coast of the United Arab Emirates sustained mysterious minor damage. The reasoning is circular. That incident is still shrouded in uncertainty as well, despite immediate blaming of Iran by the U.S. administration, as the newest incident. Pompeo gave as another reason "the fact that no proxy group operating in the area has the resources and proficiency to act with such a high degree of sophistication." Why just "proxy groups"? Why not states, especially given that there are other states in the region that would be only too happy to stoke tensions between the United States and Iran?

Nonetheless, Iran has to be a prime suspect in the sabotage of the tankers. Despite the continued uncertainty, it may well have been the perpetrator. Assume for the moment what the administration wants everyone to assume, which is that the Iranian regime attacked the ships. It is in asking why Iran might have done so that Pompeo's statement is most questionable. Twice Pompeo applied the term unprovoked to Iranian actions ("40 years of unprovoked aggression against freedom-loving nations" and "these unprovoked attacks present a clear threat to international peace and security").

Unprovoked? The Trump administration reneged completely over a year ago on U.S. commitments under the Joint Comprehensive Plan of Action (JCPOA), the multilateral agreement that has restricted Iran's nuclear program and closed all possible paths to a nuclear weapon. Since then the administration has waged economic warfare on Iran, despite Iran continuing for a whole year to observe its obligations under the JCPOA. The administration has piled sanction upon sanction in a relentless effort to cripple Iran's economy, make life miserable for Iranians, and weaken Iran in every way possible. It has pressured countries around the world not to do any business with Iran. The administration has accompanied this campaign with unlimited hostility, threats of military attack, and saber-rattling that has included escalating military deployments in Iran's backyard. If this isn't provoking Iran, then the term "provocation" has lost all meaning.

The current spike in tensions, including incidents involving oil tankers, is a direct and unsurprising result of the Trump administration's failed "maximum pressure" campaign. There is no reason to believe, and nothing in the record of the last couple of decades to suggest, that Iran would be doing anything like sabotaging someone else's oil tankers if the United States had abided by its commitments and been using diplomacy over the last couple of years to address any issues it has with Iran. No one in the United States likes to agree with observations by Iranian leaders, but when those leaders point out that Iran has not used its armed forces to commit acts of aggression against its regional neighbors, it is hard to refute their observation. The same thing cannot be said of certain other regional states.

If Iran sabotaged those tankers in the Gulf of Oman in response to the economic assault against their country, then it would be just as reactive as other Iranian actions in the region. Iran fought back ferociously when Iraq invaded Iran. It aided the creation of Hezbollah. When Israel invaded Lebanon, it gave some aid to the Houthis in Yemen when aerial assault by Saudi Arabia and the UAE turned Yemen into a humanitarian disaster. It militarily aided the governments of Iraq and Syria when those governments were under assault by the Islamic State and other insurgents. And it can be expected to respond if it is the target of more assaults, economic or military, from the United States. No one should have expected the Iranians, despite the remarkable patience they have shown over the past year, just to lie down and take it.

Pompeo asserted in his statement, "On April 22nd, Iran promised the world that it would interrupt the flow of oil through the Strait of Hormuz." No, Iran didn't promise



that. What an Iranian Revolutionary Guard commander actually said was that Iran would block the Strait of Hormuz if Iran was not able to use the waterway to export its own oil. The commander was responding to the Trump administration's latest escalation in its economic war against Iran, which was to eliminate waivers of U.S. sanctions against purchasers of Iranian oil, as part of an effort to reduce Iranian oil exports to zero. Again, the Iranians were reactive, in this case to U.S. escalation of hostility and infliction of major material harm to Iran.

The pro-war forces within the Trump administration are getting some of their mojo back, despite recent indications that they are trying the patience of their president, who probably does not want a war with Iran. The biggest stretch in Pompeo's list of incidents that he was blaming on Iran was a car bomb in Afghanistan on May 31 that injured several U.S. service members. The attack was generally attributed to the Taliban, although the Islamic State also claimed credit, and Iran probably had nothing to do with it. Pompeo's inclusion of the incident was clearly part of his contrived effort to argue that Congress's post–9/11 authorization for the use of military force would legitimize a war with Iran.

If President Donald Trump really doesn't want a war with Iran, he must recognize that diplomacy doesn't just mean one side demanding and the other side complying. He also needs to realize that the maximum pressure campaign has failed to bring about a "better deal," to change Iranian behavior for the better, or to hurt the Iranian regime more than the ordinary Iranians the administration claims to want to help. The campaign instead is destroying one of the more effective nuclear nonproliferation achievements in recent years and is now provoking reactions that, in places like the Gulf of Oman, make a new war more likely than before.

Source: https://nationalinterest.org/blog/paul-pillar/why-donald-trump-will-push-iran-war-64866

#### Globalization's Wrong Turn | And How It Hurt America By Dani Rodrik

Globalization is in trouble. A populist backlash, personified by U.S. President Donald Trump, is in full swing. A simmering trade war between China and the United States could easily boil over. Countries across Europe are shutting their borders to immigrants. Even globalization's biggest boosters now concede that it has produced lopsided benefits and that something will have to change.

Today's woes have their roots in the 1990s, when policymakers set the world on its current, hyperglobalist path, requiring domestic economies to be put in the service of the world economy instead of the other way around. In trade, the transformation was signaled by the creation of the World Trade Organization, in 1995. The WTO not only made it harder for countries to shield themselves from international competition but also reached into policy areas that international trade rules had not previously touched: agriculture, services, intellectual property, industrial policy, and health and sanitary regulations. Even more ambitious regional trade deals, such as the North American Free Trade Agreement, took off around the same time.

In finance, the change was marked by a fundamental shift in governments' attitudes away from managing capital flows and toward liberalization. Pushed by the United States and global organizations such as the International Monetary Fund and the Organization for Economic Cooperation and Development, countries freed up vast quantities of short-term finance to slosh across borders in search of higher returns.

At the time, these changes seemed to be based on sound economics. Openness to trade would lead economies to allocate their resources to where they would be the most productive. Capital would flow from the countries where it was plentiful to the countries where it was needed. More trade and freer finance would unleash private investment and fuel global economic growth. But these new arrangements came with risks that the hyperglobalists did not foresee, although economic theory could have predicted the downside to globalization just as well as it did the upside.



Increased trade with China and other low-wage countries accelerated the decline in manufacturing employment in the developed world, leaving many distressed communities behind. The financialization of the global economy produced the worst financial crisis since the Great Depression. And after the crash, international institutions promoted policies of austerity that made the damage even worse. More and more of what happened to ordinary people seemed the result of anonymous market forces or caused by distant decision-makers in foreign countries.

Politicians and policymakers downplayed these problems, denying that the new terms of the global economy entailed sacrificing sovereignty. Yet they seemed immobilized by these same forces. The center-right and the center-left disagreed not over the rules of the new world economy but over how they should accommodate their national economies to them. The right wanted to cut taxes and slash regulations; the left asked for more spending on education and public infrastructure. Both sides agreed that economies needed to be refashioned in the name of global competitiveness. Globalization, exclaimed U.S. President Bill Clinton, "is the economic equivalent of a force of nature, like wind or water." British Prime Minister Tony Blair mocked those who wanted to "debate globalization," saying, "you might as well debate whether autumn should follow summer."

Yet there was nothing inevitable about the path the world followed beginning in the 1990s. International institutions played their part, but hyperglobalization was more a state of mind than a genuine, immutable constraint on domestic policy. Before it came along, countries had experimented with two very different models of globalization: the gold standard and the Bretton Woods system. The new hyperglobalization was closer in spirit to the historically more distant and more intrusive gold standard. That is the source of many of today's problems. It is to the more flexible principles of Bretton Woods that today's policymakers should look if they are to craft a fairer and more sustainable global economy.

For roughly 50 years before World War I, plus a brief revival during the interwar period, the gold standard set the rules of economic management. A government on the gold standard had to fix the value of its national currency to the price of gold, maintain open borders to finance, and repay its external debts under all circumstances. If those rules meant the government had to impose what economists would today call austerity, so be it, however great the damage to domestic incomes and employment.

That willingness to impose economic pain meant it was no coincidence that the first self-consciously populist movement arose under the gold standard. At the tail end of the nineteenth century, the People's Party gave voice to distressed American farmers, who were suffering from high interest rates on their debt and declining prices for their crops. The solution was clear: easier credit, enabled by making the currency redeemable in silver as well as gold. If the government allowed anyone with silver bullion to convert it into currency at a set rate, the supply of money would increase, driving up prices and easing the burden of the farmers' debts. But the northeastern establishment and its backing for the gold standard stood in the way. Frustrations grew, and at the 1896 Democratic National Convention, William Jennings Bryan, a candidate for the presidential nomination, famously declared, "You shall not crucify mankind upon a cross of gold."

The gold standard survived the populist assault in the United States thanks in part to fortuitous discoveries of gold ore that eased credit conditions after the 1890s. Nearly four decades later, the gold standard would be brought down for good, this time by the United Kingdom, under the pressure of similar grievances. After effectively suspending the gold standard during World War I, the United Kingdom returned to it in 1925 at its pre-war rate. But the British economy was only a shadow of its pre-war self, and four years later, the crash of 1929 pushed the country over the edge. Business and labor demanded lower interest rates, which, under the gold standard, would have sent capital fleeing abroad. This time, however, the British government chose the domestic economy over the global rules and abandoned the gold standard in 1931. Two years later, Franklin Roosevelt, the newly elected U.S. president, wisely followed suit. As economists now know, the sooner a country left the gold standard, the sooner it came out of the Great Depression.

The experience of the gold standard taught the architects of the postwar international economic system, chief among them the economist John Maynard Keynes, that keeping domestic economies on a tight leash to promote international trade and investment made the system more, not less, fragile. Accordingly, the international regime that the Allied countries crafted at the Bretton Woods conference, in 1944, gave governments plenty of room to set monetary and fiscal policy. Central to this system were the controls it put on international capital mobility. As Keynes emphasized, capital controls were not merely a temporary expedient until financial markets stabilized after the war; they were a "permanent



arrangement." Each government fixed the value of its currency, but it could adjust that value when the economy ran up against the constraint of international finance. The Bretton Woods system was predicated on the belief that the best way to encourage international trade and long-term investment was to enable national governments to manage their economies.

It is to the more flexible principles of Bretton Woods that today's policymakers should look if they are to craft a fairer and more sustainable global economy.

Bretton Woods covered only international monetary and financial arrangements. Rules for trade developed in a more ad hoc manner, under the auspices of the General Agreement on Tariffs and Trade (GATT). But the same philosophy applied. Countries were to open up their economies only to the extent that this did not upset domestic social and political bargains. Trade liberalization remained limited to lowering border restrictions—-import quotas and tariffs—on manufactured goods and applied only to developed countries. Developing countries were essentially free to do what they wanted. And even developed countries had plenty of flexibility to protect sensitive sectors. When, in the early 1970s, a rapid rise in garment imports from developing countries threatened employment in the developed world, developed and developing nations negotiated a special regime that allowed the former to reimpose import quotas.

Compared with both the gold standard and the subsequent hyper-globalization, the Bretton Woods and GATT rules gave countries great freedom to choose the terms on which they would participate in the world economy. Advanced economies used that freedom to regulate and tax their economies as they wished and to build generous welfare states, unhindered by worries of global competitiveness or capital flight. Developing nations diversified their economies through trade restrictions and industrial policies.

Domestic autonomy from global economic pressures might sound like a recipe for less globalization. But during the Bretton Woods era, the global economy was on a tear. Developed and developing economies alike grew at unprecedented rates. Trade and foreign direct investment expanded even faster, outpacing the growth of world GDP. The share of exports in global output more than tripled, from less than five percent in 1945 to 16 percent in 1981. This success was a remarkable



validation of Keynes' idea that the global economy functions best when each government takes care of its own economy and society.

Ironically, the hyperglobalists used the very success of the Bretton Woods system to legitimize their own project to displace it. If the shallow Bretton Woods arrangements had done so much to lift world trade, investment, and living standards, they argued, imagine what deeper integration could achieve.

But in the process of constructing the new regime, the central lesson of the old one was forgotten. Globalization became the end, national economies the means. Economists and policymakers came to view every conceivable feature of domestic economies through the lens of global markets. Domestic regulations were either hidden trade barriers, to be negotiated away through trade agreements, or potential sources of trade competitiveness. The confidence of financial markets became the paramount measure of the success or failure of monetary and fiscal policy.

The premise of the Bretton Woods regime had been that the GATT and other international agreements would act as a counterweight to powerful protectionists at home—labor unions and firms serving mainly the domestic market. By the 1990s, however, the balance of political power in rich countries had swung away from the protectionists toward exporter and investor lobbies.

The trade deals that emerged in the 1990s reflected the strength of those lobbies. The clearest illustration of that power came when international trade agreements incorporated domestic protections for intellectual property rights, the result of aggressive lobbying by pharmaceutical firms eager to capture profits by extending their monopoly power to foreign markets. To this day, Big Pharma is the single largest lobby behind trade deals. International investors also won special privileges in trade agreements, allowing them (and only them) to directly sue governments in international tribunals for alleged violations of their property rights. Big banks, with the power of the U.S. Treasury behind them, pushed countries to open up to international finance.

Those who lost out from hyper-globalization received little support. Many manufacturing-dependent communities in the United States saw their jobs shipped off to China and Mexico and suffered serious economic and social consequences.



ranging from joblessness to epidemics of drug addiction. In principle, workers hurt by trade should have been compensated through the federal Trade Adjustment Assistance program, but politicians had no incentives to fund it adequately or to make sure it was working well.

Economists were brimming with confidence in the 1990s about globalization as an engine of growth. The game was to encourage exports and attract foreign investment. Do that, and the gains would prove so large that everyone would eventually win. This technocratic consensus served to legitimize and further reinforce the power of globalizing corporate and financial special interests.

An important element of hyper-globalist triumphalism was the belief that countries with different economic and social models would ultimately converge, if not on identical models, at least on sufficiently similar market economy models. China's admission to the WTO, in particular, was predicated on the expectation in the West that the state would give up directing economic activity. The Chinese government, however, had different ideas. It saw little reason to move away from the kind of managed economy that had produced such miraculous results over the previous 40 years. Western investors' complaints that China was violating its WTO commitments and engaging in unfair economic practices fell on deaf ears. Regardless of the legal merits of each side's case, the deeper problem lay elsewhere: the new trade regime could not accommodate the full range of institutional diversity among the world's largest economies.

Policymakers can no longer resuscitate the Bretton Woods system in all its details; the world can't (and shouldn't) go back to fixed exchange rates, pervasive capital controls, and high levels of trade protection. But policymakers can draw on its lessons to craft a new, healthier globalization.

Trump's in-your-face unilateralism is the wrong way forward. Politicians should work to revive the multilateral trade regime's legitimacy rather than squelching it. The way to achieve that, however, is not to further open markets and tighten global rules on trade and investment. Barriers to trade in goods and many services are already quite low. The task is to ensure greater popular support for a world economy that is open in essential respects, even if it falls short of the hyperglobalist ideal.



If China and the United States are to resolve their trade conflict, they need to acknowledge that the differences between their economies are not going away.

Building that support will require new international norms that expand the space for governments to pursue domestic objectives. For rich countries, this will mean a system that allows them to reconstitute their domestic social contracts. The set of rules that permit countries to temporarily protect sensitive sectors from competition badly needs reform. For example, the WTO allows countries to impose temporary tariffs, known as antidumping duties, on imports being sold by a foreign company below cost that threaten to harm a domestic industry. The WTO should also let governments respond to so-called social dumping, the practice of countries violating workers' rights in order to keep wages low and attract production. An antisocial-dumping regime would permit countries to protect not merely industry profits but labor standards, too. For developing countries, the international rules should accommodate governments' need to restructure their economies to accelerate growth. The WTO should also loosen the rules on subsidies, investment, and intellectual property rights that constrain developing countries' ability to boost particular industries.

If China and the United States are to resolve their trade conflict, they need to acknowledge that the differences between their economies are not going away. The Chinese economic miracle was built on industrial and financial policies that violated key tenets of the new hyperglobalist regime: subsidies for preferred industries, requirements that foreign companies transfer technology to domestic firms if they wanted to operate in China, pervasive state ownership, and currency controls. The Chinese government is not going to abandon such policies now. What U.S. companies see as the theft of intellectual property is a time-honored practice, in which a young United States itself engaged back when it was playing catch-up with industrializing England in the nineteenth century. For its part, China must realize that the United States and European countries have legitimate reasons to protect their social contracts and homegrown technologies from Chinese practices. Taking a page from the U.S.-Soviet relationship during the Cold War, China and the United States should aim for peaceful coexistence rather than convergence.

In international finance, countries should reinstate the norm that domestic governments get to control the cross-border mobility of capital, especially of the short-term kind. The rules should prioritize the integrity of domestic



macroeconomic policies, tax systems, and financial regulations over free capital flows. The International Monetary Fund has already reversed its categorical opposition to capital controls, but governments and international institutions should do more to legitimize their use. For example, governments can make their domestic economies more stable by using "countercyclical capital regulation," that is, restricting capital inflows when the economy is running hot and taxing outflows during a downturn. Governments should also crack down on tax evasion by the wealthy by establishing a global financial registry that would record the residence and nationality of shareholders and the actual owners of financial assets.

Left to its own devices, globalization always creates winners and losers. A key principle for a new globalization should be that changes in its rules must produce benefits for all rather than the few. Economic theory contributes an important idea here. It suggests that the scope for compensating the losers is much greater when the barrier being reduced is high to begin with. From this perspective, whittling away at the remaining, mostly minor restrictions on trade in goods or financial assets does not make much sense. Countries should focus instead on freeing up cross-border labor mobility, where the barriers are far greater. Indeed, labor markets are the area that offers the strongest economic case for deepening globalization. Expanding temporary work visa programs, especially for low-skilled workers, in advanced economies would be one way to go.

Proposing greater globalization of labor markets might seem to fly in the face of the usual concern that increased competition from foreign workers will harm low-skilled workers in advanced economies. And it may well be a political nonstarter in the United States and western Europe right now. If governments aren't proposing to compensate those who lose out, they should take this concern seriously. But the potential economic gains are huge: even a small increase in cross-border labor mobility would produce global economic gains that would dwarf those from the completion of the entire current, long-stalled round of multilateral trade negotiations. That means there's plenty of scope for compensating the losers—for example, by taxing increased cross-border labor flows and spending the proceeds directly on labor-market assistance programs.

In general, global governance should be light and flexible, allowing governments to choose their own methods of regulation. Countries trade not to confer benefits on others but because trade creates gains at home. When those gains are



distributed fairly throughout the domestic economy, countries don't need external rules to enforce openness; they'll choose it of their own accord.

A lighter touch may even help globalization. After all, trade expanded faster relative to global output during the three and a half decades of the Bretton Woods regime than it has since 1990, even excluding the slowdown following the 2008 global financial crisis. Countries should pursue international agreements to constrain domestic policy only when they're needed to tackle genuine beggar-thy-neighbor problems, such as corporate tax havens, economic cartels, and policies that keep one's currency artificially cheap.

The current system of international rules tries to rein in many economic policies that don't represent true beggar-thy-neighbor problems. Consider bans on genetically modified organisms, agricultural subsidies, industrial policies, and overly lax financial regulation. Each of these policies could well harm other countries, but the domestic economy in question will pay the bulk of the economic cost. Governments adopt such policies presumably because they think the social and political benefits are worth the price tag. In any individual case, a government might well be wrong. But international institutions aren't likely to be better judges of the tradeoffs—and even when they're right, their decisions will lack democratic legitimacy.

The push into hyperglobalization since the 1990s has led to much greater levels of international economic integration. At the same time, it has produced domestic disintegration. As professional, corporate, and financial elites have connected with their peers all over the globe, they have grown more distant from their compatriots at home. Today's populist backlash is a symptom of that fragmentation.

The bulk of the work needed to mend domestic economic and political systems has to be done at home. Closing the economic and social gaps widened by hyperglobalization will require restoring primacy to the domestic sphere in the policy hierarchy and demoting the international. The greatest contribution the world economy can make to this project is to enable, rather than encumber, that correction.

Source: https://www.foreignaffairs.com/articles/united-states/2019-06-11/globalizations-wrong-turn





#### New Diplomatic Era For The US And North Korea By Muhammad Omar Iftikhar

The diplomatic relations between the United States and North Korea have remained at the edge of conflict for long. Washington and Pyongyang's ties became combustible ever since Kim Jong-un took office as North Korea's supreme leader. While North Korea was pursuing its nuclear ambitions and its oppression over South Korea during the regime of former US President, Barack Obama, the US-North Korea ties took a drastic turn when President Donald Trump arrived into the Oval Office in 2017. Trump went on to say during his speech at the UN in September 2017 that North Korea will be totally destroyed if America is forced to defend itself. The relations between North Korea and the US, however, and surprisingly, took another turn towards a better future for both in recent months.

Donald Trump met with Kim Jong-un during the DPRK-USA Singapore Summit in June 2018, where their meeting eased away much of their political tension but still it did not suffice their political plans. This year in June, however, at the sidelines of the 2019 North Korea-United States-South Korea DMZ Summit held on June 30, 2019, at the Korean Demilitarized Zone (DMZ), Donald Trump did the unthinkable and something truly unprecedented. Following the meeting between Kim Jong-un, Donald Trump and the South Korean President, Moon Jae-in, Trump Tweeted mentioning Kim Jong-un and the latter returned with a positive response. Donald Trump's Tweet read, "After some very important meetings, including my meeting with President Xi of China, I will be leaving Japan for South Korea (with President Moon). While there, if Chairman Kim of North Korea sees this, I would meet him at the Border/DMZ just to shake his hand and say Hello(?)!" What was considered to be an impromptu Tweet, turned into a proper fifty-minute long meeting. Kim Jong-un welcomed Trump at the DMZ and Trump became the first sitting US President to enter North Korea.

This meeting ended with a positive note but not much information was released by the two sides. Following the meeting, Kim told Trump, "Good to see you again. I never expected to see you in this place." A major breakthrough was for both leaders to agree on resuming staff-level talks between their governments. "They will meet over the next few weeks and they're going to start a process and we'll see what happens," Trump commented and further added. "Speed is not the object



... we want a really comprehensive, good deal." What was the deal he was referring to is still yet to be seen.

Washington and Pyongyang, must maintain their diplomatic and political pursuits in the right direction. Washington, while being its ally – and at least not its enemy – for the time being, will keep monitoring and reacting to North Korea's spontaneous and aggressive behavior which it has shown against the US and in particular against South Korea

Even though the meeting between Kim Jong-un and Donald Trump began and ended on a vibrant note, both countries – as it is apparent – have not yet decided to back down from their respective point-of-views. Where the renewal of diplomatic talks was the underlining message of their meeting, North Korea is still gearing ahead with its nuclear ambitions. Kim Jong-un, perhaps, will not obey Washington's rules any time soon and the US will keep insisting North Korea to do so.

While this meeting and the staff-level talks, whenever they will happen, will reduce the intensity of their enmity, the US and North Korea will certainly keep following their own missions and path but this time, as it seems, they will try to maintain their diplomatic relations and not put a break in them as observed in the past. Following the meeting, Kim Jong-un said, "I believe that meeting here, which is a symbol of division and a hostile past, I think meeting here, two countries that have a hostile past, we are showcasing to the world that we have a new present and we have a positive meeting going forward."

Washington and Pyongyang, therefore, must maintain their diplomatic and political pursuits in the right direction. Washington, while being its ally – and at least not its enemy – for the time being, will keep monitoring and reacting to North Korea's spontaneous and aggressive behaviour which it has shown against the US and in particular against South Korea. While the ice covering US-North Korea's political relationship has begun to thaw, the two countries still have a long way to go before real agendas are met, promises are fulfilled and agreements are signed.

Source: https://dailytimes.com.pk/427017/new-diplomatic-era-for-the-us-and-north-korea/



### The Low Ebbs In US-Turkey-Nato Ties By Syed Qamar Afzal Rizvi

Given the developments over the last year and up to last week's G20 Osaka summit, tension in Turkish-US-Nato relations had increasingly reached a fever pitch because of brewing differences between Washington and Ankara over the issue of Turkey's purchase of Russian S-400 missile system from Moscow as Turkey refused to back down from its stand of purchasing a Russian-made surface-to-air missile system. But now the situation has softened following U.S. President Donald Trump's remarks at the G20 summit in Osaka, Turkish FM Mevlüt Çavu?o?lu said last Thursday. Ankara has assured that the S-400 would not be integrated into NATO operability and would in no way pose a threat to the alliance.

Turkey and the United States are on a collision course over Ankara's decision to buy Russian-made S-400 anti-missile defence systems-thereby affecting Turkey's relationship with Nato, of which it has been a member for the past 67 years. Strategically and technically, the S-400, a mobile long-range surface-to-air missile system, is Moscow's befitting response to America's Patriot and THAAD platforms. The lack of a strategic approach in U.S. foreign policy creates even more setbacks for resolving challenges, let alone containing and preventing the emergence of crises. In the absence of a strategy, instead of a long-term foreign policy approach, U.S. foreign policy is shaped by tactical steps and operational moves. It militarizes U.S. foreign policy because of the increasing relevance of military operations and short-term tactical moves.

The hawkish western critics argue that it is time for the United States and the other Nato members to examine the Turkish status as so-called Turkish ally. And serious consideration needs to be given to expelling that country from Nato. But there is nothing written in the Nato's charter that pertains to expulsion. Nor we find any precedent for removing a member state. A country could leave Nato of its own choice. Article 13 clearly states that "any Party may cease to be a Party one year after its notice of denunciation". Recently, the acting US secretary of defence Patrick Shanahan penned a polite and formal letter to his Turkish counterpart arguing that if Turkey were to follow through with its purchase of the Russian S-



400 missile defence system, then Turkey's participation in the F-35 joint strike fighter programme would remain discontinued.

Moreover, four US senators recently penned an op-ed in the New York Times with a clear warning in its headline: "A U.S. Fighter Jet or a Russian Missile System. Not Both." The senators declare that US law will force sanctions against Turkey if it accepts delivery of an S-400 system from Russia. Consequently, the US halted delivery of F-35 parts to Turkey. The western critics blame that Erdogan's different vision for Turkey has made the country's relations with the United States and Nato at their lowest point since the end of the Cold War. Those critics prejudicially blame that Erdogan's anti-secular outlook is meant to extract resources from the West.

Erdogan's current foreign policy is exclusively reoriented to realign Turkish relations with Russia. The duplicity and double standard in the US Policy have extremely disappointed both Turkey and Pakistan

Yet obviously, The Trump administration has also played a major role in the breakdown of ties. Trump placed tough sanctions on Turkey last August, and at one point vowed to "devastate" the country's economy. "This is no longer anything that can accurately be called a strategic partnership," Lisel Hintz, a Turkey expert at Johns Hopkins University, said. "I wouldn't even call Turkey an ally. An ally doesn't behave the way in which Turkey has been behaving." Yet for Turkey, it is against its security concern that the U.S. provides an overt and covert support to protect its Syrian Kurdish ally. But no long term crisis should be expected between Ankara and Washington, Ilhan Uzgel, an analyst on international relations who taught at Ankara University, told Xinhuanet.com. In his thinking, both Ankara and Washington would ultimately manage to reach a compromise as in the past, he said, maintaining that the image of a crisis in ties is actually misleading. And also both Turkish and American 'IR' experts Hassan Koni and Uzgel believe the United States may say "yes" to a limited Turkish incursion into Kurdish-held territory, where Ankara would set up a buffer zone for its own security. "The radar system would provide Russia with military sensitive info on the F-35, which is our topquality fifth-generation aircraft," Andrew Winternitz, acting deputy assistant secretary of defence for European and NATO policy, said at a panel hosted by Foreign Policy magazine.

And yet, Justifiably Erdogan's resentment stems from Washington's unqualified support for the Syrian Kurdish YPG in the fight against Islamic State. Ankara



discerns the YPG as an extension of the outlawed Kurdistan Workers Party (PKK), which has been carrying out an insurgency in Turkey's largely Kurdish southeast and is virtually considered a terrorist organization by both Washington and Brussels as well as Ankara. Turkey, a pivotal Nato member since 1952, has the second-largest army in the 28 members Nato's security alliance. While being located in an important geostrategic region, Ankara's support is always significant for Nato military operations in terms of the use of several Turkish bases and enjoys the nation's support in the Aegean and the Black Sea. Turkey has had also played a big role in important Nato missions, such as those in Kosovo and Afghanistan.

Erdogan's current foreign policy is exclusively reoriented to realign Turkish relations with Russia. The duplicity and double standard in the US Policy have extremely disappointed both Turkey and Pakistan. Truly, there exists much resemblance between Islamabad and Ankara in terms of their warranted grievances that the US utilized them up to the hilt, yet without addressing their genuine security concerns, and hence they both form the geopolitical and military tilt towards Russia.

Nevertheless, some reconciliatory signs are reflected in a recently held meeting between US President Trump and Turkish President Erdo?an on the sidelines of the G20 summit, where the US acknowledged Turkey's right to continue participating in the F-35 fighter jet program, FM Mevlüt Çavu?o?lu said. "Trump himself said it in the meeting: He said, 'How there could be such a thing?' He said, '...this is unacceptable,'" Çavu?o?lu said, speaking to TRT broadcaster on July 4. In the meeting, Trump said, "We are working on this," according to Çavu?o?lu. Trump openly expressed his mindset, but "there is no need to be naive and optimistic in hopes that everything will happen just as Trump says," the minister said.

Source: https://dailytimes.com.pk/427016/the-low-ebbs-in-us-turkey-nato-ties/



## The Greatest Show on Earth: Trump's Trade Talks with China By Doug Bandow

BEIJING — Chinese officials are confident in their nation's rise, but are nervous about China's deteriorating relationship with the United States. Most of them are aware of America's strengths and their nation's weaknesses and have no interest in conflict. Left unsaid, but too obvious to miss, is the fact that the assertive policies of their increasingly authoritarian president have left the People's Republic of China weaker and more isolated in almost every respect.

But what makes many people most nervous are the increasingly fractious economic ties. Although worsening recently, human rights always has been a contentious bilateral topic. Pressure on Taiwan and Hong Kong has been building, but only the speed is surprising. Views on Beijing's role in North Korea always varied widely. The PRC's more aggressive pursuit of its territorial claims in nearby waters has been matched by greater toughness by those governments with conflicting claims. Recent changes have been in degree, not kind.

But that does not hold true for the commercial relationship. Since the United States and China grew increasingly close in the 1980s the bedrock foundation of the bilateral bond was economics. With seemingly endless low-cost labor, China multiplied possibilities for international supply chains. American consumers were significant and conspicuous beneficiaries. Companies also imagined themselves doing well. Finally, it appeared, they had access to the long-fabled illimitable markets of China. Whenever Washington-Beijing ties were challenged, much of the American business community rushed to defend its ever more important trading partner.

All that has changed. A rising, aggressive China is triggering security fears in Washington. U.S. policymakers long treated the Pacific, up to the PRC's coast, as an American lake, but Beijing is threatening to force the U.S. military away from nearby waters. The detention of a million Uighurs, systematic attack on religious liberty, and crackdown on Internet access and academic freedom are generating intense human-rights criticism. Strengthening this antagonistic crescendo are those who argue that America made a mistake originally engaging with China and thereby enriching what now should be treated as an adversary if not enemy.



This withering assault has faced little resistance. Unlike in the past, American business is not leading the China defense team, which essentially means there is no China defense team. Frustration with Beijing's manipulation of economic rules to the disadvantage of Western companies has soured investors and traders on the China market. They are sitting out this fight.

In fact, when President Donald Trump initiated his trade war, many firms cheered. There was much to criticize in how he proceeded. For one thing, the trade deficit is an irrelevant accounting figure. The real problem is the underlying policies that force technology transfers, allow intellectual property theft, and disadvantage foreign firms. Trump's blunderbuss approach unnecessarily harmed Western consumers and exporters. Nevertheless, there was only limited corporate resistance to his efforts.

Eleven negotiating sessions over U.S. demands resulted in a breakdown, followed by Trump's threat to impose massive new tariffs on China. The two countries looked like they might be locked in a long, bloody economic war. They still may be, though the president now seems to think otherwise. After meeting with Xi at the G20 economic summit, Trump proclaimed that their session was "excellent" and that their talks "went better than expected."

Yet critics complained that he made most of the concessions, dropping his planned levies and relaxing restrictions on Chinese telecommunications giant Huawei. He said China planned to purchase more agricultural products—a political sop to an important constituency in his 2020 reelection bid. But the proposal ignores other U.S. exporters as well as consumers, and is a dangerous move toward managed, government-directed trade. Nor did Xi confirm the pledge, and prior such commitments have proved stillborn.

Perhaps most importantly, Trump claimed that trade talks were "back on track." One influential Chinese official told me the result was a "positive signal." But, apparently, the negotiations are no closer to agreement. They collapsed after U.S. officials accused their Chinese counterparts of reneging on prior commitments, to which Beijing claimed it had not agreed. Nothing in Xi's manner suggested retreat.



Indeed, promises are not enough. Washington needs action to reduce some of the most significant disadvantages facing foreign enterprises. With no concrete Chinese concessions in hand, Trump looked again to critics who have been seduced by superficial promises, convinced of his "friendship" with the Chinese leader. In practice, he is no master negotiator. His demand for amending the South Korea free trade agreement and NAFTA was satisfied by minimal changes. His dealings with foreign leaders such as Saudi Arabia's Mohammad bin Salman demonstrate a marked tendency to sacrifice U.S. interests to foreign demands. Trump's dealings with the PRC look like they might be a repeat performance.

The challenge in the China trade talks is figuring out what is realistically achievable. It is common for professionals traveling to China to bring "burner" laptops and phones, to limit surveillance and hacking. No promise from Beijing is likely to change that. Additionally, it is unlikely that the Xi government going to abandon its extension of state authority throughout the economy: the regime is using the new totalitarianism to cement party control.

However, the theft of Internet Protocol addresses, forced technology transfer, disparate legal treatment, investment restrictions, and domestic favoritism are negotiable issues warranting remedy; threatening the PRC's access to the U.S. economy is one lever. The administration should address these issues, not force China, government or individuals, to purchase more agricultural goods. Yet, by emphasizing the latter the president continues to sacrifice permanent and important interests for ephemeral and peripheral gains, which creates the danger that the trade issue might explode anew even after an election-minded president thought he achieved an easy out of the conflagration he created.

A farm buyout won't satisfy most Americans antagonized by Chinese policies. The business community, other than farmers, would continue to suffer disadvantages and losses in the Chinese market. This outcome would allow Democrats to turn China into a political issue against the president. Who in turn might see the need to again play tough with Beijing.

Xi Jinping argued at the post-meeting press conference that "one basic fact remains unchanged: China and the United States both benefit from cooperation and lose in confrontation." That may be true, but Americans increasingly have come to believe that cooperation as defined by the PRC is exploitation, which helps explain the diminishing support for today's commercial arrangements.



It won't be enough for the president to forge a pact giving him brief bragging rights politically. He needs to press for sufficient yet realistic reforms to put the relationship on a firmer and sustainable foundation. And he must convince the Chinese leadership that such changes are in the PRC's benefit as well.

Far more than American jobs and profits are at stake. If the two nations' basic commercial relationship crumbles, then the other important divisions between the two governments are likely to widen, increasing the possibility of what already is being routinely predicted, a new cold war between Beijing and Washington. That wouldn't be in either nation's interest. But nationalistic forces on both sides of the Pacific make such an outcome increasingly possible.

Unsurprisingly, PRC officials strongly defend their government's position. However, there is little triumphalism, a Chinese variant of Nikita Khrushchev's vow to "bury" America. National confidence and pride mixes with awareness of the PRC's own shortcomings and America's continuing power.

The United States needs to respond accordingly. Engagement remains the only realistic policy for both sides, but Americans must recognize that they were overly optimistic in believing that capitalism would inevitably turn China into another America. Washington and Beijing should set a simple, realistic objective: ensuring that cooperation predominates over confrontation in their relationship. That might be just enough to keep the peace in the coming years.

Source: https://nationalinterest.org/blog/skeptics/greatest-show-earth-trumps-trade-talks-china-65106



# America Should Support Russia's Efforts Against Glorifying Nazism By Anatoly Antonov

Next year marks the seventy-fifth anniversary of the victory over the Nazi Germany. While meeting young Americans during various events in universities and seminars, I noticed that they not only remember this fast approaching date, but they also discussed how to use the historical experience to overcome current tensions and enhance Russia-U.S. relations.

Overall, the new generation in the United States knows that Soviet and American soldiers and officers were brothers-in-arms during World War II, that it was the Red Army that made the decisive contribution to the defeat of the Nazi hordes. On our part, we recount that Russia values the allied contribution and remembers hundreds of thousands of fallen Americans.

There are many places in the United States that remind us about our fight against the Nazis. During my recent visit to Alaska in June, I was honored to attend a consecration ceremony of new tombstones placed at the graves of the Soviet pilots in Anchorage. Russian embassy diplomats paid tribute to the Soviet, American, British and Canadian soldiers resting together. Those pilots ferried planes much needed by the Red Army over the most dangerous route—from Alaska to Siberia. Together with the Mayor of Fairbanks we laid a wreath to a great but yet the only memorial in the United States dedicated to our alliance. We hope that one day a monument to heroic pilots will be erected on the East Coast—in Elizabeth City, North Carolina—as well. That was the place, from which American flying boats with mixed crews began their flight to the USSR.

Every year on April 25—the day of the encounter between the Soviet and American troops in Germany in the victorious year of 1945—a heartwarming ceremony takes place at Arlington National Cemetery. Diplomats from the Commonwealth of Independent States' embassies and their American colleagues from the State Department lay wreaths at the "Spirit of the Elbe" memorial sign. Words of gratitude go out to honor the present veterans—the true winners of the war. This day is solemnly celebrated in Moscow as well.



Another remarkable tradition which is gaining momentum is the "Immortal Regiment" march, timed to the Victory (in Europe) Day on May 9. Descendants of the Red Army soldiers who live in the United States walk through the streets of American cities with portraits of their fathers and grandfathers. They proudly remember those who did not spare themselves in the fight against the brown plague and conquered it. It is peculiar that every year more and more Americans join the marches.

We cannot but remember the victims of the bloodiest war in the entire human history. It claimed the lives of twenty-seven million people in the Soviet Union alone. In memory of the fallen, our compatriots in the United States, together with concerned U.S. citizens are holding the "Candle of Memory" ceremony on June 22, which is the day that the Great Patriotic War broke out.

Russia has always reacted strongly to attempts to rewrite history and glorify Nazism and will continue to do so. The Russian Foreign Ministry has prepared a report on the global situation in the area of fighting the glorification of Nazism. In the twenty-first century, such a shameful phenomenon, such as marches of Nazis and their collaborators on the streets of European cities, cannot be allowed to exist. It is important to stop the demolition of monuments dedicated to anti-fascist warriors in Ukraine, the Baltic countries and Poland. The policy of tolerance towards neo-Nazis is unacceptable.

It is deeply disappointing that neo-Nazi organizations "hiding" behind the First Amendment in the United States freely operate and erect monuments to "heroes" of ethnic cleansings, Nazi collaborators involved in the Holocaust (Roman Shukhevych, Stephen Bandera, Adolfas Ramanauskas and so forth).

Every year Russia submits a United Nations resolution on the fight against the glorification of Nazism, neo-Nazism and other practices that contribute to the escalation of contemporary forms of racism, racial discrimination, xenophobia and related intolerance. In the entire international community there are only two countries that still vote against it—the United States and Ukraine. Canada found strength to reconsider its position, now it is Washington's turn.

Shared history should play a unifying role. We should never forget what our peoples fought together for during World War II, the memory of the victims of



Nazism should forever stay in the hearts and minds of future generations. We will be happy to celebrate the seventy-fifth anniversary of the Victory on May 9, 2020, together with the Americans. The Russian president Vladimir Putin invited President Donald Trump to Moscow to celebrate this festive event.

In the face of the common threat the Soviet Union and the United States, states with different social systems, were able to forget about political differences. In the anti-Hitler coalition we were united by an enemy that posed a threat to the entire world. There are no ideological contradictions between us anymore. But there are new global challenges, the historical experience of alliance and a responsibility to all mankind.

Source: https://nationalinterest.org/feature/america-should-support-russia%E2%80%99s-efforts-against-glorifying-nazism-66256