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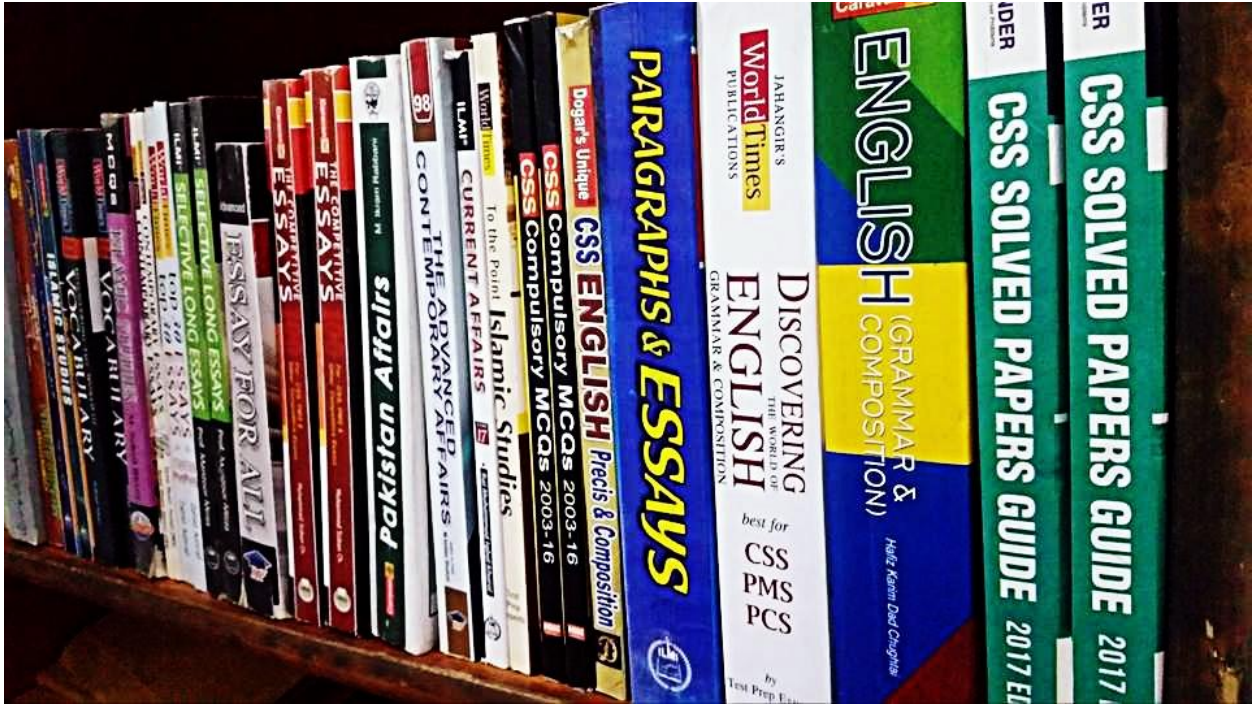
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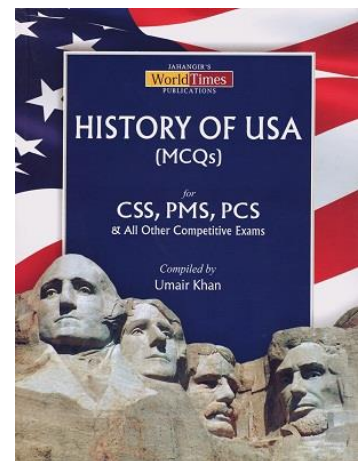
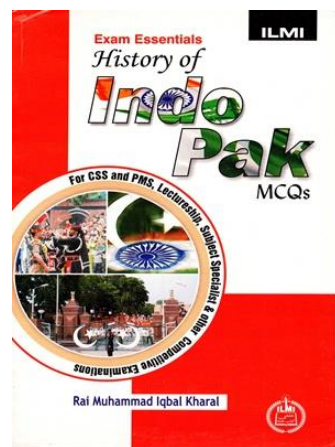
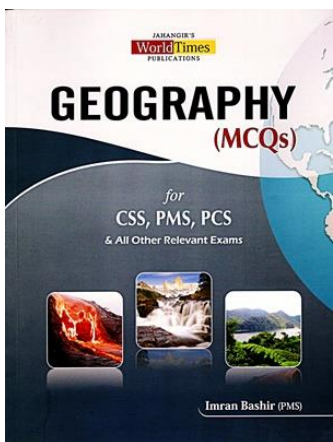
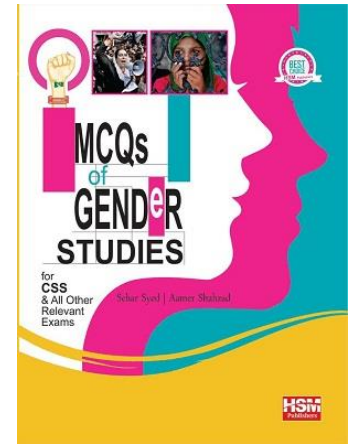
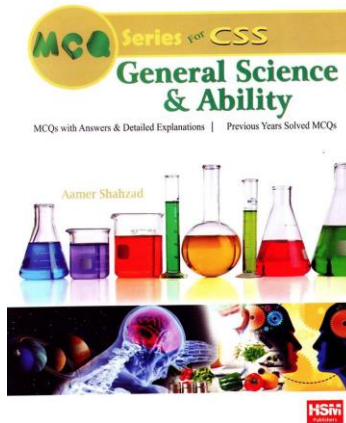
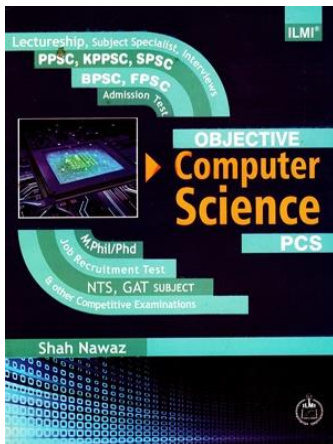
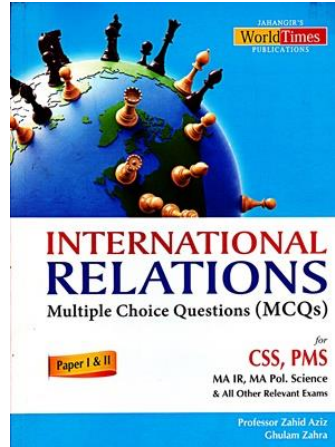
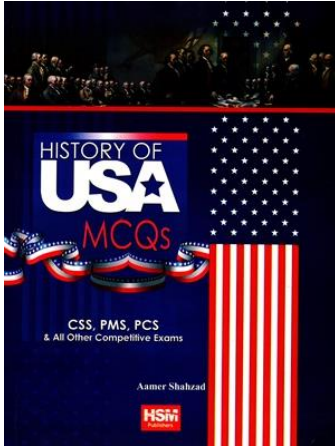
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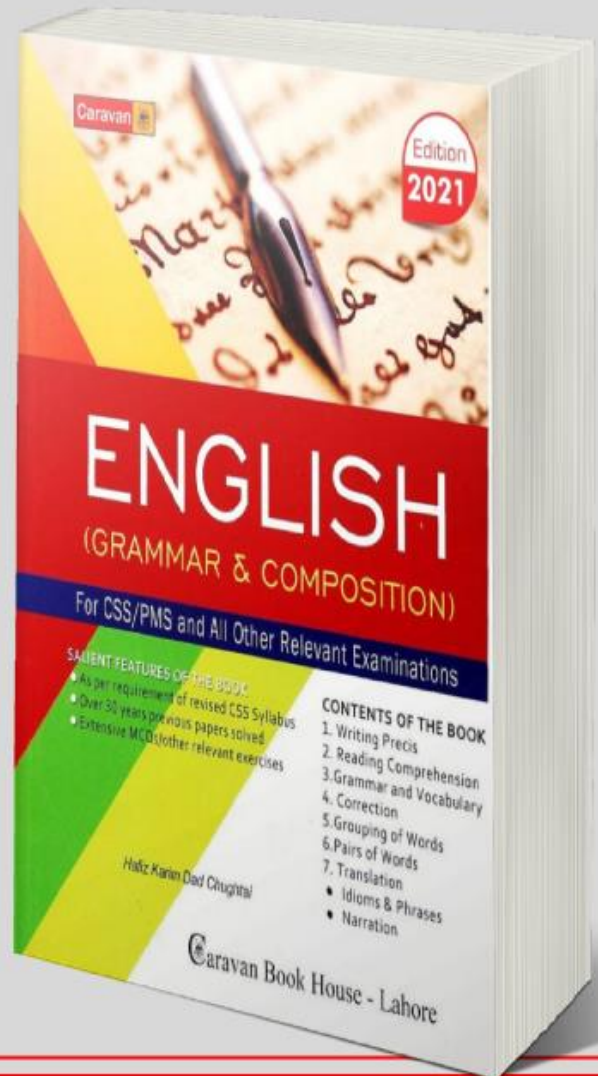
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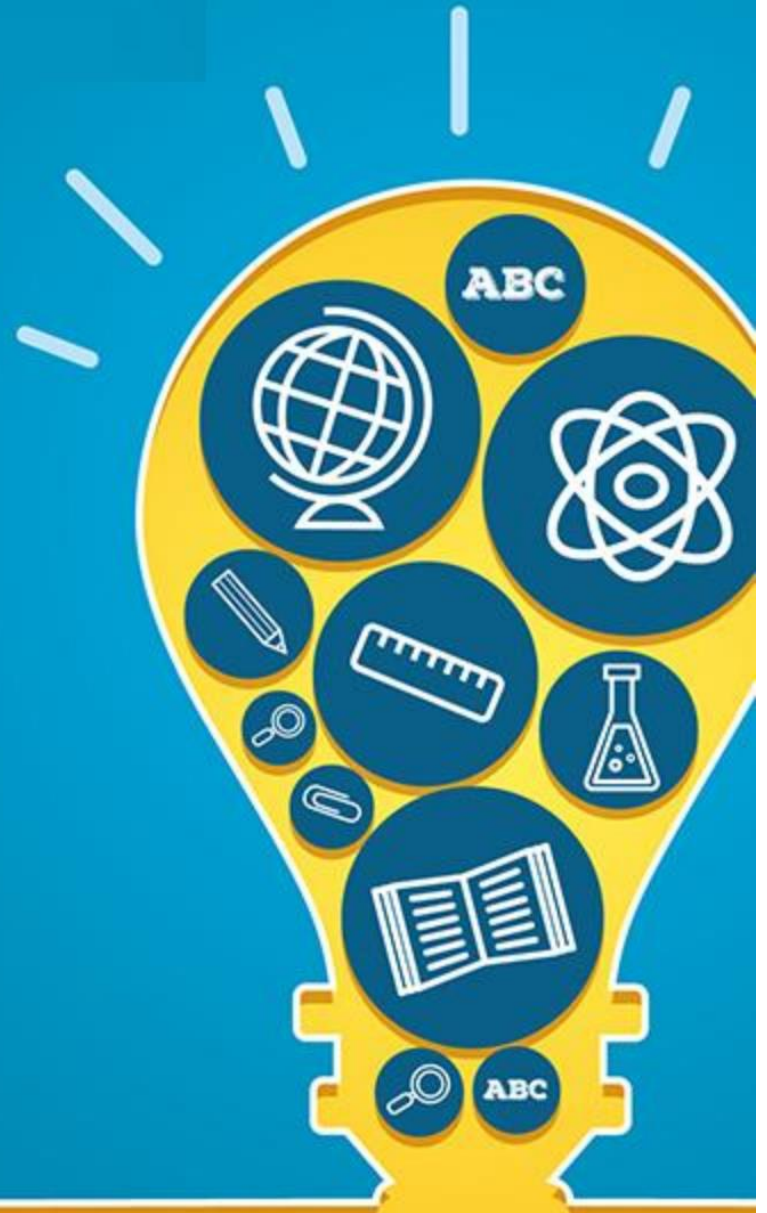
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# PAKISTAN

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## **Pakistan and India Must Put in Their Best Efforts to End Long-Standing Tensions | Editorial**

IN the latest act of the Pakistan-India de-escalation process, Prime Minister Imran Khan has written to his Indian counterpart to respond to the latter's Pakistan Day congratulatory letter. "An enabling environment is imperative for ... result-oriented dialogue", Mr Khan wrote, adding that "durable peace and stability in South Asia" required the resolution of all outstanding issues, particularly Jammu and Kashmir.

In the March 23 communication, Narendra Modi had called for "an environment of trust" for better ties, while desiring "cordial relations" with Pakistan. On the surface, there is nothing remarkable in this exchange of pleasantries. However, in the context of the last few years, where bilateral relations have been particularly toxic, these brief exchanges are being viewed as the beginning of a nascent peace process. Expectations, of course, should not be too high. Both the Pakistani and Indian foreign ministers were recently in Dushanbe, Tajikistan, to participate in the Heart of Asia meeting. While no bilateral meeting took place, observers noted that both officials avoided combative rhetoric aimed at the other at the conclave. Another major sign that a thaw in relations is underway came on Wednesday, when the Economic Coordination Committee announced that Pakistan would be importing Indian sugar and cotton.

At this point, perhaps the best way to take the peace process forward is to encourage such confidence-building measures as trade, and continue the dialogue process through the backchannel. As mentioned above, bilateral ties have been particularly strained over the past few years, with both states coming to the brink of war in 2019. Undoing this atmosphere of distrust and suspicion will take both time and effort. Along with continuing the dialogue process, hawks on both sides of the fence must be ignored, as they will not want to see the normalisation of relations.

However, it appears that the quarters concerned on both sides may be serious about peace. The prime minister and the army chief have both stressed the need for better bilateral ties, while at the other end the anti-Pakistan rhetoric has been toned down and Mr Modi himself is offering this country peace overtures. There may be several pitfalls along the way and there is a profound difference in the way Islamabad and New Delhi view key issues, particularly the Kashmir dispute. Be that as it may, both states must put in their best efforts to make peace work this time and bring to an end the long-standing tensions.

Published in Dawn, April 1st, 2021

Source: <https://www.dawn.com/news/1615770/exchange-of-letters>

# **Recent Developments in India-Pakistan Relations By Shaheryar Javed Khan**

India Pakistan relations in the year 2021 are not bilateral anymore—and evaluating them without considering the influence of the world’s two major powers, the United States of America and China will be a miscalculation.

The recent developments that have “re-kindled” the hope of improvement in relations are also considered by many as based “on a nudge” by the Americans, which is a good sign because the state of stalemate between both nuclear countries since February 2019 is not helping either or the region, and is a hindrance in the progress of the strategic agenda of President Biden and his administration. Therefore, a nudge by the US was long overdue. Similarly, with Pakistan as an important partner in CPEC, China also has high stakes in the region; therefore Pak-India relations are also strongly influenced by Chinese interests.

Recent developments can be considered as a step towards re-establishment of working relations and it does not matter if it was on an outside advice or a bilateral initiative; these are definitely positive developments but slightly sudden for the general public of both countries who have seen this cycle played out before. No matter how or who structures engagements between the government bodies, prospects of better sustained relations on a long-term basis are not bright from a Pakistani perspective, unless India relieves its pressure on Indian Occupied Kashmir by first lifting the lockdown of Kashmiri people that has crossed 600 days. Any tangible steps towards better relations are only possible after that.

Pakistan’s role and importance to China in relation to CPEC and India’s progress towards becoming a frontline partner of the US—especially to counter China through joining the “Quad” alliance in the Asia-Pacific—are major risks to future relations between both these countries. India and Pakistan cannot be frontline vassals of the two global powers who are locked in the expansion and checker’s game. Their importance in the greater scheme of things cannot allow them to be at daggers drawn all the time, however, it will also not give them enough space to have friendly bilateral relations. Therefore, the best they can hope for is a

working relationship under direct scrutiny of the US and China, which will still remain at risk of being dependent on the US-China tug for economic supremacy.

There are many players in the region that can, or might, play a role in bringing the two governments to the negotiation table, however, most are mere tools for the US and China, considering the geopolitical and geoeconomic importance of both Pakistan and India for the two powers.

Asteroid that crashed over Antarctica 430,000 years ago could have caused millions of deaths International Islamic scholars in Pakistan's context, corporate investors in India's, sports figures, international celebrities in the context of both are some non-state actors that have the potential to bridge the hate gap between the two nations. It has taken a long time to sow and will take some effort before we can actually start thinking of a peace process between Pakistan and India.

Hate for each other is a popular theme, so popular that it has the potential to dislodge any government, if taken up by the opposition political parties or other actors. Therefore, domestically, political leaders, civil society organisations, media and social media influencers—all have to be on one platform. Sports, especially cricket, has and can play a significant role in bringing the people together.

The unresolved Kashmir issue between Pakistan and India was at one time the 'core' issue between the two countries; some might still consider it as such, however we must understand that this issue has been used to breed hate between the two nations since the 1947 partition, leading to two major and bloody wars.

Govt hints at reopening Swiss cases against Asif Zardari Political parties on both sides have used hateful rhetoric, especially in every election but also otherwise; information media houses have flourished through propagating negative propaganda and hate; social media influencers gain thriving followings through the negative portrayal of events across the border.

"Hate thy neighbour" has been drilled into minds so much for the past decades and has become such a popular slogan that it is the bigger problem now, bigger than Kashmir—therefore no government or leadership can take the risk of going for a serious effort without the involvement of the people of both countries.

The most important thing to understand is that the eyeball-to-eyeball situation in 2019 was triggered by an event in Kashmir, and the relations went back to the post-Kargil-era in a matter of days; this has happened many times since the 1990s and is evidence of the fragility of bilateral relations, if Kashmir is not addressed comprehensively.

Right now, Kashmir is the balance on which the development of relations depends upon; events related to Kashmir can make or break bilateral relations despite the US' or China's interests.

Source: <https://nation.com.pk/01-Apr-2021/recent-developments-in-india-pakistan-relations>

# **Pakistan's Push to Reset Ties With US Met** **With Lukewarm Response By Kamran** **Yousaf**

ISLAMABAD: Pakistan's efforts to reset what is often dubbed as "transactional relationship" with the United States have been met with a lukewarm response by the Biden administration.

When Joe Biden took over as US President, Islamabad was hoping for transforming its ties with Washington from being security driven to one based on economic cooperation.

The optimism stemmed from the fact that President Biden knew Pakistan well and his knowledge of the country could help pave the way for better understanding.

However, officials here admitted that the Biden administration has so far given a cold shouldered response to Pakistan's push for seeking a reset in ties.

Read more: Washington to further strengthen partnership with Pakistan: Biden

Prime Minister Imran Khan has formed an Apex Committee to evolve a broad based agenda for engagement with the Biden administration.

The thrust of Pakistan's approach is to have economic rather than relying on security cooperation. Enhanced trade ties, investment, energy and climate change have been identified as some of the areas where Pakistan is looking to seek US cooperation.

"We want to evolve relationship with the US purely through bilateral lens. We don't want to be perceived through the Chinese lens or Indian lens," said a senior Pakistani official involved in the policy making.

However, the trouble for Pakistan is that the new US administration has not given positive signals so far.

Despite in the White House for over two and half months, President Biden hasn't yet spoken to Prime Minister Imran Khan over the phone. It is a ritual that the new US President speaks to heads of governments and states. He has already spoken to the Afghan President and the Indian Prime Minister.

Despite Pakistan's request, Biden has not yet established a direct contact with Prime Minister Imran Khan. This was seen as somewhat surprising given the fact that Pakistan has a pivotal role in the Afghan endgame. Officials are confident that given Pakistan's importance to the Afghan peace process, Biden will surely speak to the Prime Minister sooner or later.

Meanwhile, the Biden administration has not extended invitation to Pakistan for the climate summit the US is set to host later this month.

The virtual summit would bring together leaders from 40 countries including India and Bangladesh.

Prime minister Imran the other day played down the apparent US snub, insisting he was puzzled by the cacophony over not inviting Pakistan to the climate summit.

President Biden's special envoy on climate change John Kerry also skipped Islamabad when he undertook visit to regional countries including UAE, India and Bangladesh.

Similarly, US Secretary of Defence Lloyd Austin recently travelled to India and Afghanistan but he ignored Pakistan, although he spoke to Army Chief General Qamar Javed Bajwa over the phone while in Kabul.

Officially, Pakistan is tight lipped over these developments but privately officials acknowledged that the Biden administration was not giving encouraging signals.

What angered the new US administration is thought to be the acquittal of Daniel Pearl's alleged mastermind by the Supreme Court just when Biden took charge. Pakistan was conveyed in clear terms that it had to ensure justice was served to the murderers of American journalist.

But the Daniel Pearl case is not just the only reason behind lukewarm attitude of the US. The other key reason is believed to be effort by the US administration asking Pakistan to move away from China.

Pakistan, although is trying to maintain balance in its ties with the US and China but Washington seems want a clear shift in the country's approach.

The US-China rivalry is going to get deepened under the Biden administration. The new US government not just is trying to counter China through different means but President Biden recently proposed infrastructure project to rival China's Belt and Road initiative.

"Yes, we have time tested relationship with China. CPEC is central to our development yet that doesn't mean we should be seen through the Chinese lens," said an official explaining Pakistan wants to pursue a policy that avoids being a proxy in the China-US tussle.

The official said the Prime Minister would articulate Pakistan's position when he gets a chance to speak to the US President directly.

Source: <https://tribune.com.pk/story/2293349/pakistans-push-to-reset-ties-with-us-met-with-lukewarm-response>



# **Crippling Energy Crisis By Haroon Rashid Siddiqi**

Crippled with an overwhelming energy crisis, Pakistan is increasing its dependence on oil and gas, especially on imported LNG. The circular debt, currently standing at a colossal Rs2.3 trillion, is all set to cross Rs2.6 trillion by the end of the ongoing fiscal year. Reportedly, Rs1 trillion is owed by Sui Southern Gas Company Ltd (SSGCL) and Sui Northern Gas Pipelines Ltd (SNGPL) to Oil & Gas Development Company Ltd (OGDCL) and Pakistan Petroleum Ltd (PPL) which are the mainstay of oil and gas exploration and production in Pakistan. This cheap indigenous source of energy is almost half the price of imported LNG, the use of which is increasing in Pakistan. This is placing a heavy financial burden on our limited foreign exchange reserves and holding back OGDCL and PPL from venturing in new areas as their revenues are stuck in the vicious circular debt. In the wake of depleting oil and gas reserves, no fresh investment in exploratory activities is alarming and does not augur well for the country.

New discoveries in the country are planned in inhospitable areas, requiring extra outlays on security and logistics. The offshore option is further challenging and capital-intensive. Keeping OGDCL cash starved by Rs600 billion and PPL by Rs400 billion is in fact marginalising the local exploratory activities that will cause an irreversible damage of humongous proportion in the long run. Moreover, a comprehensive petroleum policy encompassing present day requirements is needed to attract foreign investors. The fact is that most foreign oil and gas exploration and production companies have left Pakistan in the last decade or so which is reflective of something rotten in our petroleum policies and regulatory regime.

As the light at the end of the tunnel is rapidly fading, we must find urgent solutions to rescue ourselves from the looming disaster. There is no talisman to achieve an overnight transformation but some doable options are available to set the energy policy right. Once properly formulated and implemented, any government in power should own it like the nuclear programme. Pakistan has miserably failed in utilising its huge coal reserves as Dr Samar Mubarakmand has wasted both time and money without achieving gasification from Thar coal

reserves. We, therefore, need to collaborate with reputable multinational companies to meet this objective befittingly. There is also a pressing need for increasing the share of cheaper energy sources like hydel, biomass, solar and wind in our energy mix which is heavily tilted towards imported fuels. The perennial issue of circular debt must be addressed from its root cause. The electricity theft and line losses are main factors. A political will and writ of the government are required in bringing a paradigm shift towards increasing efficiency, reducing the magnitude of theft/corruption and making electricity affordable for the masses. Similarly, the use of hybrid/electric vehicles and other fuel-efficient equipment and appliances including solar street lights and similar applications must be encouraged. The Directorate General of Petroleum Concessions being a regulatory government institution must be staffed by competent people and revamped as a regulatory body.

All state-owned enterprises in the power and petroleum sectors must hire highly qualified professionals based on merit. Likewise, their board of directors should comprise the best independent industry brains free of political and bureaucratic interference. Furthermore, the retirement age of these professionals needs to be extended beyond 60 years because this is when they are full of experience.

Finally, all commercial activities of state-owned enterprises should be taken out from the purview of the National Accountability Bureau so professionals can work fearlessly towards achieving their targeted goals. The ministry of energy has to come out from its brow beating mode and work in tandem with all commercial institutions purely in a supportive role.

Source: <https://tribune.com.pk/story/2293793/crippling-energy-crisis>

# **Pakistan-Russia Strategic Bonds Make Pivotal Openings By Syed Qamar Afzal Rizvi**

The current visit of the Russian FM Sergey Lavrov to Pakistan (April 6-7) ushers in remaking Pakistan-Russia strategic relationship based on mutual understanding on the issues of regional security, counterterrorism and the Afghan peace process. Russia now most likely accepts Pakistan defense and energy needs as legitimate in the interest of the balance of power in the region. This pragmatic change in the Russian policy toward Pakistan is the end result of the mutual realization to weave the strategic bonds of a friendly, sustainable partnership between Moscow and Islamabad, which is a geopolitical driven geoeconomic need of the present time.

Russian policy vis-à-vis emerging imperatives: Russia's pursuit of spheres of influence in the post-Soviet space has led many analysts to draw historical parallels to previous eras of world order-making, attributing to the Russian desire to resurrect a bygone system of global order, such as the post-World War II "Yalta system." That the images of Yalta and the Concert of Europe—gaining prominence in accounts of Russian strategy is no accident: Putin himself has spoken on many occasions about both systems, lauding the peace, stability, and harmony in the international system.

A Russian pursuit of striking a grand strategy holds a key consideration. Grand strategy is thus a state's attempt to optimally allocate scarce resources (means) toward the methods (ways) that are best suited for achieving the state's highest goals (ends), all while responding and adapting to opportunities and constraints posed by other strategic actors, structures, and events in the international order.

Pakistan's energy deficit level needs to be tackled on an emergency basis. Considering growing urbanization and industrialization in Pakistan, the urge to strike a civil nuclear energy deal is becoming inevitable

The genesis of new alliances: It is a truism that multipolarity on the global stage has its natural sway on the Asian political order. A region of multi-faith, multiethnic and multi-culture composition, Asia is uniquely situated to cultivate benefits from this international shift from westward to eastward. Both regions –

Asia-Pacific and Indo-Pacific – are geopolitically inextricable. China’s colossal strategic investment in the One Belt, One Road economic initiative, Russia’s Eurasian Economic Union and its prospective connectivity with OBOR and Pakistan’s geostrategic location are among the key factors that will define the emerging triangular power relation between the three states—Russia, China and Pakistan.

One could see that independently, each of the three power players has the convergence of interests to make the Russia-Pakistan -China trio– an emerging geopolitical and geoeconomic gamut to change the international and regional dynamics — reshaping a new Asian order. Here one could also evaluate the importance of Russia-China-Turkey-Iran-Pakistan strategic built-up — an evolving multilateral trajectory.

Regional security & the Afghan peace process: As far as regional peace and security is concerned, the future of the Afghan peace dialogue holds profound leverage. The recently-held Moscow summit revives the spirit of the Doha Peace Accord. The major stakeholders of the Afghan peace dialogue agree on the peaceful exit of the NATO troops from Afghanistan by the first of May. Russia, like Pakistan, China and Iran, is of the view that the US withdrawal from Afghanistan as promised in the Doha Peace Deal is important for the future of regional security. The current visit of the Russian FM holds great significance in this regard. Obviously, in the given scenario, it seems an unworkable synergy that in the post-May 01 phase, Islamabad could ever revive logistic supply support to NATO troops in Afghanistan.

Pakistan-Russia defence cooperation: Russian Commander in Chief General Oleg Salyukov recently visited Pakistan where he was called on COAS General Qamar Javed Bajwa to discuss defence cooperation between the two countries and the regional security situation. General Bajwa said Pakistan does not believe in zero sum games but instead believes in integration and cooperation. “Cooperation between the militaries of both countries will not only help in improving peace and stability in the region but will also usher economic prosperity,” Army Chief General Bajwa said at the meeting.

The Islamabad-Moscow security partnership has strengthened and expanded since late 2014, when the two former rivals signed their defense cooperation agreement. During the 5th meeting of the Joint Working Group on Counter

Terrorism, the two sides shared views on regional and national threats and effective way to counter them. Last year, the Russian and the Pakistan forces had a joint military drill called Friendship-2020. It is also argued that the formation of a regular joint counterterrorism military force between Pakistan-Russia-China is necessary to meet the regional security challenges.

Russian role in Pakistan's energy needs: It is a universal phenomenon that the socio-economic progress of a state is significantly dependent upon the performance of the energy sector, as the energy sector drives the engine of growth and development in agricultural, industrial, and defense sectors, in addition to impacting domestic users. In Pakistan, the increasing gap between the demand for, and the supply of, energy has brought economic progress to a standstill. A number of industries have been closed due to this increasing gap, which is expected to grow even further.

Russia & Pakistan must strike a civil nuclear deal: In the evolving international scenario, cooperation between states with regards to security and energy needs is becoming a prominent feature. To meet climate change goals, almost all electricity will need to be low carbon, and that will only be possible if the use of nuclear power is increased, said IAEA Director General Rafael Mariano Grossi at the opening of the 2020 Scientific Forum. Russia realizes the emerging energy needs of Pakistan (evidenced by the renewal of the Gas-pipeline project in 2020), an agreement regarding the civil nuclear cooperation could be an important feature of the growing bilateralism between the two states. In this regard, a strategy— seeking conformity regarding Pakistan's desirability and Russian feasibility— could be formed.

Though Pakistan has been fully cooperating with the IAEA vis-à-vis the green energy safety protocols, Islamabad feels left out and wants to pursue a similar deal on the plea that they have increasing energy needs. Until now, the collective generation capacity of all Pakistan's five nuclear plants is roughly 1,350 megawatts, five percent of the national electricity generation. To facilitate the rapid expansion of nuclear power, the IAEA has amalgamated four of its pre-existing national technical cooperation projects—which supported the regulators, operators, waste managers and non-destructive testers involved Pakistan's NPP programme —into a single project.

Pakistan's energy deficit level needs to be tackled on an emergency basis. Considering growing urbanization and industrialization in Pakistan, the urge to strike a civil nuclear energy deal is becoming inevitable. Since 2006, the successive governments in Pakistan have been repeatedly pleading the case for acquiring a civil nuclear deal. Against this backdrop, it is highly suggestible that the nuclear experts in Russia and Pakistan must try to evolve a mechanism to orchestrate a civil nuclear deal between the two sides.

The writer is an independent 'IR' researcher and international law analyst based in Pakistan

Source: <https://dailytimes.com.pk/742936/pakistan-russia-strategic-bonds-make-pivotal-openings/>

# **The Importance of Russia and Pakistan in the Afghan Conflict By Raja Furqan Ahmad**

Russian Foreign Minister Sergey Lavrov wrapped up his two-day visit to Pakistan, the first Russian foreign minister who visited Islamabad after almost a decade.

The visit was quite successful, specifically in terms of bilateral relations. Lavrov met with the top leadership of Pakistan which includes Foreign Minister Shah Mahmood Qureshi, Prime Minister Imran Khan as well as Chief of Army Staff Gen Qamar Javed Bajwa. He was leading a 13-member delegation that also included Russian special envoy for Afghanistan Zamir Kabulov, Foreign Ministry Spokeswoman Maria Zakharova and several other senior officials,

During his press talk, he also touched on economic projects such as the North-South gas pipeline, the energy deficit, the growth of bilateral trade, cooperation for use of technology for medicine and industry, and boosting cooperation in diverse areas, including defence and counterterrorism. The body language of the Russian Foreign Minister showed that it was time to start a new era in the relationship.

Lavrov also expressed concern over the deteriorating security situation in Afghanistan. Here it is to be mentioned that Afghanistan has played a key role in the Pak-Russian relations and Kabul is also one of the reasons due to which both states could not develop close ties. The ties were strained during the cold war and later on the tensions increased when the USSR invaded Afghanistan. Pakistan was the key ally of the Western bloc and for making it happy Islamabad got involved in Afghanistan.

There is no doubt that the USA, Pakistan and Saudi Arabia created the mujahedeen, fired them with religious sentiment, armed them, paid them and sent them against the USSR in Afghanistan. The allies never thought how this militia would divert to a productive life after the Jihad was won. This mistake leads to the conflict which is still going on.

The Afghan conflict has not been resolved yet and it gives another opportunity for Pakistan and Russia to re-boost new relations as both are concerned about the Afghan issue and both states are also on the same page and demanding that the Afghan issue can only be solved through political means.

Russia–Pakistan relations have grown under the shadow of dramatic shifts in geopolitics. The policy shifted from the USA to China, which also paved the way for new investment and development. Both Pakistan and Russia can play an important role in the Afghan conflict and use the Afghan strategic location for economic development.

Previously, Russia worried about Pakistan’s close alliances with the West, which have been established since the early Cold War years, and it is now observing the nature of Pakistan’s deepening strategic relations with China. Similarly, Pakistan is concerned about Russia’s strategic relations with India.

Currently, Pakistan is more inclined towards China as it committed to work together in the economic as well as development sectors. China has strengthened their relations through bilateral trade, military agreements and supporting each other on key issues. Meanwhile, the CPEC corridor has come up, which is the economical game-changer for Pakistan. Moscow is also looking to take part.

Russia is also finding new opportunities in the South Asian Region as the USA has made an agreement with the Taliban to withdraw its troops from Afghanistan before May 1. Once the USA leaves, the opportunities for other states to invest in Afghanistan will increase.

Moscow is playing its key role, as last month it hosted a meeting of the extended “Troika” which focused on making progress in the intra-Afghan process to reach a negotiated settlement and a permanent and comprehensive ceasefire.

Moscow invited the prominent Afghan political figures and representatives of the Taliban movement, as well as other stakeholders such as the USA, China, Pakistan, Qatar and Turkey as guests of honour. The conference was very successful and the Afghan government and the Taliban agreed to accelerate the peace process, after the talks in Qatar’s Doha hit a deadlock.



Apparently, India was not invited to the conference which was quite shocking because Russia and India have great relations, which can be seen in their military cooperation agreements, but it also means that India is not considered as the stakeholder in the Afghan conflict. Pakistan also appreciated this decision of not inviting India as Pakistan believes that India's role in the peace process is that of a spoiler.

On the other hand, a 10-day long Afghanistan peace conference will begin in the Turkish city of Istanbul on April 16. The USA proposed the conference to bring together Russia, China, Pakistan, Iran, India, and the USA, to discuss a unified approach to support peace in Afghanistan. But this conference is more inclined towards decreasing the role of Russia and China in the Afghan peace process as the USA doesn't accept that rival should take the lead.

Russo–Pakistan relations have grown under the shadow of dramatic shifts in geopolitics. The policy shifted from the USA to China, which also paved the way for new investment and development. Both Pakistan and Russia can play an important role in the Afghan conflict and use the Afghan strategic location for economic development.

Source: <https://www.pakistantoday.com.pk/2021/04/09/the-importance-of-russia-and-pakistan-in-the-afghan-conflict/>

## New Census | Editorial

The Council of Common Interest approved the results of the 2017 census despite the misgivings of Sindh, opening the door for further debate and delays of post-census activities. Oddly, and perhaps worryingly, the government has also said that a new census will be held towards the end of the year — just seven years after the last one.

PTI may well become the first government anywhere in the world to publish two separate census results in the same term in office. This stands out because the census is normally a once-a-decade exercise, not just in Pakistan but in most countries. The reason here is that the exercise is very expensive. Planning Minister Asad Umar said Rs23 billion would be set aside for the endeavour, which is almost equal to the federal health budget. Demographic changes also generally take a while to become noticeable, and holding censuses too close together may dilute their prominence and impact.

It could also give the impression that the ruling PTI is not satisfied with its election prospects and could use the opportunity to interfere in constituency demarcation to help give its candidates a better chance — Umar said the 2021 census results would not be available until 2023, but they would still be the basis for delimitation for that year's elections.

That said, if done transparently, a new census might help resolve the debate over one of the most glaring anomalies in the 2017 census — the population of Karachi. The Sindh government — and most Karachiites — see the 14.92 million population figure as a severe undercount. Many believe the actual figure should have been well above 20 million, especially considering Lahore's population of 11.13 million.

The impacts of such a significant undercount are manifold, but at the simplest level, they create an underfunded city as they reduce Karachi and Sindh's share of tax revenue while also impacting urban planning decisions for a city that is already overly urban and underly planned. To a lesser extent, Islamabad also has the same problem, with thousands of citizens being unfairly counted in their 'home' districts instead of the cities where they live and work, and use public infrastructure, services and utilities.

Source: <https://tribune.com.pk/story/2294546/new-census>

# **Pakistan and US-Sino Relations By Ali Gilani**

AMIDST pandemic looming large and threatening the life and livelihood of nations around the world, there was a colossal showdown of two superpowers at freezing cold Alaska.

Secretary of State Antony Blinken and top Chinese diplomat Yang Jiechi traded blows over economical and technological theft and accused each other of horrific and inhumane crimes.

The talks appeared to have more of a heavyweight showdown of might and guts than fruitful negotiations. Both sides went against every diplomatic norm and refused to bow-down to each other.

US-China relations have always been complex. In early 70's Washington DC in the midst of rift with the Soviets saw an opportunity to have ties with China to capture and exploit China's market in order to elevate its economic growth.

After the end of the long cold war with the Soviets, the US claimed the throne only to see another potential rival on the horizon.

In the early 90s China was the tenth largest economic power of the world. And in the last three decades where US foreign policy involved initiating wars and toppling nations resulting in the exhaustion of its military and economic prowess, China was exponentially growing her economy by trade and production, avoiding any and every conflict.

Political pundits had been predicting China's take over for decades and finally when the Pentagon and White House decided to do something about it, China had already caught up to them.

The Trump Administration did its best to curb Chinese influence in the global market and pleaded with American citizens to let him hold the office again if they didn't want to see an authoritarian regime taking over the whole world.

Biden following in the footsteps of his predecessor has made the forward block of Japan, Australia and India in order to drive China out of European and Asian markets.

Yes, the fierce economic and military struggle has been started and whichever melts even the slightest will lose the contest.

Having said that, these behemoths going against one another could have catastrophic effects on the world. For starters, during the cold war era, Soviets had 40% less GDP growth than the US.

China has almost the same GDP growth as its counterpart and according to a report of the International Monetary Fund (IMF) in 2024, China is likely to surpass the US economically.

Now, the question is where should Pakistan stand in all of this? Islamabad has never been successful when it comes to maintaining friendly ties or at the very least professional relationships with the enemies of the US. However, this time the situation is a little too delicate.

On one hand, CPEC holds an unparalleled importance for economic and infrastructural growth.

On the other hand, Pakistan can't afford the full-blown escalation with the Americans. The policymakers have to be extra careful.

Pakistan has to learn to maintain equilibrium between its relations with the two superpowers. It is easier said than done, but has to be done nonetheless.

—The writer is contributing columnist.

Source: <https://pakobserver.net/pakistan-and-us-sino-relations-by-ali-gilani/>

Strengthening Pak-Iran Relations By Prof Dr Muhammad Khan

THE Foreign Minister of Pakistan Shah Mehmood Qureshi is on a three days official visit of Islamic Republic of Iran.

As scheduled, Mr Qureshi will meet his Iranian counterpart Mr Javad Zarif and other high level officials.

Qureshi will also meet Speaker of the Iranian Parliament Mohammad Bagher Ghalibaf and President Hassan Rouhani.

In the wake of changing regional geopolitical situation, visit of Pakistani Foreign Minister is being viewed as significant.

The likely agendas for the bilateral talks between the both countries includes; emerging security situation in Afghanistan, rising instability in Middle East, the developments over the Kashmir dispute and reinvigorating the Economic Cooperation Organisation (ECO).

Besides, strengthening the bilateral ties of both brotherly Muslim states will be focused during the meetings of both foreign ministers.

In the last few years, there have been regular visits of the high level delegations of both countries.

After visit of Mr Qureshi to Tehran in January 2020, Foreign Minister Zarif visited Pakistan in November 2020.

Both had a meeting on 30 March 2021, on the side-lines of the 9th session of the Heart of Asia-Istanbul Process Ministerial Conference in Dushanbe, Tajikistan.

Historically, the people and governments of Pakistan and Iran had enjoyed very strong ties. Both countries are geographical contiguous and share the religion, culture and civilization.

For centuries, the area now constituting Pakistan remained the hub of the Indo-Persian civilization that produced remarkable works of art, poetry, literature and great intellect.

After Pakistan came into being in 1947, natural affinity and closeness shared by these two neighbours was enhanced further and mutual ties of both flourished to new heights.

Traditionally Pakistani frontiers with Iran have always been peaceful, safe and secure. Iran was first country which recognized Pakistan upon its emergence as an independent country in 1947. Indeed, there have been historical linkages between the people of Pakistan and Iran.

Iranian migrants and Islamic preachers had left long lasting impression on people and civilization of Indian Subcontinent.

Towards beginning of 20th century, Iran had its security concerns arising from the expansionist designs of former Soviet Union besides an uneasy relationship with Arab world.

The emergence of a non-Arab Muslim country (Pakistan) in its neighbourhood provided it respite and reinforced its security.

Whereas, Pakistan, otherwise agonized over by Indian aggression and hostile Afghanistan, took Iran as its strategic partner.

Iran, indeed demonstrated this by providing all out assistance to Pakistan during 1965 and 1971 Indo-Pak wars.

First Pakistani Premier Liaquat Ali Khan visited Iran in 1949 and Iranian Shah reciprocated in 1950, as the first foreign head of state.

Thereafter both countries maintained their bilateral relationship in an atmosphere of Islamic brotherhood and as good neighbours, with mutual acceptability.

Pakistan along with Iran and Turkey established Regional Cooperation for Development (RCD), an inter-governmental organization for socio-economic development in the member countries in 1964.

The organization was renamed as Economic Cooperation Organization (ECO) in 1985 and its membership increased to ten in early 1990s with the integration of Central Asian States and Afghanistan.

Following the Islamic revolution in Iran in 1979, Pakistan was the first country, which recognized Revolutionary Iranian Government.

Besides sending high-level delegations then President, General Zia ul Haq himself visited Iran as a good will gesture in 1980 and 1981.

During Iran-Iraq war, Pakistan made hectic efforts to negotiate a deal between the two Islamic countries to end the war.

Pakistan also made its utmost efforts for the normalization of relations between Iran and Saudi Arabia and other Gulf countries.

The commendable aspects of the Pak-Iran relationship are such that, even during the tense decade of 1990s, there has never been a diplomatic impasse in their bilateral relationship.

Earlier in May 1998, upon Indian nuclear tests, Iran showed its concern and President Khatami in a statement said that; "We regard your security seriously and understand your position and the position of our brother, Pakistani nation.

The security of Pakistan, as a brother, friendly and neighbouring state, is crucial to us. We consider their issue to be extremely important and will stand by you."

In 2016, immediately after the tense relationship between Iran and Kingdom of Saudi Arabia, then Pakistani Prime Minister, Mian Muhammad Nawaz Sharif and Army Chief, General Raheel Sharif visited Tehran and Riyadh.

Pakistani leadership tried to convince Saudi and Iranian leadership that, strained relationship and proxies would not be in the benefit of any of these countries and Muslim World.

Pakistan is still trying to play a constructive role in the bilateral relationship between Tehran and Riyadh.

In Nov 2017 Pakistani Army Chief, General Qamar Javed Bajwa visited Tehran and had an indepth discussion with Iranian military leadership for peace and stability of the region.

To reciprocate the visit of General Bajwa, Chief of Staff of Iranian Armed Forces Major General Mohammad Hossein Baqeri along with a high powered military delegation visited Pakistan in July 2018.

Pakistan and Iran are the leading countries of the Muslim world. Both need to play significant role towards unity of Muslims.

Promotion of peace in the neighbouring Afghanistan is a key challenge, which must be well negotiated in the wake of new time table given by US President Joe Biden for the pull out of US and NATO forces.

Pakistan desires that US must re-join the 'Joint Comprehensive Plan of Action' as agreed in July 2015 and immediately lift its un-warranted economic sanctions from Iran. Besides, there is a need for to enhance the volume of trade and people to people contact.

There is a requirement that both countries should undertake steps for deeper cooperation in the field of economy.

The 'Treaty of Friendship to Initiate Trade Relations-1949' must be re-evaluated for the promotion of trade and commerce.

The existing level of people-to-people contact must be enhanced for the development of confidence among the masses of both countries.

— The writer is Professor of Politics and IR at International Islamic University, Islamabad.

Source: <https://pakobserver.net/strengthening-pak-iran-relations-by-prof-dr-muhammad-khan/>



# **Growing Upbeat in Pak-German Ties By**

## **Syed Qamar Afzal Rizvi**

THE political, economic and cultural relations between Germany and Pakistan are longstanding, robust and reliable.

German Foreign Minister Heiko Maas and Foreign Minister Shah Mahmood Qureshi at a joint press conference in Berlin agreed to strengthen bilateral ties with focus on increasing trade and investments. Germany and Pakistan enjoy intimately cordial relations.

Germany has taken large measures to aid the south Asian countries in its economic and governmental hardship.

Commercial trade between Berlin and Islamabad has also been very essential as Germany is Pakistan's fourth largest trade partner, also Germany is home to 35,081 Pakistani immigrants overall, two nations have almost always had a friendly bond.

Pakistan and Germany enjoy a deep rooted tradition of cordial and cooperative ties. We greatly value our relations with Germany; and are keen to sustain and strengthen a multifaceted and mutually beneficial cooperation.

Pakistan has a strategic geo-political location at the corridor of world major maritime oil supply lines, and has close proximity to the resource and oil rich Central Asian countries.

Both countries remain deeply engaged on political, economic, and socio-cultural levels to strengthen this partnership.

Pakistan has a strategic geo-political location at the corridor of world major maritime oil supply lines, and has close proximity to the resource and oil rich Central Asian countries.

To give a robust framework to the multi-sectorial relations between the two countries is the crying need of present time.

In Berlin, the assumption is that Germany is likely to become a more important player in Pakistan once London, former colonial power, withdraws from European Union.

Talking to media personnel in the German capital Berlin, Mr Qureshi said Pakistan and Germany had great prospects for cooperation in trade and investment and expressed confidence that the new consulate would expedite matters in this regard.

The foreign minister said a consul general would be, appointed at the Munich mission to supplement the diplomatic efforts of the country's embassy in Berlin.

The German foreign minister termed the Qureshi's visit a good opportunity for launching new German initiatives and projects in Pakistan.

Maas expressed satisfaction over the interest of 35 German companies ready to invest in Pakistan and added that the encouraging trend would help tap into immense business potential.

German-Pakistani relations cannot be analyzed in isolation of the larger domestic and international trajectories, economic and political, on both sides of the partnership.

The instable security situation in the region exerts pressure on the Pakistani state, multiplying domestic challenges like macroeconomic and trade instability, societal conflicts and crises in energy supply and infrastructure.

In light of these aspects, this paper explores the magnitude and development of German-Pakistani relations, focusing especially on trade, economic cooperation and strategic interests on both sides.

The analysis of the German-Pakistani trade and investment relations over last decade show only very moderate volumes with room for expansion.

These dynamics are mirrored in private trade business relations with German SME's active on the Pakistani market (mostly through agents) and a lack of internationalization and economic diversification among Pakistan's private businesses.

A related structural reason for these predicaments is the lack of a dedicated and clearly-defined policy infrastructure among both states, resembling the long-standing and amicable, though unenthusiastic German-Pakistani relationship.

The recent EU-Waiver assignment, the adoption of the EU's GSP+ and related trade diversification programs signify the most significant parts of the EU-Pakistani partnership, and mirror an integral part of the discourse in German-Pakistani relations.

Pakistan should attempt to reap the benefits of these developments. Strategic relationships between Germany and Pakistan need to be developed further and strengthened.

Strategic Dialogue serves as a multi-sectoral framework to further deepen and broaden the existing bilateral relations in diverse areas including political, trade, economic and investment relations, higher education, science, cultural exchanges, energy, health, education, governance, renewable energy and environment.

The Dialogue envisages annual bilateral consultation at the level of the Foreign/State Secretary.

First Round of these consultations between Pakistan Foreign Secretary Jaili Abbas Jilani and the German Secretary of State Dr. Emily Haber was held on 17 December 2012 in Berlin.

The consultations reviewed progress on ongoing projects in various areas besides discussing new initiatives especially in the field of trade, investment and energy.

Pakistan and Germany also enjoy substantial economic and trade relations. Germany is Pakistan's fourth largest trading partner globally; and the largest within the European Union.

Germany is also an important investment partner. Pakistan's liberalized trade and investment approach, as manifested in Pakistan's Strategic Trade Policy Framework (SPTF) 2015-18 and Investment policy 2013, has generated yet greater interest among German companies.

Recent establishment of German Pakistan Trade and Investment (GPTI) and joint German-Pakistan Chamber of Commerce and Industry (GPCCI) in Pakistan and GATE Pakistan in Germany are also indicators of the growing desire among German and Pakistani companies for fostering greater bilateral economic and trade cooperation.

A major goal of Pakistan's foreign policy is to cultivate deep and friendly relations with other members of international community and collaborate with them to cope with the issues of global dimension like environment, population, poverty reduction, energy, human migration, refugees, drugs and last but not least development and cooperation.

Pakistan's activism reflects that such policies will help to obtain international support and resources.

In terms of public diplomacy several lectures at the leading German universities and think tanks were delivered to present our view point on regional and world issues. Special emphasis was laid on cultural and education exchanges.

"The two countries have also enjoyed strong cultural ties. Pakistan's national poet Allama Iqbal also studied in Germany.

Philosopher Allama I I Qazi and poet Faiz Ahmed Faiz were married to German women. A large number of Pakistani students study in Germany.

Parliamentarians from the two countries routinely visit each other and we also have a history of military cooperation."

We also organized an unprecedented number of cultural events, including a grand fashion extravaganza which showcased Pakistan's textile and fashion prowess in a fascinating manner.

A number of initiatives were also undertaken to project the true picture of Pakistan's society and promote education exchanges.

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

Source: <https://pakobserver.net/growing-upbeat-in-pak-german-ties-by-syed-qamar-afzal-rizvi/Growing Upbeat in Pak-German Ties By Syed Qamar Afzal Rizvi>

## **New Covid Curbs | Editorial**

Covid-19 is running riot in neighbouring India – which marked a harrowing milestone of 314,835 cases of the lethal infection in a single day on Thursday – and it appears to have raised the alarm in Pakistan. Concerned about avoiding a similar situation, Prime Minister Imran Khan has – in an address to the nation yesterday – asked the army to come out and assist police in making people comply with the SOPs meant to avoid contracting the deadly genome. Alongside that, new restrictions have also been announced to curb the Covid-infestation rate in the country that has gone as high as 10 per cent. So far this month, the novel virus has killed between 43 and 147 people in the country every day, besides adding more than 5,000 to the sick list daily.

No wonder hospitals across the country are feeling the heat. According to media reports, a total of 559 patients are in a critical condition and have been put on a ventilator. The situation is particularly bad in Punjab where the fast-spreading UK variant of the virus is rampaging through big cities and towns. About 88 per cent of the ventilators available in the hospitals of Gujranwala have been occupied. The figure stands at 85 for Multan and 82 for Lahore. As for Khyber-Paktunkhwa province, Mardan and Peshawar are producing worrying numbers. Hundred per cent ventilators in Mardan hospitals have been put to use. Besides, 74% oxygen beds in Peshawar are also engaged. The lethal UK variant has also made its way into Sindh, with provincial health minister Dr Azra Pechuho confirming the presence of UK variant in half the samples tested in the genomic studies in Karachi.

For the public though, it's still business as usual. And the authorities look helpless. The way the public goes about normally, despite the media making clamorous calls for taking safety measures, speaks more of their contempt for the SOPs than their ignorance of the same. Roads and highways are jam-packed with public and private vehicles chockfull of people; bazars and shopping centres are overcrowded with shopping freaks; restaurants and cafes are packed to capacity reverberating with deafening chatters – all describing a public that cares a damn about a virus that has brought the whole world to a halt. Even a small, easy to handle personal protection item – the face mask – looks like excess baggage for the public in general. Men carry it in their pockets, and women in their purses. Motorists have it on their car's dashboards. Majority of the people

only wear it when told to do so by a policeman on the road or when they are required to fulfil the very condition for entering a bank or a shopping mall.

Where the government does need to go for a forced adherence to the SOPs by the public, it must also step up the vaccination drive in the country. It's sad to note that just about 1.4 million people in the country have so far been vaccinated against the virus, with the vaccination rate per hundred people being an abysmally low of 0.36 which is much lower than even in the region. For comparison, India has so far vaccinated 9.39 per hundred people. The figure in case of Nepal is 5.38, Bangladesh 4.51 and Sri Lanka 4.32. An example worth emulating in the context is Bhutan which has provided Covid jabs to 62.12 persons per hundred. That 220 million-strong Pakistan has only secured 22 million doses of the vaccine, enough for half as many people, is a genuine cause for concern. Tightening restrictions and using armed forces for SOPs compliance are all good, but the government must devise a proper inoculation plan so as to avoid being discarded to some Covid-specific red or black list while the world gets back to normal.

Source: <https://tribune.com.pk/story/2296427/new-covid-curbs>

## **Regional Situation, Impact on Pakistan By** **Samreen Bari Aamir**

ON one hand, the United States has hinted at withdrawing its army from Afghanistan, On the other hand, the growing relationship between China and Iran is moving in a new direction.

Furthermore, China and Russia are ready to forget all their past strained relations and are ready to move in a new direction.

Moreover, Pakistan and Russia have started new dawn to warm their relations. Let's take a look at the global events that are creating excitement in the region.

President Biden has announced that the US will withdraw all its forces from Afghanistan by the 20th anniversary of 9/11.

The decision demonstrates the trade-offs that the Biden Administration can make in order to move the United States' global attention away from counterinsurgency operations, which dominated the post-9/11 environment and toward new goals, such as increasing military rivalry with China.

The change in US strategy toward China, from collaboration to neo-containment, may have enhanced the importance of closer cooperation with Moscow for Beijing.

Cooperation between China and Russia has had inconsistent results in recent years. The partnership has flourished in some fields, such as political and normative opposition to the West, oil, and stability.

Xi Jinping's anti-American rhetoric has started to mimic Vladimir Putin's 2007 Munich address.

On the other hand, India and Russia did not hold their annual summit for the first time in two decades.



This comes after Moscow voiced strong concerns about New Delhi joining the Indo-Pacific Initiative and the Quad.

Growing relationship between Pakistan and Russia is also a matter of concern for India. However, Russia has always helped India in every way, be it defence or social.

Even in the tense situation between Pakistan and India, we do not see any help from Russia to Pakistan nor does it appear to have a role to play in resolving disputes.

But now the ice seems to be melting. In this context, the visit of the Russian Foreign Minister to Pakistan is of utmost importance.

Russian Foreign Minister Sergey Lavrov's latest two-day visit to Islamabad (April 6-7) was the first by a Russian Foreign Minister in almost a decade.

President Vladimir Putin had sent him a "sensitive" fax. Lavrov arrived in Islamabad after spending two days in New Delhi (April 5-6).

Indian Prime Minister Narendra Modi expressed dissatisfaction and avoided meeting Lavrov.

The visit of the Russian Foreign Minister is of utmost importance in the changing context of the region.

Where Pakistan and Russia have forgotten their past bitterness and are moving towards a new height of friendship, the growing Sino-Iranian relationship is no less important.

Iran and China signed an agreement on March 26 expressing their intention to expand collaboration and trade ties for the next 25 years.

This Strategic Cooperation Agreement, as it is officially called, has been praised as a major reboot of Sino-Iranian relations, with China expected to spend somewhere between \$400 and \$600 billion in Iran, with some figures reaching \$800 billion.

As a result of all these circumstances, it is important to know whether the United States will stick to its decision to withdraw troops from Afghanistan.

Pakistan is becoming more and more important in the changing circumstances of the region.

Now it is up to Pakistan's foreign policy to decide what alliances to make in the face of changing circumstances in the region.

—The writer is a researcher and a visiting lecturer at BUKC and IU.

Source: <https://pakobserver.net/regional-situation-impact-on-pakistan-by-samreen-bari-aamir/>

# **Diplomacy: Playing a Pivotal Role By Shazia Anwer Cheema**

Foreign Minister Shah Mahmood Qureshi concluded his vital marathon diplomatic journey to UAE, Iran, and Turkey, and international foreign affairs experts have reason to believe that Qureshi had two important points on his agenda and has successfully concluded his meetings in Dubai, Tehran, and Ankara. These two important points, according to foreign affairs experts were the Afghan peace initiative and normalisation of relations of Gulf countries with Iran because Tehran is now a leading country on the Chinese map of the Belt and Road Initiative (BRI). The recent Sino-Iran deal for strategic cooperation has obliged several countries to revisit their foreign policies because this deal is changing the regional scenario.

Though China and the Gulf Cooperation Council (GCC) countries, particularly UAE, enjoy excellent relations with China, their relations with Beijing are not as historic as with Pakistan. Pakistan is a brotherly country for GCC countries and the strongest strategic ally of China and if any standoff arises at the Strait of Hormuz, Pakistan would be the first country to mediate or facilitate the situation between Iran and GCC countries. As Pakistan's stakes are higher in this regional water compared to the past, normalisation of relations among Iran and the Gulf countries is the foremost and key point for Pakistan's economic future.

Regarding the Afghan peace process, it is evident that Pakistan is no more second fiddle to US foreign policy in the region; rather Islamabad is one of the most important partners of the peace broking group comprising Russia, Turkey, China, and Iran. Today, Pakistan is again playing a principal role in redesigning the regional scene as it has been playing since it came into being. Pakistan's geopolitical positioning always makes it the protagonist at the global theatre. Since its independence in 1947, Pakistan had been taking advantage of being centre stage as a strategic and historic US ally while being a part of all regional developments including CENTO, SEATO, RCD, and in Afghan war prospects.

Let us refresh our memories to get a clear picture of today's scenario. Pakistan has been part and parcel of all major regional treaties throughout history. The Central Treaty Organisation (CENTO) was established in 1955 and dissolved in

1979 (after the Iran Revolution) and Pakistan was the foremost member and player for all regional developments in the region during the 60s and early 70s. 'Ping-pong' diplomacy took place in the early 1970s when Pakistan facilitated the China-US for talks during the peak of the Cold War because Pakistan had cordial relations with Peking (Beijing) and at the same time it was a CENTO member.

The Southeast Asia Treaty Organisation (SEATO) was an international organisation for collective defence in Southeast Asia created by the Southeast Asia Collective Defence Treaty, or Manila Pact, signed in September 1954. It was primarily created to block further communist gains in Southeast Asia. It was dissolved in 1977. Again, it was Pakistan that had a lead role in South Asia.

The Regional Cooperation for Development (RCD) was a multi-governmental organisation that was originally established on July 21, 1964 by Iran, Pakistan, and Turkey because all were regional members of CENTO. Pakistan was the starting point for the RCD road and rail network and trade.

In the Afghan war theatre, Pakistan was not only a frontline state; rather it played a pivotal role to bridge GCC countries to the United States for the Afghan war funding issues. Now Pakistan is at the centre stage of the Belt and Road Initiative (BRI), as BRI's flagship project, the China Pakistan Economic Corridor (CPEC) goes through Pakistan.

Having a long history of its role as a top regional player, the Foreign Office of Pakistan knows how to manage and whom to manage. Foreign affairs experts of Pakistan are well equipped in handling but also balancing several stakeholders who are as well adversaries of each other. With the help of this expertise, our diplomats are winning our own goals.

The propaganda of India about Pakistan claiming that it has been isolated in the global arena has become a joke and even Indian media is stating that New Delhi stands nowhere compared to Pakistan's importance in regional issues. Indian media is writing that Indian foreign policy has miserably failed during the last five years. On the other hand, Pakistan, despite its economic issues, has again levitated as the protagonist on the Asian stage. There is no doubt that Indo-US relations could see new highs because of a very strong lobby of Indian Americans sitting in the White House including the US Vice-President. While examining the current situation, it is evident that India's relations with Nepal,

Bangladesh, Sri Lanka, Malaysia, Indonesia, Myanmar, China and even with Iran are not as comfortable as they were.

It is a time for a fact check for New Delhi; instead of funnelling its resources to bashing Pakistan, it must try to reconstruct a firm grounding for itself. Until then, the debate will continue; who is really becoming isolated and who is running the show in Asia?

Source: <https://nation.com.pk/27-Apr-2021/diplomacy-playing-a-pivotal-role>

# **Alarming Onset of Third Wave By Malik**

## **Muhammad Ashraf**

Notwithstanding the fact that the government has shown remarkable commitment in dealing with the third wave of covid- 19, particularly the NCOC which is monitoring the situation on a daily basis and revising the SOPs besides putting in place preventive measures in response to the emerging situation, the pandemic continues to remain on the upward curve. For the last many days the daily toll of deaths has remained in three figures while new infections have been hovering between 5000 and 6000, with the positivity rate showing a countrywide average of 11.2 percent. In some cities, the daily positivity percentage is in the 20s.

Needless to say, no policy or strategy adopted by the government can be successful without the cooperation and support of the masses. The coronavirus is not only a threat to the human lives but also to the economies of the affected countries. God forbid the spread of coronavirus like in other countries, which can have a devastating effect on the economy of Pakistan besides consuming human lives. We can succeed in keeping that eventuality at bay through collective efforts.

It is indeed a very alarming situation, which unfortunately is a sequel to people not abiding by the SOPs. If the trend continues with the same velocity things are likely to get out of hand and put a lot of strain on our health system. The advisories being issued by NCOC on a daily basis are falling on deaf ears. Go around the city and you will find that most of the people in the streets and markets are without face masks and are not observing social distancing either, in spite of the persuasive campaign by the NCOC through the media underlining the importance of wearing masks and abiding by the SOPs. The government, after witnessing flouting of the SOPs on an extensive scale and the failure of persuasive methods to achieve the objective, has perforce sought the assistance of the Army to ensure implementation of the SOPs. The government has also hinted at the possibility of going for a complete lockdown as a last resort, which it has rightly avoided to opt so far due to its serious repercussions for the poorer sections of the society, particularly the daily wagers.

Pakistan is lucky to have waded through the previous two waves with minimum loss of lives and infections as compared to rest of the world; thanks to the prudent strategy of smart lockdowns pursued by the government. The government is not only engaged in administrative measures required to check the onslaught of the pandemic but it is also making strenuous efforts to treat the covid-19 patients and protecting the citizens from the virus through a sustained country-wide vaccination campaign.

It has almost completed the vaccination of the front line health workers and doctors engaged in dealing with coronavirus cases, and currently the senior citizens and now people above the age of 50 are being vaccinated throughout the country in the centres established by the NCOC with the number being further increased. According to reliable sources 70,000-80,000 people are being vaccinated every day, with the number likely to increase in the coming days.

Our friend and iron brother China has already donated 1.5 million doses of coronavirus vaccines and yesterday 1.5 million more doses were delivered to Pakistan. More supplies are also expected to arrive in May. China also gifted a consignment to the Pakistani armed forces but the military decided to surrender the vaccine to the frontline healthcare workers.

Reportedly Foreign Minister Shah Mahmood Qureshi held a telephone conversation with his Chinese counterpart and State Councilor Wang Yi, recently, underscoring that Pakistan had devised an elaborate plan of vaccination across the country as part of its efforts to combat the pandemic. He discussed with him the efforts to reinforce Pakistan's capacity to effectively and expeditiously fight the pandemic by ensuring the supply of Chinese vaccines to Pakistan. The Chinese Foreign Minister assured him that China would continue to firmly support Pakistan in its fight against the pandemic and accord highest priority to the requirements of its time-tested friend.

Last August Pakistan also signed an agreement with GAVI under which the organization would provide 90 million vaccines to Pakistan, good enough to cover 20 percent of the population, as soon as the vaccines come available. GAVI is a global health partnership of public and private sector organizations dedicated to "immunization for all". It provides a unique opportunity for a wide-range of partners to build consensus around policies, strategies, and priorities and to recommend responsibility of implementation to the partner with the most

experience and insight in the area. GAVI has developed innovative approaches to international health and development. It also provides support to save the lives of children and to protect people's health by increasing access to immunization in poor countries. It contributes to achieving the United Nations' Millennium Development Goals by focusing on performance, outcomes and results. Its partners provide funding for vaccines and intellectual resources for care advancement. They contribute, also, to strengthening the capacity of the health system to deliver immunization and other health services in a sustainable manner.

GAVI will bear the cost of these doses and the government has already announced free vaccination of all its citizens in due course of time. In the meantime, the private sector has also been allowed to import vaccines and according to media reports a private party in Karachi has already imported a consignment of the Russian vaccine, 'Sputnik', which will be marketed after approval of the government and determination of its prices.

The foregoing facts clearly indicate the dedication and commitment of the government in securing the public against onslaught of the coronavirus and to have the maximum number of people vaccinated against it. But the irony is that a lot of people are skeptical about having themselves vaccinated due to all sorts of rumours about the efficacy of the vaccination and the side-effects, notwithstanding the fact that no ill effect of vaccination has been reported in Pakistan.

People therefore need to realize that it is about their lives that the government was worried about and it was their religious duty as well to secure their lives by observing the SOPs and having themselves vaccinated. As they say prevention is better than cure. The best defence against contracting the virus is to abide by the SOPs and also to have yourself vaccinated without any fear.

Needless to say, no policy or strategy adopted by the government can be successful without the cooperation and support of the masses. The coronavirus is not only a threat to the human lives but also to the economies of the affected countries. God forbid the spread of coronavirus like in other countries, which can have a devastating effect on the economy of Pakistan besides consuming human lives. We can succeed in keeping that eventuality at bay through collective efforts.

Source: <https://www.pakistantoday.com.pk/2021/04/27/alarming-onset-of-third-wave/>



## ECONOMY

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### **Rupee Becomes World's Best Currency By** **Salman Siddiqui**

KARACHI: Pakistani rupee has emerged as the world's best performing currency as it appreciated the most against the US dollar in the past three months ended March 31, 2021.

The rupee strengthened in the wake of excessive inflow of foreign currency from global sources compared to a limited outflow during the Covid-19 pandemic.

Taking to his Twitter handle, Tangent Capital Advisers CEO Muzammil Aslam while citing Bloomberg data tweeted, "Pakistani rupee has been the world's best currency against the US dollar from January 1 to March 31."

The rupee strengthened 4.09% to Rs153.55 against the US dollar during the day since the opening level of January 1, 2021, according to the data.

Later, the rupee closed at Rs152.75 against the dollar in the domestic inter-bank market on Wednesday, Pakistan's central bank reported.

According to data released by Bloomberg, the Canadian dollar stood at the second position among the top-performing currencies worldwide, as it appreciated 1.09% to 1.25 against the US dollar during the period under review. It was followed by the pound, which gained 0.64% against the US dollar during the same period.

"It is good to celebrate (the strengthening of rupee) but equally important is to maintain competitiveness. I am for gradual changes than abrupt," Aslam said in his tweet.

Arif Habib Limited Head of Research Tahir Abbas, while talking to The Express Tribune, said the excessive inflow of dollars supported the rupee in maintaining the uptrend.

“The rupee may peak somewhere between Rs150 and Rs152 against the dollar under the current cycle of gains. It seems it will remain stable between Rs152 and Rs155 by the end of June 2021,” he estimated.

“In its latest move, Pakistan has successfully raised \$2.5 billion through the sale of five to 30-year Eurobonds in the international market. It is backed by the resumption of International Monetary Fund (IMF) loan programme worth \$6 billion,” Abbas added. Pakistan received the third loan tranche of around \$500 million from the IMF on Tuesday (March 30) following the restart of the loan programme, which had been on hold since the Covid-19 outbreak in the country in February 2020.

“Going forward, the inflows are expected to continue to surge partially due to the release of remaining \$4 billion later under the IMF Extended Fund Facility,” he said.

Worker remittances sent home by overseas Pakistanis have played a leading role in supporting the rupee to grow stronger during testing times of the pandemic. Besides, additional inflows from the Pakistani expatriates through Roshan Digital Account (RDA) into different assets like saving certificates, property and stock markets also kept the rupee hovering high, he said.

The analyst said the partial suspension of international travelling forced the overseas Pakistanis to send remittances through banking channels instead of sending them through people visiting Pakistan from abroad. The development helped remittances to grow during the pandemic.

The remittances grew 24% to \$18.74 billion in the first eight months (July-February) of the current fiscal year 2021 compared to \$15.10 billion in the same period of the last year. The RDA inflows are estimated to be above \$700 million during the first six-month since its launch in September 2020. With a fresh gain of Rs0.34 on Wednesday, the rupee has gained 9.30% or Rs15.68 in the past seven-month to date since it touched a record low of Rs168.43 on August 26, 2020.

Pakistan's foreign currency reserves have remained at around three-year highs above \$13 billion for the past couple of months. They grew \$275 million to \$13.29 billion in the week ended March 19, 2021. The reserves would grow further with an addition of the IMF tranche worth \$500 million, the \$2.5 billion raised through Eurobond and other inflows from the World Bank and Asian Development Bank (ADB) in recent days.

Pakistani currency may lose in the months starting from June-July 2021 and onwards, as local businessmen and industrialists are set to import machinery for setting up new businesses and expansion of their existing production lines.

Published in The Express Tribune, April 1st, 2021.

Source: <https://tribune.com.pk/story/2292537/1>

# **Pak's Economy Beyond IMF By Rizwan Ghani**

LEAVING the changes of finance minister, relations with neighbours, new alliances and reports of PM's foreign visit, the bigger question is how should Pakistan act keeping in view its future of economy, jobs and foreign policy? Should it be pro West, East or both? Taking sides is a framed question.

For people of Pakistan, it is a question of functional democracy with government of the people, by the people and for the people. The country needs strong economy, more jobs and independent foreign policy.

There is need for individual rights and protections; at home, outside and work places.

Public has right to social mobility. Those on merit should progress upwards not who were born with silver spoon.

It is job of executive, legislature and judiciary to ensure that public has access to basic utilities, education and healthcare.

It will not come with foreign visits or alliances.

Public respects friends not masters. Pakistan is being forced to balance budget, remove subsidies and increase prices. It should stop.

In 2020, the US & EU have given stimulus packages of €1.7tn and \$1.4tn respectively.

America has \$28tn gross federal debt but Biden is negotiating \$2.3tn US infrastructure plan. In 2021, America will print \$6.75tn for prosperity.

As a democracy, Pakistan has every right to adopt independent economic policies for self-reliance. It should get out of IMF. Corruption is a major challenge for Pakistan.

West and international anti-corruption organizations have failed to help return stolen public funds hidden in world safe havens.

Reportedly, \$4.5tn is stashed in the EU and \$2tn washed through American financial system until 2017.

Obama passed Secret Bank Act to recover public funds.

Instead of using financial aid and loans to further foreign agenda, the stolen funds of Pakistan should be returned to help end corruption.

Is the transition real? America has been oscillating between cold war and post cold war era.

The coronavirus pandemic has shown that western economic model has failed to serve public, who paid taxes, in terms of saving lives, jobs and sustaining economy.

The litany of failures in the US, the UK and across Europe is its proof in terms of deaths, joblessness and homeless and evictions.

How can Asian model be different if it is integrated into global financial system including WTO and WB? The mega Iran trade deal is a test case.

It is infusing \$400bn in an economy that has been blocked for decades by a highly controlled world trade system.

Without having an alternate global financial system, the chances of its success are remote.

The local nationalists have every democratic right to control their natural resources and demand just price as witnessed in the history of Africa, South Asia and Latin America. Islamabad has to understand that self-reliance is best policy.

The failure of Europe on US-Iran warrants new world economic model not new alliances.

The history of SEATO and CENTO also shows that architects of the alliances benefited at the cost of their allies.

The new alliances will also be at the cost of trade, jobs and defence. For Pakistan, the combined result of adopting free market economy and alliances between 1950 and 2020 is 70% decline in living standards, lost half the country and self-respect. It is all about economy.

Pakistan did not have to import wheat, cotton or medicine. Our education was recognized worldwide.

Several vaccines were made locally. Government funded public services. The state, government and the bureaucracy were answerable to public.

In mid 70s, the exchange rate was Rs10 and gold \$300/tola. There was no sugar plantation in cotton belts.

The steel mill, PIA and railway were running. Electricity, gas, and water were affordable in public sector.

SBP, Public banks and National Saving Centres were building and sustaining the nation because they were under government control.

There were unions.

The workers had rights to negotiate wages, work hours and conditions. It was responsibility of the government to ensure permanent jobs, healthcare, education, regular salary and pensions as right of the public because it was paying for it.

The public is paying the taxes; the government should restore their rights. Public gets to control its money in a democracy, which no international law can stop.

Instead of making international alliances, there is a need for trade deals in energy, education, training and modern technology.

We cannot compete with our industrialized neighbours. The opening of markets will end our local industry and jobs.

It will Walmartize our economy. The domestic consumption based economic model is best for the growth.

We can bolster our economy independently with help of agri-sector, value addition and human resources. There is need for honest and careful utilisation of our resources.

The West gave stimulus packages from public funds and it is being repeated in the pandemic again.

If every major expense is going be funded by the taxpayers and then they are left with more debt and profits are taken away by private sector.

Clearly, the system is broken. Based on the pandemic corruption reports, Pakistan should stay out of the world economic system in its current form to build the country, save public funds and stay independent.

—The writer is senior political analyst based in Islamabad.

Source: <https://pakobserver.net/paks-economy-beyond-imf-by-rizwan-ghani/>

## **Economic Growth | Editorial**

Pakistan was not alone in braving economic grievances last year. However, going by the IMF's estimates of a strong global recovery of around six per cent in 2021, our meagre growth of 1.5 per cent would not be shared by others. Add that to a consistently high rate of inflation (8.7 per cent), a sombre current account deficit (1.5 per cent) and a destabilising rise in unemployment (five per cent) and one can get a fair idea of the impact on everyday lives of citizens.

It would be considerably hard to expect them to sit tight and twiddle their thumbs as the economic growth picks up to five per cent by 2026. No matter how rosy Finance Minister Hammad Azhar's predictions about the economy "grow(ing) faster than forecast this year," may seem, the IMF's predictions point to a subdued outlook, at least in the immediate future.

These growth targets have not just appeared out of thin air. A sharp fall in investment and private consumption thanks to pandemic-induced lockdowns was bound to cause a heavy toll on our profile. Nonetheless, the upward revision of around 0.5 per cent reflects the higher-than-expected outturns in the latter half of last year as the markets started adapting to the new normal. Yes, we cannot paint the town red over such a minuscule improvement in our status quo, but any good words are better than bad strokes.

Despite Pakistan enjoying its exports hitting an all-time 10-year-high last month, we cannot make light of the pressing circumstances being borne by our lower-to-middle income households. As the blocking measures have been put back in place, fears over a revival of IMF-induced contractionary policies hang even heavier. Hefty hike in electricity prices; skyrocketing food inflation; overwhelming job losses and widespread pay cuts: nothing seems to be going their way.

But when the going gets tough, the tough need to get going! Fighting international pressure to bring about "adjustments" that help the economy by dragging the masses to the altar is no small feat. No qualms about that! But only by balancing these corrective measures to put its finances on the right track with the welfare of its citizens, Islamabad can prove it is worth its salt. Governments in the past have exclusively focused on cosmetic reforms that have only resulted in repeated inclination on the ICU of economies. This time, the skipper can make a



difference by utilising his energies on real changes. An important stepping-stone in this regard is putting the proverbial inflation genie back in its bottle. It is impossible to not let macroeconomic trends influence domestic waters. However, policies that maximise public relief can, and should, be sought after without any ado.

Only time will shed some light on what scars the COVID-recession has left behind. As the government puts the brakes on its fiscal stimulus package to cushion the pandemic effects, things are likely to further go down the plughole! Already, speculations are running high about up to 40 per cent of Pakistanis forced below the poverty line in the viral wake. Let's just hope the government can come through for its not-so-fortunate nationals. \*

Source: <https://dailytimes.com.pk/742937/economic-growth-2/>

## **IMF Forecast | Editorial**

THE IMF's new forecast of a subdued economic growth rate of 1.5pc for Pakistan in the current fiscal represents an upgrade from its October estimate of 1pc. Still, it is consistent with the lender's previous view of the economy in the Covid-19 landscape. The new projection is in line with the World Bank's revised forecast of 1.3pc given in its Pakistan Development Update published simultaneously with the IMF's World Economic Review.

Nonetheless, it falls shy of the government's growth target of 2.1pc in addition to being far less optimistic than the State Bank's latest recovery estimate of 3pc. Last year, the economy had contracted by 0.4pc during the pandemic. Their different figures for growth notwithstanding, SBP and IMF seem to have a similar outlook on other macroeconomic aspects: fiscal balance, inflation and current account deficit. The global lender also expects growth to pick up next year, projecting the economy to expand by 4pc, with inflation slowing down slightly and the current account deficit widening marginally. The medium-term outlook up to 2026 sees relatively steady economic expansion with a stable external sector but higher inflation.

The World Bank has drawn a slightly bleaker picture of the economy and the impact of the virus on people and jobs — "...economic activity is projected to be dampened in the short term by the fiscal consolidation measures associated with the resumption of the IMF stabilisation programme as the economy regains its footing", it says. The bank expects economic growth to recover slowly given the uncertainties surrounding the pandemic, including the emergence of new strains. The World Bank also points to increased poverty, jobs and food insecurity owing to the impact of the virus on vulnerable segments of the population.

The recent changes in the top ranks of the government's finance team show that the country's political leadership is worried about slower recovery in a high-inflation environment. The reconstitution of the 'advisory council' and the inclusion of pro-growth businessmen and experts in it reflects a desire to change course from economic stabilisation to growth in order to lessen the devastating effects of the health crisis on the economy and job creation, and to find fiscal space to help vulnerable groups as the current wave threatens to derail the fragile recovery seen since last summer.

Prime Minister Imran Khan plans to approach the IMF for relaxation in its loan conditions as he sees disruptions in the near future on account of the infection's resurgence. Indeed, the government is in a difficult position: it cannot grow the economy rapidly or help businesses if it has to implement harsh IMF stabilisation policies. Nor can it ditch the programme without sending wrong signals internationally. The only way out is to convince the Fund to soften its conditions for the remaining period of the loan to provide the government with room to pursue pro-growth strategies.

Published in Dawn, April 8th, 2021

Source: <https://www.dawn.com/news/1617060/imf-forecast>

## **Economic Future | Editorial**

After the UN report and the World Bank forecast, now we have another subdued projection about Pakistan's economic growth. The new forecast by the IMF does not present a rosy picture for Pakistan which it says is likely to show stalled growth of just 1.5 percent in the current fiscal year which is to conclude by the end of this quarter. Of course, the Covid-19 pandemic has a lot to do with this dismal forecast, as the World Bank has also put Pakistan's revised growth estimates at just 1.3 percent. Interestingly, both the IMF and the World Bank appear to have a better understanding of Pakistan's potential to perform than the government and the State Bank of Pakistan do, as both projected the growth target between two and three percent for the economy. It has become usual practice to set a target that can hardly be achieved, rather than being more realistic and present to the people of Pakistan the situation as it is. The contraction of the economy in 2020 when the pandemic was at its peak has taken a heavy toll.

However, we cannot simply blame it on the pandemic alone. It is more of a capacity issue that has marred the country's economy for its third year running. The government has not been able to get hold of basic macroeconomic issues, with repeated alteration in its appointments and decisions in some key areas related to economy and finance. Take for example the current account deficit that has been a cause of concern with or without the pandemic. Much before the pandemic hit the country, the fiscal balance was also not being managed properly. Even more disturbing has been the government's handling of spiraling inflation in the country; this was also badly affecting the people of Pakistan before the first case of the coronavirus was reported. There is a likelihood that the next fiscal may see some improved performance, but that will not happen on its own. Ideally the economy should grow by at least four to percent next year, but even if we achieve that uphill task there are other challenges that the government should take up with utmost seriousness.

Inflation is one such problem the government must tackle so that the people can heave a small sigh of relief. If inflation slows down the people will be able to spend some more on other necessities of life rather than just trying to manage their food and clothing. That in turn is likely to spur some more economic activities in other areas. The current account deficit is another beast to tame, if it

keeps widening its maw it will eat up whatever little gain the economy will show. What the country needs at the moment is judicious economic policies coupled with effective financial management, and that the government can do only if it can assemble an efficient and expert team that has the people's benefits at heart rather than other considerations. A steady economic expansion can give us some stability in the next couple of years. The country is desperately looking towards some better news than what the present forecasts and reports have given us.

Source: <https://www.thenews.com.pk/print/817043-economic-future>

## **Remittances Continue to Surprise | Editorial**

The record inflow of remittances – clocking in at more than \$2 billion for more than 10 months now – has everybody very happy in Islamabad, especially the prime minister. That is why it was no surprise to see him take to Twitter and thank overseas Pakistanis for the part they've played in shoring up foreign exchange reserves at such a crucial time. Remember they have helped keep the deficit at arm's length at a time when exports have stagnated and imports have increased, partly because the economy started to grow once again, and even played a central role, according to the central bank at least, in pushing the rupee up against the dollar at a time when the greenback is rising against most other currencies. Yet while the strengthening of the local currency can be attributed more to the hot money that our rather high interest rate is attracting, something that is called carry trade, there can be no denying about the huge favour this trend of remittances has done to national reserves.

The biggest surprise about all this is that it's still not possible to say for sure just what is behind this welcome bulge in remittances. Initially people thought that since a lot of people were laid off across the world due to Covid, Pakistanis being no exception, perhaps a lot of them were sending their life-savings home ahead of their own arrivals. Others said it was because of financial innovations offered by the government to expatriate Pakistanis to invite them to invest in the local market. Yet others have said that the main reason for this could be that people are forced to send money home through proper banking channels, again partly because of the pandemic. Yet nobody can say for sure. Even the World Bank expressed surprise at it but expected it to fizzle out over the medium term.

The PM is naturally very happy about it because without the foreign exchange brought by these remittances it would not have been possible for the government to keep its nose above the water as fiscal pressures have mounted persistently, especially since the onset of the pandemic. It must now use this time to add value to our export basket, to make it more competitive, and increase the share of export earnings in overall earnings. With tax collection in the doldrums, and remittances likely to peter out sooner or later, the export machinery must emerge as the main vehicle to enhance the state's revenue collection.

Source: <https://dailytimes.com.pk/744925/remittances-continue-to-surprise/>

## **Other Side of the Economy | Editorial**

While everybody's been concerned about high prices, especially in a small basket of commodities considered essential, there has been a tendency not to notice the real trajectory of the economy. And as the State Bank of Pakistan (SBP) disclosed just the other day, it considers that the country will record GDP growth to the tune of three percent in the outgoing fiscal year. That is no mean achievement considering how the pandemic has squeezed the life out of all emerging market economies, especially those burdened with very large debt repayment obligations.

It is, without a doubt, a feather in the cap of the country's economic managers that bank deposits grew 18 percent year-on-year, fueled no doubt by higher remittances, and investments are up a healthy 35 percent and advances grew four percent in the same period. Also, the local stock markets has also been one of the best performing in the region, which has brought in enviable amounts of foreign portfolio investment (FPI) into the country at a time when the trend was quite the opposite because of all the uncertainties and the global recession brought about by the pandemic. The rupee is now the best performing currency in the world against the US dollar, car production numbers are high, cement and steel sales are on the rise because of the construction package, and the textile sector is awash with international orders. This means job opportunities are also increasing and the labour force has reason to be happy. It seems that the economy is settling into a nice cycle with remittances adding to the momentum of the different stimulus packages announced by the government, like the tax amnesty and the construction sector scheme, and the proceeds are being routed through banks in the form of private sector offtake, which is expected to breathe much more life into production, employment and therefore GDP growth in the next few fiscal years.

All that needs to be done now is to control prices as well. Granted, the month of Ramazan is when governments tend to struggle because of the annual pressure on prices regardless of policies, but since inflation is already pretty high this time around perhaps the government will be more proactive than usual. The government clearly deserves credit, which it doesn't always get, for steering the economy effectively in very difficult times. And now that the numbers are beginning to tell the story about the side of the economy that is not usually

highlighted in the press, people too will be able to see for themselves just where they stand. All care must now be taken to ensure that this trajectory is not derailed.

Source: <https://dailytimes.com.pk/745320/other-side-of-the-economy/>



## **Economic Insight By Advocate Hammad Ali**

Formed to improve and protect the lives of down trodden and marginalised community of the sub continent, unfortunately, after the death of great Jinnah, the land of pure went into the hands of opportunists, whose politics of clientelism, borrowed growth and personal interests threw this community into the abyss of economic backwardness.

When Imran Khan came to power the country was facing historical current account deficits, overburdened debts, tax shortfalls and many other economic issues.

Ensnared by his previous political statements, the most trusted and predominant player of Khan's team marred the skipper's performance in the beginning.

Moving further, Covid-19 added insult to injury. The already fledgling economic condition became worse and GDP growth reported historical low.

But, the skipper struck back. He took some major economic initiatives, which contributed to bring economy back on the right track. First of all, his laudable step was, ending Dar's flawed overvalued exchange rate policy.

In their last years according to a member of Economic Advisory Council, PML-N pumped seven billion dollars to keep the value of rupee artificially high.

The nominal exchange rate does harm. It keeps international investors away and balance of payment crisis emerges.

It puts at risk long term prosperity. By bringing back the real exchange rate, the skipper took a bold step for the betterment of the economy.

Furthermore, under the skipper Pakistan's ranking improved in the global ease of doing business. According to World Bank, Pakistan climbed 28 spots, from 138 to 108.

The policies; online one stop registration system, easy to get construction permit, easy SME financing for women, ease of paying taxes and lowering of taxes

contributed in this regard. Moreover, Roshan digital account is also a great initiative.

It is attracting the overseas to invest in their home country. So far, nearly 700 million dollars have been sent through this account in Pakistan. Khan's another step was to minimise interest rate.

Bringing the interest rate to single digit i.e. 7% also acted as contributor in recovering the economy.

It's a fact that he performs well under pressure. When the whole world was heading towards complete lockdown, he stood firm on his decision of smart lockdown.

He saved economy and lives by bringing in, eight billion dollars package for the people of Pakistan.

Whereas, beyond border, due to sudden lockdown in the whole country, India lost 4.64 billion dollar each day, and it pushed 75 million more Indians into poverty.

Further, according to Pakistan Bureau of statistics the large scale manufacturing has increased 7.85 per cent in the first seven month of the fiscal year 2021 as compared to last year.

Under Khan, for the first time, after 1990 nearly 50,000 power looms and factories started production.

It happened because of electricity incentive. Another good news was Pakistani rupee emerged as the world's best currency. Since January 01, rupees strengthened 4.09 per cent against the dollar.

Adding one more point, according to Federal Board of Revenue, the first seven month tax collection target of the budget year 2020-21 exceeded, and from July to January of this fiscal year 2020-21, the FBR collected Rs2.57 trillion higher by Rs158 billion, the same period of the last year. Thus, overall performance of the skipper is satisfactory.

Though there is a public backlash regarding inflation. But inflation was imminent because of bringing real exchange rate back.

Now the government should keep an eye on the hoarders and mafias and must act robustly against them to keep supply of the goods stable in the market.

Although some improvements have been witnessed, there is a lot needed to be done. Following recommendations can be considered to further improve the economy, for the long term.

Firstly, according to a source, 36 per cent economy of Pakistan is undocumented.

It means 36 per cent of the economy is not in the record of the government. Their sale and purchase is beyond government's estimate. They pay no income tax.

The need of the hour is, the whole of economy must be documented and tax must be collected as per income tax laws. Secondly, tax culture must be promoted in Pakistan.

According to FBR, only one per cent people pay tax in Pakistan, whereas in India the ratio is 4 per cent.

The people must be informed about the benefits to become a filer. They must be taught through media and different other strategies, about filing their tax returns.

Thirdly, most of the people do not become filer because they think it is complicated, and they have to consult lawyers in this regard.

The government should make this procedure simple, and it should also be online. Fourthly, the women are 49 per cent of our population, and constitute only 24 per cent of labour force.

The government must keep in mind without the contribution of the women, it would be difficult to strengthen the economy.

Therefore, the women must be empowered and their contribution must be encouraged in every sector of society.

Fourthly, instead of focusing only on the traditional commodities, the government should also focus on new sectors, which can add a lot into economic progress, for example, the freelance industry of Pakistan is flourishing on its own, and according to Global Payment Platform, Pakistan has ranked as the 8th fastest freelancing economy in the world.

Furthermore, Pakistan ranks among the top 10 halal meat producers of the world, and has only 0.25 share in the world's halal meat trade. According to an estimate Pakistan can earn nearly PKR 90 billion by exporting halal meat.

Therefore, the government should work to promote these new sectors. Sixthly, the banks in Pakistan provide very less finance to the private citizens.

They feel secure to facilitate the government through loans. In Pakistan the finance to the private people is lowest. It's also an impediment to the economic development.

This government should encourage the banks to give loans to the people for different kinds of business on easy terms. It would surely uplift the economy.

Lastly, the current century is of trade and investment. The international actors devise their policies keeping in view the economic interests. Pakistan should also follow the suit.

According to a commentator, when a diplomat of another country visit Islamabad, they speak 25 minutes on economy and five minutes on security, whereas Pakistani diplomats spend 25 minutes on security and 5 minutes on economy.

The need of the hour is, economic diplomacy must be improved. Thus, the current government has taken some imitative to improve the economy; but much is needed to be done.

More than half tenure of the government has passed. The skipper must consider the remaining time period as a power-play.

The performance must be improved, and promised change must be brought, otherwise people will bring the change in 2023 elections.

Source: <https://pakobserver.net/economic-insight-by-advocate-hammad-ali/>

# EDUCATION

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## **Education emergency ? | By Muhammad**

### **Murtaza Noor**

NO doubt education is very important subject and basic need of every citizen of the country, but, unfortunately, since the last few years, this important subject has not been of priority among the concerned authorities.

It is indeed unfortunate that rather than increasing the education budget, it has been decreased, and due to this, universities and HEIs have suffered the most.

Certainly, it should be the first and foremost responsibility of the governments, education ministry, and the concerned authorities, like the Higher Education Commission (HEC).

They should also examine the problems and come up with the best possible solutions in order to improve the education standard and also providing education to every citizen of the country irrespective of class, ethnicity, cast, etc.

At the same time, it is the responsibility of academia to give their feedback and recommendations to the education ministry so that education standard can be uplifted.

A close review of the last five years HEC's recurring budget reveals that it remained stagnant ie, Rs 63.183 billion in 2017-18, Rs 65.020 billion in 2018-19, Rs 64.100 billion in 2019-20, same allocation of Rs 64.100 billion in 2020-21 while the proposed allocation for the coming financial year is Rs 65 billion.

This budget seems quite insufficient even to meet the current requirements of the 138 public sector universities with 92 sub-campus.

That is why, during the last few years, we have witnessed chaos and unrest among the universities due to strikes by the faculty and the universities' staff due to non-payment of salaries and pensions.

In this regard, it is a need of the hour to look at the matters properly, and the concerned quarters should give serious consideration to the ground realities while allocating budget for the higher education sector.

While addressing the webinar, Prof Dr Atta-ur-Rahman, Chairman, Prime Minister's Task Force on Science and Technology, emphasized that the national education emergency is the need of the hour.

He strongly recommended an increase in allocation to education by federal and the provincial governments by at least 0.5% of GDP annually till it reaches 5.0% of GDP over the next 5 years.

He said that 33% should go to higher education and the rest 67% be spent on schools, colleges, and technical education.

Prof Rahman also suggested that at least 5% of all colleges should be converted to high-level technical colleges with foreign collaboration to ensure high-quality skilled workers.

He also emphasized that 5,000 students should be sent on scholarships for PhD to top 200 universities abroad annually to pursue emerging technologies.

He further suggested major national programs for technology parks and promotion of innovation/ entrepreneurship, funding for knowledge economy taskforce projects in emerging areas of industrial and agricultural importance, and promotion of high tech manufacturing/ value-added exports through appropriate policies and incentives.

Also, he was of the view that the tenure track system (TTS) of appointment of faculty members in universities should be revised to attract top foreign faculty to Pakistan.

He recommended the expansion of the matric-tech program in schools across Pakistan to provide technical training at the matric level.

The Chairman Vice-Chancellors Committee and Vice-Chancellor Quaid-i-Azam University Islamabad, Dr Muhammad Ali Shah suggested allocation of 150 billion rupees in the new budget as a recurring budget to overcome a years-long deficit and financial problems being faced by Pakistani universities.

Other speakers recommended allocating 5% of GDP for education, involvement of stakeholders and end-users across Pakistan in the policy formulation process, equal opportunities of scholarships, research grants, and faculty training both for the public & private sector, one window facility for issuance of NOC and accreditation of academic programs in order to avoid unnecessary delays, restoring the role of HEC as a supportive and facilitative organization, respecting the autonomy of the universities, restoring tax rebate to 75% for teaching & research community, the establishment of a contributory fund for payment of pensions, encouraging the role of the private sector in the higher education sector, a revival of the indigenous scholarship programme and special grants for the mobility of sharing expertise, existing facilities, experience, and knowledge.

Simultaneously, issues being faced by the Tenure Track System (TTS) faculty are one of the great headaches as well.

Yet, the following are a few major issues that need to be tackled as soon as possible: Resolving the TTS promotion & salary issues, special bailout package for the universities which are unable even in paying salaries & pensions, allocating special budget for the universities with student hostels, provision of seed money to the universities for the creation of the endowment, review of criteria for the allocation of budget per student for General Universities, Engineering Universities and Medical Universities.

In summing up the whole discussion, it is quite clear that the federal and provincial governments have to consider education as their top priority and, as it is obvious that due to a rapid increase in population and the youth bulge, it is high time to give due importance to improve standards as well as provide quality education to every citizen of Pakistan.

—The writer is Executive Director, Association of Private Sector Universities and associated with higher education sector for last two decades.

Source: <https://pakobserver.net/education-emergency-by-muhammad-murtaza-noor/>

## **Climate Change Education | Editorial**

It was highly necessary for the government to incorporate climate change as part of the national curriculum of Pakistan; it is good to see that this is in motion now. We have remained ignorant of its impacts on our environment, health and food security for far too long. The hope with this initiative is that future generations will be informed and motivated enough to welcome a new era of sustainability that mitigates the harms of environmental degradation.

The federal government is moving in the direction of the National Climate Change Policy of 2012 which emphasised the importance of the environment as a compulsory subject matter. The merits of such reform in the educational sector are clear; awareness and positive reactive action. Only when students understand the sanctity of the earth, its atmosphere and the inner workings of each ecosystem is when they can understand the degree of damage being done to it globally. Subsequently, this mindfulness is what can transition into active effort for restoring balance, if not globally then at least nationally.

According to details released, the intention is to introduce the subject in schools and universities alike. This means that all provinces will need to come together and pool in their resources to create lesson plans for each level of schooling. Perhaps, as seniority increases, specific electives and specialties can be offered to relay technical information and expertise.

Regardless of the specifics, it is vital that the focus remains on encouraging ways to transform knowledge into actionable change that will help the country recover. Prompting a change in mindset is just the first step to a greener future. However, it is reassuring to see that the government is at least prioritising climate change as an issue that needs to be resolved.

Source: <https://nation.com.pk/05-May-2021/climate-change-education>



## WORLD

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### **Biden Takes On China – Analysis By Marvin C. Ott**

China has . . . an overall goal to become the leading country in the world, the wealthiest country in the world, and the most powerful country in the world. That is not going to happen on my watch.” – President Joseph Biden, March 25, 2021.

(FPRI) — Future historians may well consider President Joseph Biden’s recent comments on China as a pivotal moment in the history of American foreign policy. It was not long ago—early in the 2020 Democratic presidential primary process—that Biden dismissed the idea that China was a truly serious competitor, much less a threat, to the United States. His view today represents a 180-degree swing on both counts. It was not long ago when U.S. political leaders, academic experts, and foreign correspondents tended to portray the rapid rise of China as a largely economic phenomenon that was broadly good for the United States and the world. President Bill Clinton spoke confidently of how the internet would inevitably democratize China. Presidents George H.W. and George W. Bush emphasized the shared interests of Beijing and Washington. The corporate world put its money behind the same assessment, investing heavily in manufacturing and banking in China. Meanwhile, Chinese students flocked to American universities.

It all added up to a strikingly hopeful expectation that the established superpower and the rapidly rising new power could avoid conflict and work together for mutual benefit. Robert Zoellick, as president of the World Bank, captured it all when he called upon China to become a “responsible stakeholder” in international affairs. When General Secretary Xi Jinping met with President Barack Obama, he came with his own catchphrase—China and the United States would build a “new model” of cooperative great power relations. To American ears, it sounded just right.

Whether he realized it or not, Xi was appealing to a tradition rooted in the late 19th and early 20th centuries in which the United States saw China as a kind of Asian analog to America. After three decades of bitter disillusionment following the communist conquest of China, hopes were rekindled with President Richard Nixon's famous trip and the emergence of a post-Mao reformist regime under Deng Xiaoping. Deng knew that Chinese students who attended U.S. universities would return with American ideas about politics, society, and economy—but he sent them anyway.

When Xi ascended to the leadership of China in 2012, he faced a fundamental strategic choice. Beijing could choose the “responsible stakeholder” path. This would mean a rapidly growing economy tightly integrated into global markets and supply chains. It would mean a steady growth in Chinese power and influence. This “rising” China would lead, but not dominate, East Asia. It would be a prosperous, powerful, but generally benign presence in the region and the world.

However, there was another, very different path available. This one was rooted in a deeply held and very particular understanding of Chinese history. By this narrative, China is the oldest and greatest civilization in the world. For millennia, China exercised a unique form of preeminence in Asia. China was the “Middle Kingdom,” and all the peoples on China's periphery were not fully civilized because they were not Chinese; they were “barbarians.” But then, in the 19th and early 20th centuries, first, the Europeans and, then, the Japanese invaded and oppressed China. It was the “century of humiliation”—a time of “eating bitterness”—which was seared into the national collective psyche. When Mao led his victorious army into Beijing in 1949, his first words to the assembled populace were “China has stood up.” The century of humiliation was over.

It soon became evident that Xi had chosen the second path. There would be no responsible stakeholder; there would be China ascendant and dominant, taking its place at the head of the international table. The concrete consequences and manifestations of this attitude soon became clear in the actions and policies that he initiated:

First, American and other Western businesses in China were relentlessly pressured to share or transfer their most advanced technologies with their Chinese counterparts (and competitors). When that was insufficient, the Chinese government engaged in outright theft to obtain what they wanted.

Second, The same economic growth that funded technology acquisition also funded a dramatic buildup of Chinese military power—particularly naval and air forces designed to project power offshore. A priority purpose of that buildup is to compel the U.S. Navy to vacate the Western Pacific. The strategic consequences could hardly be more profound—fully exposing Taiwan, Southeast Asia, and the region’s sea lanes to Chinese power and ambitions.

Third, Beijing asserted that the South China Sea, an international commons throughout history, actually belonged to China. China then began building artificial islands that serve as maritime military outposts. All the while, the number of Chinese naval and armed maritime enforcement vessels deployed in the South China Sea grows exponentially.

Fourth, Xi’s China has demonstrated a growing appetite for coercive behavior from seizing Vietnamese fishing boats to boycotting Australian products when Canberra had the temerity to suggest an international inquiry into the origins of the COVID-19 virus.

Fifth, China has dammed the upper reaches of the Mekong River giving Beijing near life-and-death power over the economies of the downstream states, including Laos, Cambodia, and Vietnam.

Finally, Xi announced a national economic development program, “Made in China 2025,” which is intended to establish China as the global leader in the entire suite of advanced technologies that will determine national power in the future. Chinese officials had already proclaimed that the 20th century may have been America’s, but the 21st will be China’s.

This is only a partial list. On top of it, Xi has centralized totalitarian power within China taking full advantage of artificial intelligence, facial recognition, and other advanced technologies that Stalin could only imagine.

None of this is new; what is new is a long overdue recognition across the U.S. government and expert and corporate communities of what America is up against. If America and its allies are to respond effectively, then they will have to organize a purposeful, long-term, strategically intelligent, and broadly coordinated effort encompassing domestic and foreign policy initiatives pursued

across Asia and beyond. The good news is that the Biden administration gives every indication of understanding the generational challenge at hand.

The views expressed in this article are those of the author alone and do not necessarily reflect the position of the Foreign Policy Research Institute, a non-partisan organization that seeks to publish well-argued, policy-oriented articles on American foreign policy and national security priorities.

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# **The United Nations In The Fight Against Covid – Analysis By Matthew Parish**

The nature of the global Covid pandemic cries out for a multilateral intergovernmental resolution. Yet so far nothing has been proposed. The World Health Organization does not have legal authority to undertake the necessary role. The legal mechanics for vaccine passports and coordinating the distribution of vaccines to countries unable to afford them might benefit from a Security Council Resolution under Chapter VII of the UN Charter. There are credible grounds for thinking that a consensus of the P5 permanent members of the UN Security Council could be reached to achieve these goals. But the existing United Nations bureaucratic architecture may be too frail for so comprehensive a mandate, and strict accountability mechanisms must be put in place for the United Nations to achieve so complex a set of goals.

By Matthew Parish\*

At the time of writing there are three mechanisms being adopted by wealthier and middle-income nations to fight the Covid-19 crisis. These are vaccination programmes; lockdown measures (i.e. compelling people not to interact with one another); and restricting international travel. It is obvious that taken together, these measures will not work; they will just create indefinite wave after wave of lockdowns rippling across countries, progressively destroying the world's more substantial economies. It is important to understand why this is so.

Viruses mutate. This means that they change, in accordance with Darwin's theory of evolution. Some do this extremely quickly, such as HIV, Covid-19 and influenza. Darwin's theory of evolution posited that in the progress of any species of flora or fauna over time, there would be variations between different newly born living beings each after the other. These variations may be assumed to be random, and are understood today as small and arbitrary changes in a being's genetic makeup as each member of a species creates another progeny member of the same species. Some of these changes will be more apt for survival in a given environment than others. These more successful variants will therefore propagate more successfully than others. In this way different species, down the generations of procreation, adapt to their environments.

Viruses are doing much the same thing, except that in some cases their life cycle of procreation is far more truncated than for regular flora and fauna. Viruses are tiny organisms that live as parasites off their hosts, which in the case of Covid-19 include human beings. Covid viruses multiply at an extraordinary rate; but their hosts, the human body, is as a general matter very effective at attacking these parasites, using a body-wide mechanism called the immune system, a principal feature of which are antibodies. Antibodies are Y-shaped proteins in the blood stream throughout the human body, that attack parasitic bacteria and viruses living in the body. The human body must recognise specific pathogens (the microbial parasites living off it) that cause the body to become ill. It does this by way of marking part of the pathogen as a so-called antigen. Antibodies then know which foreign objects in the body are for attack, and they attach themselves to the pathogens identified with antigens to neutralise them. At this point the pathogen, in our case Covid-19 (in this article also referred to inaccurately as “the Coronavirus”, because there are many Coronaviruses that are not dangerous or are far less dangerous than Covid-19), is neutralised and the human body infected with the Coronavirus gets better.

The system of antibodies (a class of proteins called immunoglobulins) also works remarkably well to kill Covid-19, which is not a very deadly disease. Global death rates are hard to calculate, because each country measures deaths in different ways; but it has been estimated at approximately 2 to 2.7%. However the story is more complex than that, because Covid-19 has an extended incubation period before its most virulent attack upon the human body which is to prevent the lungs from their usual uptake of oxygen. In persons with typically strong immune systems, the virus is destroyed by immunoglobulins before serious symptoms ever occur, and the greater majority of those who contract the virus recover rapidly suffering few or no symptoms at all. That is why mortality rates for Covid-19 are exceptionally low in persons under the age of 50. Nevertheless the virus represents a risk to those with compromised immune systems: typically either those with illnesses that affect the efficiency of the immune system (such as HIV-AIDS), those taking medicines to suppress the efficiency of the immune system (typically used in conjunction with transplant surgery, to prevent rejection of the transplant by its recipient), or the elderly – as one ages, it is common for the immune system’s efficiency to deteriorate, particularly if one has led an unhealthy life. For people with immuno-deficiency disorders, i.e. the unhealthy and the elderly, Covid-19 may kill its host through causing the body to be starved of

oxygen via uptake through the lungs before the host's immune system has neutralised the virus. Nevertheless even this is rare; the mortality rate amongst persons over 75 is still calculated as less than 13%. In other words, the vast majority of the very elderly who contract Covid get better as well. One's immune system must be seriously compromised in order that Covid presents a mortal risk.

The two features that make Covid so challenging a pandemic disease are that it is highly and perhaps uniquely transmissible (it is now established that this is principally through water droplets, whether coughed or breathed out or via tiny molecules of sweat that humans leave on every object they touch); and that it has so extended an incubation period – up to 14 days – that people may be infected with Covid without knowing it for long periods of time because they are having no symptoms. Contrast this with influenza, a virus (very different from Covid) that is transmitted using similar means to Covid, and can also kill people with diminished immune systems; but that displays its (more pronounced) symptoms far more quickly – typically within 24 to 48 hours of transmission. One of the reasons that influenza is far less problematic than Covid-19 is that people start to feel much more sick much more quickly, and rapidly isolate themselves from others so as to halt transmission. Influenza is far less deadly than Covid, so that notwithstanding its high transmissibility there is no temptation to use government coercion to keep people apart. Society just lives with influenza, because its mortality rate may be in the region of 0.1% or less. By contrast Ebola virus, that emerged in western Africa, is easy to contain because its mortality rate (as high as 90%) makes it so containable. It is relatively simple to isolate people who show extreme symptoms and then quickly die. Covid-19 spreads more quickly because the logic of isolation of hosts is so much less compelling given its fractional mortality rate compared with Ebola.

Nevertheless Covid-19's mortality rate is too high for societies to suffer without extraordinary domestic political ramifications. If, left unchecked, a virus is so transmissible that it must be assumed everyone will catch it eventually and 2% will die, the pressure on politicians in a state of 10 million people is to do something to prevent 200,000 deaths. That is all the more the case if the death rate might go higher because people can contract Covid-19 more than once. Because Covid-19 is a rapidly mutating virus, it may very well be possible that Covid, like influenza, adapts to the fact that infected people have developed antibodies recognising Covid antigens; and it returns in waves of mutant

variations without the identifiable antigens. Therefore the immune system may have to start all over again, as it were.

The other problem with Covid is that it is barely treatable by medical practitioners. The disease would be far less problematic from a political economy perspective (i.e. the damage its propagation does to economy and political institutions) if, much like influenza (whose symptoms can be treated but which cannot itself be attacked using pharmaceuticals), Covid were totally untreatable; persons who contract it must simply go home and wait either to die (the tiny minority) or get better. In those circumstances, the policymaker would not face a resource problem. But as it is, oxygenation and even ventilation procedures have been shown to make a substantial difference to mortality rates for those who have contracted Covid with life-threatening symptoms. These are hugely expensive activities for any national system of healthcare, and it is difficult if not impossible to assess which of those with more severe symptoms of Covid-19 would benefit from the use of these expensive procedures (i.e. those procedures would make the difference between life and death). Because there are so many cases of Covid, even if there are relatively few actual deaths in statistical terms, this creates pressure for expensive hospital admissions where in the vast majority of cases those admissions will not make the difference between life and death. The result is that everyone who has more serious symptoms of Covid-19 wants to be admitted to hospital; but the numbers of such patients are so high that hospital resources are overrun.

This may be the principal political factor driving restrictions upon civil liberties: not the risk of transmission or death per se (there is now sufficient public information about the Coronavirus and its risks that individuals may be presumed able to undertake their own self-assessments of risk in deciding to what extent to self-isolate as a means of protecting themselves and their loved ones) but rather the pressure on hospitals, to the extent that they are considered as public resources. Covid hospitalisation and treatment is costly, and those who work in national healthcare systems may be effective political lobbyists. There may be insufficient staff, hospital beds, equipment of protective clothing to manage the numbers of desired hospital admissions. This may entail any or all of massive short-term investment in public healthcare facilities; sending people home who say they are sick and denying them treatment (a course that bears political costs only the most highly authoritarian regimes seem able to pay); and/or keeping people under so-called lockdown restrictions not to protect themselves per se but to



prevent hospitals from being overloaded, by spreading infections over longer periods of time. Throughout this process of diverting hospital resources to treat Covid, the availability of medical care for citizenries' healthcare problems has dropped dramatically as resources have been redirected towards Covid treatment: something that is comparatively inefficient in saving lives in a public healthcare system on a dollars-per-life basis.

These civil liberties restrictions have caused enormous economic damage, because preventing people from going about their daily lives and forcing them to stay at home prevents vast swathes of the economy from functioning properly. Governments have to borrow to subsidise the incomes of all those people who find themselves out of work because the area of the economy in which they work has been snuffed out by government restrictions. Countries inevitably plunge into recession as a result. Because Coronavirus is so transmissible and can mutate where its transmissibility is blocked by people who have been infected by and recovered from Coronavirus. This situation of downward economic destruction might in principle persist indefinitely; or it might continue over several years, leading countries to economic doom. The route that has been touted to escape from this recurrent plague has been vaccinations, and it is the mechanism by which these vaccines were developed and are now being distributed that cries out for multilateral intervention not currently taking place.

As soon as Covid-19 was recognised as a serious global public health crisis, virtually every substantial pharmaceutical company worldwide started research on vaccines, inevitably funded to varying degrees by government subsidies. The initial spirit was one of healthy competition, as each of the global pharmaceutical companies raced against the others to be the first to invent a vaccine that could survive efficacy and safety trials. The race began in early 2020, and at the time of writing in March 2021 there are now 12 vaccines approved by different national authorities, of which six are approved by what the World Health Organization, a specialised agency of the United Nations, has categorised as a "stringent regulatory authority". Stringent health authorities are every EU / other western European state; the United States; and Australia.

The vaccines vary in price, and in the quality of the medical studies that have been undertaken. Many or even most states in the world have introduced vaccine roll-out programmes. None of the studies undertaken suggest that any vaccine provides 100% protection. The purpose of the vaccine roll-out programmes is to

ensure that the people most vulnerable to Covid-19 have increased levels of protection (the vaccines are intended to stimulate the antibody / antigen process against Covid-19); and that fewer people can become carriers because stimulation of the same process in them prevents transmission. Administration of vaccines has been undertaken on a state-by-state basis, with each country deciding upon the terms of its vaccination programme. Some countries have decided to prioritise people susceptible to serious Covid infection (i.e. the elderly and those with otherwise compromised immune systems); other governments have tried to vaccinate all members of the population as quickly as possible without putting in place a system to prioritise some people over others. It is as yet unclear which model is better in reducing either hospital admissions or deaths. Because each government is undertaking its own unilateral course, each using different vaccines and different methods for compiling priority lists for who gets vaccinated first, there have not so far been any sensible international comparisons of which approach is more effective.

The relative effectiveness and safety of different vaccines has been the subject of international media and even legal combat, because the pharmaceutical companies are making huge amounts of money as different states aim to vaccinate the entirety of their populations with one vaccine or another. A Russian vaccine, Sputnik-V, was initially condemned as not having been sufficiently tested for efficacy but subsequently was commended as highly effective by a study in a highly respected international medical journal. The so-called Oxford-AstraZeneca vaccine originating from the United Kingdom, one of the cheapest vaccines and one of the easiest to transport and store, was the subject of a legal dispute when the European Union (from which the United Kingdom has recently left) complained that the pharmaceutical company had not delivered sufficient quantities to Europe to meet its contractual responsibilities. The lawyers got involved; then, embarrassingly, it turned out that Italy had misplaced 29 million doses of the British vaccine which it later found. In the interim, German authorities made statements asserting that the British vaccine might be dangerous in causing blood clots and for a period Germany banned the British vaccine from being administered to persons over the age of 65. It later transpired that there was no evidence for the blood clots assertion. Now Pfizer, an American vaccine, is lobbying to keep the AstraZeneca vaccine out of the United States on purported efficacy grounds, presumably because the AstraZeneca vaccine is only a fraction of the cost and therefore can compete vigorously within the US market-based system for purchase of pharmaceuticals.

The race to vaccinate has created some unusual winners and losers. Some smaller countries, such as Israel and Serbia, have managed to achieve relatively very high rates of inoculation by abandoning altogether principles of prioritisation; everyone who moved would be vaccinated. The United Kingdom has run a prioritisation programme for vaccination that nevertheless has been very effective. The European Union tried to create an international vaccination programme under its own superstate infrastructure, but vaccination rates in the European Union have been far lower and the EU's bureaucracy has so far proven unequal to the task. (The EU model of internationalism centralises regulation but not execution, which may be why the EU has been ineffective on the ground in purchasing and distributing vaccines.) Some countries have found substantial so-called vaccine hesitancy amongst their populations, such as France and Russia. Statistics from some of the world's biggest countries by population, China and the United States, have been considered unreliable for various asserted reasons. The principal reason must surely be that it is exceptionally difficult for any country with a large population, whose government structures inevitably in different ways involve substantial degrees of federalism, to collate massive quantities of data reliably when each federal region is doing something slightly different.

For each country, the decision to purchase vaccine shots from one or more pharmaceutical companies has been undertaken in a different way. Middle-income countries have sometimes had to rely upon the largesse of wealthier nations, or international loans of various kinds, to afford vaccination programmes for their entire populations. The pharmaceutical companies continue to try to find deficiencies in one-another's products, so as to increase their market shares. New proposals for still more effective vaccines (for example, most current vaccines require two shots spaced in time for maximum efficacy but now pharmaceutical companies are racing to find more reliable single-shot vaccines) are constantly being developed. Russia has recently announced that it has three vaccines rather than just one; at the time of writing very little is known of the other two. Most fundamentally for the purposes of this essay, lower-income countries are falling behind the rest because they cannot afford the costs of population-wide vaccination programmes, in particular the logistical costs of distributing vaccines to people across areas where infrastructure may be poor. The net result is that there will be a ranking of effectiveness of vaccination programmes between states. There is virtually no consistency at all in

approaches. The World Health Organization has done little except issue vague and often delayed recommendations to the UN member states. A cumbersome bureaucracy that has failed in previous pandemics, little is expected of it.

There is a fundamental problem with this patchy approach to vaccination programmes: Coronavirus strains in countries with differing levels of effective vaccination may mutate in differing ways. The hope in a country that aims for full vaccination of its population is to ensure that the Covid-19 strain(s) present in that country cannot be transmitted effectively because everyone is immune. Mass vaccinations can take place more quickly than Covid-19 can mutate to defeat the vaccine, and therefore the Coronavirus will be wiped out. The problem is that if the same standards of rigour are not applied across the board, in other countries, then a strain of the virus in another country where the same approach is not being applied will have further opportunities to mutate. Some of those mutations are at risk of defeating the vaccines now being used in high and middle-income countries. And so it has proved. Differing mutations of the Coronavirus, with more effective transmission, incubation periods and/or vaccine resistance, have been developing in parts of the world (or even regions of specific countries) where less emphasis has been placed upon a mass inoculation process. In other words, the Coronavirus is mutating itself into vaccine resistant strains in countries where insufficient effort has been taken in vaccinating. Hence the fight against Coronavirus has turned into a sort of fight by each country to prevent the frailties of other countries' vaccination programmes from undermining theirs.

The way this is being done is by increasingly restricting international travel. The medium by which a mutated Coronavirus might undermine a country's vaccination efforts is international travellers. Hence borders are being sealed; taking international flights now requires a mountain of paperwork demonstrating that one has had a negative Covid test; and there is ever more talk of "vaccine passports". This is documentation proving to anyone from the owner of a bar or nightclub, to an airline or the immigration authorities of a foreign country, that one has been vaccinated. To this day, everyone is talking about how unethical it would be to introduce vaccine passports, because they discriminate. They may discriminate against the young, in countries where priority in vaccination schemes is given to the elderly. They may discriminate against the poor, because while currently vaccination schemes in most countries are mostly free, that will surely change and private vaccination regimes, for which one pays, will

arise. This is particularly inevitable, as newly-published research data will reveal some vaccines to be more effective than others. Multiple vaccine passport schemes might arise; as the world struggles to reopen the hospitality business, each different country might have its own standards for the vaccine passport required for a specific person to be able to enter a bar or restaurant.

We are already at the stage at which international coordination is imperative. Who is to set the standards for vaccine passports? How are they to work? How will falsification or forgery be prevented? How are we to ensure that persons in low-income countries have access to vaccines? If we ignore that issue, then those people will, sooner or later, travel and they may do so with vaccine-resistant Covid mutations. The idea that we close all our borders indefinitely and leave some countries to struggle with Covid without us, because they are too poor to afford either vaccines or loans to pay for vaccines, is not only morally reprehensible but short-sighted and immature because restrictions upon travel from perceived high-risk (low-vaccination) countries cannot be indefinitely maintained without ruin of the global economy. The world in 2019, before the Covid crisis began, was one based upon international trade and that requires international movement of people. We cannot credibly return ourselves to the autarchies of the 1930's without economic ruin and consequent civil conflict. Therefore the current policies of countries isolating themselves must be phased out as quickly as possible. This requires multilateral coordination of global programmes of vaccination. Covid-19 is a global problem and it needs a global solution. Where is the United Nations?

The answer is that very few people are thinking of the problem in these terms. As people start talking about vaccine passports (or any other system of asking for evidence of vaccinations as a precondition of restarting normal life), countries are each imposing their own regulations in different ways and this will not do. It will encourage a race to the bottom; private businesses desperate to re-open and admit customers will accept any piece of paper. And it will encourage a race to the top; public authorities will accept nothing but pieces of paper that bear the stamps of those countries. Bilateral and regional arrangements might cause imagined progress; but as with "trade-shifting" arrangements in which countries create preferential regional trading arrangements outside the auspices of the World Trade Organization, this will just create regional silos in stand-off each against the other in terms of healthcare standards. There is a reason why the foremost premise of the World Trade Organisation is that a state must treat each

other member as well as it treats the member it treats the best (the so-called “most favoured nation” clause of the General Agreement on Trade Tariffs). That is because permitting regional agreements to arise undermines the principal benefit of trade: the intimate inter-relations of all the states in the globe. The world needs to create a public health regulatory system that avoids autarchy and regionalisation. That is because global trade, and the global movement in persons, was the source of the world’s economic growth and success in 2019 before all this began. That is what we must aim to recapture.

The alternative is that the world will develop into states and regions who have dealt with one version of Covid successfully, who aim to cut themselves off from those who did not do so well; and other, mostly poorer, areas in which mutations of the virus may progress and those mutations will travel one way or another to the wealthier parts of the world because it is of course impossible absolutely to restrict people from moving around and therefore to prevent the transmission of new mutations of the virus. It only takes one person. Then the wealthier and middle-income countries will need to find new vaccines, engage in new lockdowns, and perpetuate the economic and public health damage from which we have already suffered so gravely. It follows that there are two issues upon which urgent multilateral collaboration are needed. One is the importance of extending comprehensive population-wide vaccination programmes to less developed countries (including logistical assistance) as a matter of priority; the second is to develop a comprehensive system of vaccine passports so that everyone is working to the same standards, howsoever those standards may develop.

What mechanism of multilateral cooperation ought to be used? While the World Health Organisation has so far proven itself somewhat ineffective, it does have the advantages both of being pre-existing (so we do not have to create a new institution from scratch) and having in place medical professionals in its organisational structure. It lacks knowledgeable economists, and if we are to use the World Health Organisation for our multilateral imperatives then we will need to restructure radically the institution. Nevertheless in a time of crisis this can be done. The United Nations Charter is a remarkably flexible document where the P5 member states can find common cause. Everyone has a common cause here. Chapter VII of the UN Charter gives the UN Security Council comprehensive authorities to make binding decisions for action “with respect to threats to the peace”. Traditionally this set of provisions of the UN Charter has

been used by reference to imminent or existing war or civil conflict. But the Covid crisis is also a threat to the peace. At the time of writing some 2.75 million people are estimated to have died globally as a result of this virus in barely one year. This is far more destructive than any contemporary war or civil conflict. The bloodiest armed conflicts in 2020 were the Afghan and Yemeni civil wars, each of which consumed slightly more than 19,000 lives. The Syrian Civil War consumed approximately 7,000 lives in that year. The last act widely recognised as genocide in Europe, the war in Bosnia and Herzegovina, took approximately 100,000 lives. The Covid crisis is a colossal killer by contemporary standards, and it merits the attention of the Permanent Members of the Security Council who should negotiate to establish an international regime that pursues the multilateral goals essential to restore the world to the standards as we know it.

If anyone doubts whether 2.75 million deaths globally in the course of a year constitutes a threat to the peace, they should look back over the history of the twentieth century. It is not just the deaths, but the violent economic contractions and personal desperation of a substantial proportion of the world's population, that creates the ruminants for conflict. One barely speaks to a person at the current time who is not profoundly concerned about their own future, that of their family and of their loved ones. In times of fear and paralysis in the face of uncertainty, people become ever more attracted to extreme and unreasonable ideas. This is what we learn persistently from history. There must now be leadership in pursuing common goals, to mitigate the worst effects of the Covid pandemic still to come. And there must be an understanding of the need for mutual cooperation to return the world, as quickly as is possible, to its senses. Every step we continue to take in the darkness is a step we take on our own. Despite all the failings of the United Nations over its history, now is the time to turn to multilateral cooperation. All of a sudden, the world really needs it.

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Source: <https://www.eurasiareview.com/31032021-the-united-nations-in-the-fight-against-covid-analysis/>



## **Reviving The Nuclear Deal | Editorial**

Many experts and analysts believe that the planned talks in Vienna will be a breakthrough for the revival of the 2015 nuclear deal between Iran and the United States (US). However, Tehran's rejection of "step-by-step" easing of restrictions indicates that the talks might fail to achieve the desired goals. To be fair to Iran, it was not Tehran that violated the deal. Yet, the attitude of the Biden administration towards Tehran is not healthy; it will not help it to return to the 2015 deal.

Instead of admitting the faults in the policies of the previous government, America's demand from Iran to show compliance to the agreement's terms when their compliance went long after the original deal was broken is unjust. The allies of the US, instead of asking Iran to show a positive attitude, should recommend the US to acknowledge past mistakes. Showing inflexibility will take this situation nowhere. The Biden administration must attend the meeting without demanding anything from Iran to give life to the dead deal.

Similarly, China and Russia must persuade Tehran that sticking to an extreme position is not the best tactic to win itself concessions. The two powers enjoy good ties with Tehran and they can persuade the Iranian government to be "constructive". Holding one's ground in the current scenario is going to benefit neither the US nor Iran. Both need to learn to compromise. Otherwise, the matter may be left unresolved entirely.

Nevertheless, the success of the upcoming meeting is dependent on finding common ground. If the US cuts back on some of the harshest sanctions, Biden's administration will show a practical demonstration of its commitment to upholding the nuclear deal. Even if then, the remaining sanctions are contingent on certain nuclear cutbacks, it is still a reasonable step forward that Iran might be more willing to accept. But before anything else, giving some breathing space to Iran is essential to make the Vienna talks fruitful.

Source: <https://nation.com.pk/05-Apr-2021/reviving-the-nuclear-deal>

# **Globalisation and the Suez Blockage By**

## **Shahid Javed Burki**

The world became smaller and “flatter” as a result of the instantaneous flow of information across international frontiers. There was also easing of constraints on the flow of goods and commodities among nations. Even the movement of people became easier with the result that there was a pronounced change in the proportion of people of foreign origin in populations of developed countries. Most of these developments occurred in the 1980s and 1990s and, together, they were given the name of globalisation. Most experts saw these changes in a positive light. These freer movements had two profound consequences: they changed the way products were produced and also the way commerce was organised and conducted. Looking at the cost of producing things, firms split their operations, taking some parts to the places where they could manufacture cheaply.

The result was the development of global supply chains that were networked to produce final products. Apple became the most cited example of the working of these “split” production lines. The design for the firm’s products were made in its headquarters near Seattle in the United States but most of the manufacturing was done in south China. There, a huge Taiwanese-owned company assembled parts and components made in and imported from a number of countries, mostly in East Asia. The final product assembled was flown or shipped to the points of consumption mostly in North America and Western Europe.

There were other examples. I remember reading what the news magazine, *The Economist*, called the “story of a man’s shirt.” These items of male dress were designed by fashion boutiques in Europe and the US and were made from the fabric turned out by factories in Bangladesh. Since Bangladesh did not grow cotton, the fabric was made from the yarn spun in India or Pakistan. Cutting and sewing was done by shirt manufacturers in China. The shirts, once made, were sent to Hong Kong to be packaged and shipped to the US and Europe.

The way the retailers operated also changed; big retail stores found it expensive to build and operate large warehouses; they began to rely on what came to be called the “just in time system of production and sale.” It was more efficient and cheaper to bring in products as they were made rather than store them in

expensive space in anticipation of the demand for them. Globalisation delivered until the time it couldn't. As a reviewer writing for The New York Times put it, "yet, as in everything in life, overdoing a good thing can bring danger." The most glaring example of failure came in late March when, The Evergreen, a giant container ship, the size of four football fields, got stuck in the Suez Canal, stranding a hundred ships on both ends of the world's most important passageway. According to Bloomberg, the loss in the value of goods held each day was estimated at \$9.6 billion. This became a cause of a major disruption in international business. One-tenth of the world's trade is shipped through the Suez.

Experts from several sea-faring nations went to Egypt to help that country to find ways to release the ship and open the canal for traffic. Dozens of dredgers and tugboats went to work by the side of the ship. The operation was delicate since there was some fear that the ship could break in two halves. There was talk of bringing in helicopters to lift the heavy containers and making the ship lighter. The ship was stuck for a week and was finally freed on March 29.

The increasing size of the container ships is one more indication of the impact of the sharp increase in world trade. According to Allianz Global Corporate and Specialty, a consulting company, there has been an exponential increase in the number of containers loaded on a ship. This has increased 1,500% over the past half-century and has doubled over the last decade. This dependence on one form of transport got disrupted as a result of the coronavirus pandemic. Demands increased enormously for the products manufactured in East Asia and in need by the home-bound workers in West. The need for exercise and office equipment, for instance, increased as a significant proportion of the workforce stayed home. Changes in the structure of global demand for goods and worker-shortages were already having an impact on shipping. Three-fourths of all container ships travelling from Asia to Europe arrived late in February, according to Sea-Intelligence, a research company in Copenhagen. Even a few days of disruption in the Suez Canal could exacerbate that situation.

That was not the only unforeseen consequence of the impact of the pandemic on global commerce. Workers needed to unload container ships were restricted from going to the shipping docks. According to Ian Goldin, professor of globalisation at Oxford University, "as we become more interdependent, we are even more subject to fragilities that arise, and they are always unpredictable. No

one could predict a ship going aground in the middle of the canal, just like no one predicted where the pandemic would come from. Just like we cannot predict the next cyber-attack, or the next financial crisis, but we know it's going to happen." Likewise, nobody could predict some of the political consequences of globalisation. The working population made redundant by the relocation of production facilities from America to China and other countries in East Asia produced anger that led to the political rise of Donald Trump. Exploiting this anger, Trump went on to become America's 45th president.

When in the early 21st century, the Chinese decided to focus on the development of land-based commerce as a way of connecting with the world to the west of its borders, they, of course, did not have the Suez Canal kind of accident in mind. They were more concerned about two aspects of the continued reliance on sea for commerce. One was the possibility of disruption caused in the narrow Strait of Malacca through which ships plying between China and European destinations passed. This was a vulnerability against which they wished to protect themselves. The other was the cost. Using the land route that would connect the Pakistani port of Gwadar to the western parts of China was a quicker and cheaper way of moving goods and commodities in and out of China.

It is interesting that when China offered a multibillion-dollar investment programme to develop Pakistan's physical infrastructure, they didn't call it the China-Pakistan Development Cooperation. The name chosen was China-Pakistan Economic Corridor (CPEC). The emphasis, in other words, was on connectivity with China. However, the CPEC, with focus on linking Gwadar with points in the Autonomous Region of Xinjiang, did not reduce the dependence on the Suez Canal. On the other side of Gwadar, China began to focus on developing the ancient port of Trieste on Italy's Adriatic coast. It is not inconceivable that as the CPEC continues to expand in scope, the Chinese may invest in improving the Suez passageway by deepening and widening it. They have the technology and finance to execute such a project.

Source: <https://tribune.com.pk/story/2293318/globalisation-and-the-suez-blockage>

# **U.S.-Russian Relations Will Only Get Worse**

## **By James Goldgeier**

It is hard to imagine that U.S.-Russian relations could get much worse, but sadly, they are unlikely to get better anytime soon. Over the past two decades, Russian President Vladimir Putin has defined his country's interests in ways that are incompatible with the interests of the United States and its European allies. The latter believe that democracy, the rule of law, and the provision of security to eastern European countries enhance stability; Putin, meanwhile, considers the spread of democracy to be a threat to his regime and believes that having vulnerable neighbors enhances Russian security.

Any sustained improvement of relations between the United States and Russia beyond progress on arms control (such as the recent extension of the New START treaty) would require one of two concessions: either the United States shelves its foundational support for democracy and formally recognizes a Russian-privileged sphere of influence in the former Soviet Union or the Russian president decides his interests are not threatened by greater democracy in the region or by having fully sovereign neighbors. Neither is likely to materialize in the near future. The election of U.S. President Joe Biden, who has made support for democracy at home and abroad the centerpiece of his presidency, signals that the United States will not cease to champion traditional democratic values in Europe for at least the next four years. Meanwhile, as long as Putin remains in power, Moscow's policy will continue to be marked by a fear of democracy and of the full sovereignty of Russia's neighbors.

### THE CALM BEFORE THE STORM

U.S. decision-makers approached the post-Cold War world with a clear lesson from the American experience in the twentieth century. Like many others, they drew a link between U.S. disengagement from Europe after World War I and the onset of World War II just two decades later. They also saw the United States' decision to remain in Europe in the face of potential Soviet aggression after the end of World War II as having saved Western Europe from a communist fate. For U.S. officials, then, continued American dominance over European security through NATO was necessary to keep the peace in the uncertain times following the Cold War. The outbreak of war in Yugoslavia exacerbated those fears,

feeding the narrative that without the United States, nationalism was waiting to be unleashed and conflict could erupt anywhere in the region.

But the United States also sought to reassure first the Soviets and then the Russians that the West would not take advantage of the end of Moscow's domination of eastern Europe to undermine the former superpower's security. When U.S. President Bill Clinton informed Russian President Boris Yeltsin in September 1994 of plans to move forward with NATO enlargement, he said, "I don't want you to believe that I wake up every morning thinking only about how to make the Warsaw Pact countries a part of NATO—that's not the way I look at it. What I do think about is how to use NATO expansion to advance the broader, higher goal of European security, unity and integration—a goal I know you share."

That quote succinctly summarizes the differences between the United States and Russia during the Yeltsin presidency. For the United States, NATO was the right instrument to achieve European stability and security because it enabled the United States to remain in charge. The U.S. president argued as much and sought to prove that he was not trying to harm Russia by exploiting the Warsaw Pact's collapse. But American leadership was precisely what made NATO the wrong instrument from Russia's perspective. Yeltsin, although he might have agreed with Clinton's objective of fostering European unity, did not share his American counterpart's belief that NATO was the best means to achieve it—nor did any other top Russian official. Under the U.S. leadership of NATO, junior partnership would have been the best available option for Russia. But given Russian opposition to such an arrangement, it was ultimately left out of the Europe that the United States sought to build through the alliance.

It is hard to imagine that U.S.-Russian relations could get much worse, but they are unlikely to get better anytime soon.

Yeltsin had staked his political fortunes on bringing his country into the West. Since his domestic political battle with Mikhail Gorbachev in the waning months of the Soviet Union, Yeltsin had sought to win favor by being more pro-Western, pro-democracy, and pro-market than the Soviet leader. He was too weak to oppose American policies, so he took what he could get—not just financial assistance from the United States, its allies, and international financial institutions but also symbols that he was being treated like an equal. These included the

NATO-Russia Founding Act—which established a partnership between the West and Russia as invitations to join the alliance were extended to the Czech Republic, Hungary, and Poland—and Russian participation in the G-7 group of advanced industrialized democracies, creating the G-8.

By the end of the 1990s, it seemed that for all the challenges in relations between the United States and Russia (most notably over NATO's 78-day bombing campaign of Serbia on behalf of the Kosovars), the United States and Europe had managed to overcome Cold War divisions and stave off the worst of nationalism in Europe. Serb leader Slobodan Milosevic was no longer able to unleash terror in the western Balkans; the Czech Republic, Hungary, and Poland joined NATO and others were soon to follow; the European Union was moving forward with its own expansion across Europe; and Russia still seemed oriented toward the West. In November 1999, Clinton visited his alma mater, Georgetown University, to commemorate the tenth anniversary of the fall of the Berlin Wall. It was, in a sense, the valedictory of his effort to build on President George H. W. Bush's vision of a Europe "whole and free." Clinton reminded his audience that he had set out to "do for the Eastern half of Europe what we helped to do for the Western half after World War II." As for Russia, he argued, its "transformation has just begun. It is incomplete. It is awkward. Sometimes it is not pretty, but we have a profound stake in its success."

Clinton also declared, "Now we are at the height of our power and prosperity." He meant it as a confirmation that the United States was capable of shaping global affairs to its liking. After all, he had made the notion of the United States as the "indispensable nation" a hallmark of his presidency. Unfortunately, the belief that the United States was at the height of its power and prosperity turned out to be a prophecy, as others, including Russia, gained more power, and the United States' ability to dominate those countries declined dramatically.

## RUSSIA'S RETURN

Reflecting on the 1990s, Putin saw humiliation for Russia. He believed that the West was working to impose its vision of world order. The collapse of the Soviet Union was "the greatest geopolitical catastrophe of the century," Putin declared. "As for the Russian people, it became a genuine tragedy. Tens of millions of our fellow citizens and countrymen found themselves beyond the fringes of Russian territory."

Putin was not suggesting that he wanted to re-create the USSR. But rather than seek to integrate Russia into the West as his anti-Soviet predecessor had done—which inevitably meant relegating Russia to the role of junior partner to the United States—Putin sought to build an independent great power, one that could engage with the West on its own terms and dominate its immediate neighborhood. Early in Putin’s presidency, his policies were not necessarily antagonistic but sought to free Russia from Western, and especially American, interference.

From an American perspective, NATO enlargement, the 1999 Kosovo war, the 2002 unilateral American withdrawal from the Anti-Ballistic Missile Treaty (ABM Treaty), the 2003 Iraq war, and support for the 2003–5 “color revolutions” in Georgia, Kyrgyzstan, and Ukraine were discrete policies. U.S. officials saw themselves not as harming Russian interests but rather as fostering democracy and the rule of law across central and eastern Europe, protecting the Kosovars from Milosevic’s brutal regime, creating the ability to defend the United States and its allies from Iran’s ballistic missile threat, eliminating the possibility that Iraqi President Saddam Hussein could threaten the world with weapons of mass destruction, and supporting reformers trying to build democracy in fragile states.

Reflecting on the 1990s, Putin saw humiliation for Russia.

The Russian perspective starkly differed. Officials in Moscow watched the United States not only keep its Cold War alliance but expand it, incorporating territory formerly controlled by the Soviet Union, including Estonia, Latvia, and Lithuania. When NATO went to war against Serbia in 1999, it did so over Russian objections and without going through the UN Security Council—where Russia’s status as a permanent member would have allowed it to veto the action. A mere four years later, NATO went to war against Iraq, again without Security Council authorization and again brushing aside Russian (as well as French and German) opposition. Many in Moscow viewed the United States’ departure from the ABM Treaty as degrading Russia’s nuclear deterrent (particularly after the George W. Bush administration announced its plans to build a missile defense system with interceptors and a radar to be stationed in Poland and the Czech Republic, respectively). And for Putin, the “color revolutions” were not evidence of civil society flourishing but rather confirmation that the United States was pursuing regime change in Europe, including in Russia. For Moscow, then, the same events that, from the American perspective, were discrete policies having little to



do with Russia built a narrative of a United States seeking to impose its will and principles on others to the detriment of Russian interests.

In 2007, Putin went to the annual Munich Security Conference and gave a speech venting his opposition to U.S. actions on these grounds. He complained about American unilateralism: “One single center of power. One single center of force. One single center of decision-making. This is the world of one master, one sovereign.” He argued that “the process of NATO expansion has nothing to do with modernization of the alliance,” declaring, “We have the right to ask, ‘Against whom is this expansion directed?’”

And always, there was Ukraine, which Putin told President George W. Bush in 2008 was “not even a country.” Yeltsin a decade earlier had warned Clinton that he could not accept Ukraine’s membership in NATO and sought a private agreement that the United States would not pursue it. By February 2008, U.S. Ambassador to Russia William Burns was telling his superiors in Washington, “Ukrainian entry into NATO is the brightest of all redlines for the Russian elite (not just Putin).” He warned that Russian officials would view offering a Membership Action Plan (MAP)—a step toward NATO membership—to Ukraine (and Georgia) at the upcoming NATO summit as “throwing down the strategic gauntlet.”

French and German opposition to offering Ukraine and Georgia MAPs took the idea off the table, but the compromise forged within the alliance led to a NATO summit declaration that Ukraine and Georgia “will become members of NATO.” By going to war with Georgia in 2008 and invading Ukraine in 2014, Putin confirmed what Burns had warned against: Putin would not tolerate the crossing of certain redlines perceived as too threatening to Russia’s interests.

Putin sought to build an independent great power, one that could engage with the West on its own terms.

The conflicts over Ukraine and Georgia reflected the United States’ and Russia’s divergent definitions of their interests during the George W. Bush and Putin years. As Clinton argued to Yeltsin in 1994, the United States believed expanding Western institutions would offer much-needed stability and security to eastern European countries. Meanwhile, Russia was protecting what it viewed as its privileged sphere of influence from Western norms, rules, and institutions. The

West believed sovereign countries could make their own choices about their future, which, in turn, was viewed in Moscow as undermining Russian interests and, potentially, even its regime.

There appeared to be a brief respite from these conflicts with the “reset,” a policy undertaken by President Barack Obama with Russian President Dmitry Medvedev (who was keeping the presidential seat warm while Vladimir Putin held the post of prime minister). The reset was a transactional approach to policy, with each side recognizing the other’s core interests. Obama made clear he would not promote Ukrainian and Georgian membership in NATO and abandoned the missile defense plan launched by the Bush administration in favor of a different missile defense deployment more clearly designed to combat Iran. Meanwhile, Russia agreed to support stiffer sanctions on Iran to induce Tehran to abandon its pursuit of nuclear weapons. Most important, Moscow allowed the United States to create a new corridor to resupply Afghanistan through Russian-controlled airspace, which meant that the United States was no longer completely reliant on Pakistan. The two countries also agreed that it was in their mutual interest to forge a new arms control agreement, the New START treaty, which would further reduce their number of strategic nuclear weapons and provide verification measures to uphold it.

Alas, the reset ended. Although the Russians abstained during the Security Council’s vote authorizing NATO to launch airstrikes against Libya in 2011 to protect the population of Benghazi, Putin fumed when the operation precipitated the overthrow and death of President Muammar al-Qaddafi. Later that year, protests erupted in Russia around the parliamentary elections, and Putin interpreted then Secretary of State Hillary Rodham Clinton’s statements as egging on his opponents. In 2013, Edward Snowden’s leaks of National Security Agency documents, followed by his receiving asylum in Russia, grabbed headlines. The relationship truly came undone when Putin annexed Crimea and started a civil war in eastern Ukraine the following year. Large countries invading their smaller neighbors, particularly in Europe, had been part of a bygone era and shocked Europeans who had come to believe that the creation and expansion of the European Union had definitively made war on the continent a thing of the past. In response, the United States and its allies slapped sanctions on Russia. It seemed the relationship could not get much worse.

## DOOMED TO FAIL

Any attempt by Donald Trump to improve the relationship was doomed from the start. Having been compromised by Russia's interference in the 2016 presidential election, Trump could not afford to be seen as doing Putin's bidding, especially in a number of key areas. Congress, meanwhile, was not only unwilling to lift sanctions on Russia but added to them after the Russian interference was exposed. U.S. officials throughout the government—political appointees and career officials alike—remained committed to continuing the United States' policy of providing reassurance to NATO's eastern neighbors and reinforcing deterrence in the aftermath of the Russian invasion of Ukraine, including stepped-up air and sea patrols in the Baltic Sea and Black Sea regions as well as enhanced military exercises and rotations of military deployments. Beyond exacerbating existing political polarization in the United States, Putin achieved very little by interfering in U.S. domestic politics. Furthermore, the Trump administration's National Defense Strategy and National Security Strategy made clear that Russia was now, along with China, a "strategic competitor." And with the urging of his then National Security Adviser John Bolton, Trump pulled out of the three-decade-old Intermediate-Range Nuclear Forces Treaty over the long-standing complaint of Russian violations.

Although his predecessor had refused to commit to extending the New START treaty, Biden agreed with the Russians on a five-year extension shortly after he entered office. Addressing the dangers of nuclear weapons is the one area in which the interests of the two sides allow for greater cooperation. Arms control emerged as a staple of the relationship in the aftermath of the 1962 Cuban missile crisis, focusing first on limiting nuclear testing and later on capping the numbers of missiles and warheads. It is the one issue that creates the optic of two superpowers, thereby giving Russia its cherished status as an equal to the United States. And it is in the interests of both sides to limit nuclear weapons and provide verification measures to prevent breaches.

## A BLEAK FUTURE

In 1993, Clinton decided to back Yeltsin as the best hope for a U.S.-Russian partnership. Eight years later, George W. Bush looked Putin in the eye and came away believing he had peered into the Russian president's soul. Obama took office in 2009 seeking a reset of U.S.-Russian relations with his first-term counterpart, Medvedev. Eight years later, Trump began his presidency under the cloud of Russian interference in the U.S. election but seeming to believe whatever Putin told him.

In each case, early high hopes for the U.S.-Russian relationship soon gave way to bitter realities. The 1999 NATO bombing campaign against Serbia created the worst conflict between the two powers during the Clinton-Yeltsin years. In 2008, the Russian-Georgian war left in tatters a relationship that had foundered since the 2003 U.S. decision to go to war in Iraq. Early in Obama's second term, Putin ordered the invasion of Ukraine and the annexation of Crimea, leading the West to impose sanctions and bolster its military presence in eastern Europe. And regardless of Trump's strange affinity for Putin, U.S.-Russian relations continued to deteriorate during his term.

As Biden begins his presidency, one aspect of U.S.-Russian relations is over: the high hopes for what an incoming U.S. president can achieve. The SolarWinds hack, Russian election interference, the conflict in Ukraine, and the poisoning and arrest of the Russian opposition leader Alexei Navalny are just some of the issues that will hinder any return to a more positive U.S.-Russian relationship. But ever since Putin first became president more than 20 years ago, the bigger issue has been the clashing ambitions that U.S. and Russian leaders have for the world and especially for Europe. Although it is possible that Trump would have bowed to Putin's vision in a second term, Moscow's and Washington's conflicting visions will be on full display in the Biden years.

Better relations with another country are never an end in themselves but rather a means to promote national interests, and for the moment, the United States and Russia define theirs very differently. Beyond exploring new arms control agreements to limit strategic nuclear weapons, the bilateral agenda for U.S.-Russian relations is likely to remain pretty thin for the foreseeable future.

Source: <https://www.foreignaffairs.com/articles/russia-fsu/2021-04-06/us-russian-relations-will-only-get-worse>

# **Is Russia Preparing to Go to War in Ukraine? By Amy Mackinnon**

Russia's military buildup near the border of Ukraine continued this week, deepening global concern about Moscow's ultimate intentions as senior Russian officials and state media dial up their incendiary rhetoric.

What seemed like a show of force to the new Biden administration has become, perhaps, something bigger. Videos posted on social media appear to show convoys of military vehicles arriving in the region from as far away as Siberia, according to an analysis by the open-source investigative group the Conflict Intelligence Team. Troops are massing just south of the Russian city of Voronezh, some 155 miles away from the border with Ukraine—far enough away that an immediate invasion seems unlikely, but close enough to set nerves on edge.

The movement of troops from western and southern military districts far exceeds what would normally be expected for a standard exercise of the sort Russia has been carrying out of late. What is both puzzling and troubling about the buildup in Voronezh is its apparent offensive posture, said Kirill Mikhailov, a researcher with the Conflict Intelligence Team. The region borders government-controlled Ukraine, not the breakaway regions in Donetsk and Luhansk, where local proxies are dependent on Russian support.

The military buildup has been accompanied by increased saber-rattling by Russian officials. On Thursday, senior Kremlin official Dmitry Kozak warned a major escalation in the conflict would mark the “beginning of the end of Ukraine.” At the same time, Russia, which has sought to paint Ukraine as an aggressor with warnings that Kyiv is preparing to ethnically cleanse the Donbass of Russians, has flagged intervention. On Friday, Russian press secretary, Dmitry Peskov, warned Russia could be forced to intervene in the event that a “human catastrophe similar to Srebrenica” arises, referring to the genocidal slaughter of more than 8,000 Bosnian Muslims by Serbian forces in July 1995.

On Thursday, White House Press Secretary Jen Psaki said the United States is increasingly alarmed by “escalating Russian aggressions” in the region. On

Friday, Secretary of State Antony Blinken spoke with his German counterpart, Heiko Maas, in which they emphasized the importance of standing by Ukraine against “unilateral Russian provocations.”

The conflict and bellicose rhetoric have flared periodically since a 2015 peace deal brought the worst of the fighting to an end and ushered in an uneasy stalemate. But Western leaders are clearly rattled. On Thursday, CNN reported the United States is considering sending warships to the Black Sea in a display of support.

Long-time observers of the conflict say an all-out invasion is unlikely. “I think everyone is in a similar place where we’re watching closely. I still think it’s more signaling and demonstration, but obviously no one is willing to exclude the fact that it could turn into something more serious,” said Andrea Kendall-Taylor, director of the transatlantic security program at the Center for a New American Security, who previously served as deputy national intelligence officer for Russia and Eurasia on the National Intelligence Council.

The reason for the buildup remains unclear, but experts point to domestic factors in Russia, Ukraine, and the United States.

Russian President Vladimir Putin’s approval ratings have continued to slump to an all-time low. The Kremlin is still grappling with the pandemic and, in January, saw mass street protests across the country in the wake of opposition leader Alexei Navalny’s arrest, who went on a hunger strike last week to demand medical treatment as his health has deteriorated.

“There is a whole slew of increasingly confrontational steps coming out of the Kremlin,” said Kendall-Taylor, including the recent humiliation of the European Union’s top diplomat Josep Borrell on his trip to Moscow and the decision to indefinitely recall the Russian ambassador to the United States for consultations. “It feels like Putin is drumming up the besieged Russia narrative.”

Ukrainian President Volodymyr Zelensky has taken an increasingly hard line against Russia, sanctioning Putin ally Viktor Medvedchuk and shuttering three TV stations controlled by the oligarch as his own approval ratings have fallen and he has struggled to end the war.

Moscow may believe it can provoke Zelensky into making a knee-jerk move in the Donbass, which would justify a Russian response—much as it did in Georgia in 2008 when former Georgian President Mikheil Saakashvili stumbled into war over the breakaway territory of South Ossetia.

“[It] seems that leading elites in Moscow perceive Zelensky as a Saakashvili type,” said Michael Kofman, a senior research scientist at CNA. “This perception, inaccurate though it may be, has real world consequences,” he said.

And then there’s the new administration in Washington. U.S. President Joe Biden is familiar with Ukraine, having served as former President Barack Obama’s point person on the conflict. “I think there could be some concern in the Kremlin that with the incoming Biden administration, that Zelensky may feel like he has more leeway to do things that Moscow doesn’t like,” Kendall-Taylor said.

Putin, in the end, may want to replay 2008 but does not have the cards on the table.

“What Putin would love to do is not invade but repeat 2008 in Georgia,” said Taras Kuzio, a professor at the National University of Kyiv-Mohyla Academy, speaking at an event hosted by the German Marshall Fund on Friday. But “Zelensky is not Saakashvili,” he said.

Source: <https://foreignpolicy.com/2021/04/09/russia-troops-border-donbass-war-putin-zelensky-ukraine/>

# **US Revisiting Relations With Iran By Talat Masood**

Of the many rash foreign policy decisions that former United States president Trump took the one that has caused immense harm to the credibility of the US and the sanctity of international treaties was the revocation of the Joint Comprehensive Plan of Action (JCPOA), commonly referred as the Iranian nuclear deal. Over and above, it imposed severe sanctions to cripple Iran's economy hoping these measures would bring the downfall of the regime. This unilateral action in cohort with Israel reflected the deep animosity of the Trump administration toward the present Iranian government. Besides Israel, it was also meant to feed into the strong anti-Iran sentiment prevalent in Saudi Arabia and a few other Middle Eastern countries. These measures did cripple Iran's economy but were unable to weaken its resolve to stand up to US pressure and continue unabated with the enrichment and missile programmes. America's breaking away from the nuclear deal gave Iran's power elite to further tighten its grip and pursue the nuclear programme with less inhibitions. It has gone past the enrichment limits that were part of the original agreement.

Incidentally, the Iran nuclear deal was the outcome of years of serious deliberations and was worked out by highly seasoned professionals on both sides. These were painstaking negotiations, as Iran is a hard country especially when it comes to working out a detailed agreement on high security and strategic issues. The most redeeming aspect of the deal was that it allayed the fears of its adversaries and the world at large that Iran's ambitions, if any, to be the tenth nuclear power, have been stemmed at its roots.

As a member of the Pugwash Council, an eminent international organisation that focuses on nuclear proliferation and reduction of nuclear threat, I had visited Iran a few times and had the opportunity of seeing some of their nuclear installations including the enrichment facility. As our group consisted of members from several countries including China and the US, it was clear that Iran was demonstrating that it was imposing self-restrictions to adhere to the Non-Proliferation Treaty (NPT) despite its undeniable technological and scientific prowess.



So, for Trump to revoke the nuclear deal without any sound basis apart from pleasing Israel and a few Arab countries and quelling his anti-Iran sentiment was certainly ill-advised. Subsequent developments did affirm these apprehensions.

After the US set aside the agreement the P-4 and Germany were left to fend for themselves. Of course, Trump was insisting that they take similar action. To an outsider it seemed they had frozen their options — not wanting to displease the superpower and not totally aligned with its policy.

Once the US abandoned the agreement, Iran's power elite was unshackled to take a course that it saw fit for it. Another aspect generally overlooked is that when a country feels threatened it would hasten to build its defenses even more resolutely.

The answer lies in bringing Iran back in the international fold and the two sides should take appropriate measures to reduce mistrust and not be influenced by countries that have their axe to grind.

Pakistan's position on Iran's nuclear programme is unambiguous. It wants Tehran to remain in full compliance of the nuclear deal. Any departure from it raises undue tensions in the Middle East and widens the rift and apprehension among Muslim nations, particularly between Iran and Saudi Arabia. The extraordinary breakthrough in Saudi-Israel relations or UAE-Israel relations are largely a fallout of the growing hostility between Iran and the Arab states that was fully exploited by the US and Israel to mostly their advantage.

According to press reports, the US recently claimed to have floated very serious ideas on reviving the agreement but so far Tehran has not responded.

Although reports indicate talks between Iran and the European Union, with the US watching from the sidelines, have been encouraging. However, President Rouhani choosing to inaugurate a cascade of advanced centrifuges for producing enriched uranium at the Natanz facility gave contradictory signals. Perhaps it was meant to indicate that despite the very harsh sanctions, through sheer determination Iran has made a major breakthrough in development of nuclear technologies and equipment. And hopes that this would lend weight while conducting the tough negotiations.

The latest cyberattack on the underground Natanz facility, apparently by Israel, so soon after its commissioning, could adversely impact the current negotiations. It is indeed unrealistic on the part of Israel to contend as though it has the right to be the sole nuclear power in the Middle East. In fact, its possession of nuclear power and aggressive policies are a major source of instability of the region.

The US must have realised that building pressure on nations does not necessarily work. In most cases it strengthens the nation's resolve to stand up to it. Pakistan is no stranger to these pressures. It was dealt with so severely and unfairly when it was building its nuclear capability, but through sheer determination it steered its way through. True, the people suffer as they have to bear the burden of sanctions and its long-term ill effects.

Another disturbing aspect is how the US and the West generally have happily reconciled and even helped Israel in acquiring its nuclear capability and deliberately overlooked India's nuclear build up. This was in sharp contrast to how Pakistan's nuclear programme was viewed.

As regards Iran, the attitude is equally harsh. There is however a big difference between Iran and Pakistan's nuclear policies. Iran is a signatory to the NPT whereas Pakistan is not and the logic of its nuclear build-up is to counter the Indian capability, lest it be unfairly disadvantaged. To point out these contradictions is to highlight the reality that major powers support or oppose proliferation not on principles but on sheer expediency. The monopoly of the big five as nuclear powers is by itself a contradiction and a paradox that is not going to change even in the distant future.

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Source: <https://tribune.com.pk/story/2294542/us-revisiting-relations-with-iran>

## **Afghanistan Exit | Editorial**

THE Biden administration has now given a more definite timeline where the withdrawal of foreign forces from Afghanistan is concerned. While the US president had said that it would be “tough” to meet the May 1 deadline agreed upon between the previous US administration and the Afghan Taliban, American officials now say that the withdrawal will be completed by Sept 11. While some may see this as shifting the goalposts, it can also be viewed as a more realistic, achievable date.

Moreover, it is significant that the announcement has come ahead of Afghan peace talks scheduled to be held in Istanbul from April 24. However, the Afghan Taliban have said they will not participate in the event in Turkey “until all foreign forces withdraw from our homeland”. But it is also true that much can change between now and April 24 and we can expect hectic diplomatic activity to make the Istanbul event a success, and bring the Taliban round to accepting the new date.

As has been stressed before in these columns, foreign involvement in Afghanistan has been a major source of that country’s instability, though the Afghan political class and warlords have also played a significant role in the destruction of their homeland. However, the ‘forever war’ cannot continue, and the sooner foreign forces leave Afghanistan and Afghans themselves take responsibility for their country, the better. Washington must stick to the new date and ensure the process is not delayed further. And while the Taliban are talking tough about the latest development, they must show flexibility and continue to negotiate with the government in Kabul.

The fact is that the Istanbul meeting presents a good opportunity for all Afghan factions — the Western-backed government, the Taliban, other political and tribal stakeholders — to try and push the peace process forward and set some doable goals. And it would be a good idea for all factions, particularly the Taliban, to desist from all acts of violence as a major confidence-building measure to show that they come to the Turkish city in good faith. If the Taliban continue to display a rigid stance and decide to boycott the meeting, it may affect the withdrawal of foreign forces, and plunge Afghanistan into more uncertainty.

The fact is that Afghanistan has suffered for decades as powerful local players have refused to compromise and have insisted on hogging power. That has resulted in relentless misery for the people of that country. The US and its Western allies appear to have had enough of the Afghan war — though some Republican figures seem to want the US mission to continue indefinitely — and the onus is now on the Afghans to take control of their destiny and rebuild their country. The weeks ahead will show whether or not the principal Afghan players are willing to take up the gauntlet.

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# **China's Road to Poverty Alleviation By**

## **Azhar Azam**

The economic development of China has been construed as miraculous by many experts, state heads and international financial institutions including the World Bank. By 2010, Chinese average economic growth had reached at about 10% and even exceeded expectations of Deng Xiaoping, the initiator of China's reform programme.

China's transition from a small agrarian society to global economic powerhouse was splendid. Between 1978 and 2019, China's trade as a percentage of GDP had roughly quadrupled. Chinese per capita GDP, which was just one-third of Sub-Saharan Africa, increased 65 times in 40 years with an economy that once accounted for only 5% of the global economy and now contributes to 17% of global GDP.

Forty years ago, about 80% of the country's population was living below the poverty line. The biggest of all successes is undoubtedly China's victory in pulling 800 million people out of poverty as well as providing improved education, health and other services.

Targeted poverty alleviation has been the cornerstone of China's poverty control strategy. The approach, first proposed in 2013, called for the implementation of tailored sets of targeted measures to eradicate poverty and build a moderately prosperous society in the country.

Building Xiaokang topped Xi Jinping's "four comprehensives". In his New Year message in 2016, the Chinese president sought his nation and teammates to join forces and exert combined and concerted efforts to win the key battle against rural poverty to realise the vision of a moderately prosperous society in all respects.

The national approach, among other system designs, encompassed seven institutionalised systems: accountability, policy, investment, assistance, social mobilisation, supervision and assessment. It further established a "five-batch"

policy to take each batch of registered territory out of poverty through industrial development, relocation, eco-compensation, education and social security.

Xi's call sounded a death knell for absolute poverty and rescued the remaining several dozen million rural people out of absolute poverty. The Chinese win against poverty means a lot for the world as Beijing overall contributed to 70% of global poverty reduction and made the key UN Sustainable Development Goal — which came under threat as the pandemic decelerated the poverty escape rate to one-third — more accessible.

After eight years of backbreaking work, the per capita disposable income of the rural poor has doubled from 6,079 yuan to 12,588 yuan and 832 impoverished counties and 128,000 poor villages have been declared poverty-free. Beijing's proposed monitoring system and five-year plan would ensure that these counties and villages do not fall into poverty again.

Extreme poverty in China totalled 98.99 million in 2012. It was zero at the close of 2020, which means the poverty alleviation campaign was backed by the government's quick and substantial resource allocation, allowing Beijing to help more than 30,000 rural residents shake off extreme poverty every day.

While the pandemic exacerbates challenges to global poverty together with conflict and climate change, China didn't break the five-year streak of apportioning 20 billion yuan special funds toward poverty eradication and earmarked 146 billion yuan (about \$22.4 billion) in 2020 including increase. China's investment in the programme over the last eight years has now reached 1.6 trillion yuan (around \$246 billion).

The ambition of a moderately prosperous society was a Gordian knot without providing basic facilities and infrastructure development. By upgrading public services such as education, healthcare and housing — Beijing tapered off core issues of its people and through reconstructing roads, laying rail lines and developing technological infrastructure — the government linked destitute areas with developed parts of the country and the world and aided them to boost their income and skills.

For Chinese minorities, Beijing pooled resources to launch extraordinary large-scale poverty-relief campaigns and implemented development plans. Beijing's

social mobilisation covered all 30 autonomous prefectures inhabited by ethnic communities and strengthened anti-poverty cooperation between east and west China.

Between 2016 and 2020, five minority areas — Inner Mongolia, Guangxi, Tibet, Ningxia and Xinjiang — and three provinces with a large multi-ethnic population — Guizhou, Yunnan and Qinghai — made great strides as the number of poor in all regions dropped by 15.6 million with the abolition of absolute poverty in all 28 minority ethnic groups.

The Chinese government rerouted specialised funds of about 300 billion yuan (\$45.7 billion) to these eight minority zones in the last five years. Almost 45% of the national total addressed income disparities within ethnic minorities and raised their per capita income to 10,000 yuan (\$1,530) in 2020, bringing them at par with and even beyond the international benchmark of ultra-poor.

Some use ifs and buts to play down the Chinese scale of action against poverty but none can take away from Beijing's triumph since they admit that the incomes of rural people and minorities were significantly boosted "out of the toughest standards of living over the last few decades". The UN bodies have lauded the miracle and the World Bank had long-predicted China was on track to eliminate absolute poverty by 2020. As developing countries from Asia and Africa romanticise China's dream growth and seek to learn from it to help their people languished in poverty, there are lessons that could be learnt. A big heart is required from the developed world to unequivocally appreciate the Chinese emphatic win against abject poverty and support international institutions to share the experiences learned.

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# **Debunking China-Iran Comprehensive Agreement By Zafar Iqbal Yousafzai**

Recently, China and Iran formally signed a 25-Year comprehensive cooperation agreement to boost their partnership. The agreement holds great significance for both countries — since they are believed to be adversaries of the US. The agreement contains twenty articles and broadly covers political, economic, security, strategic, military, trade, telecommunication, energy, and cultural areas. Chinese President Xi Jinping visited Tehran back in 2016 during which both the countries had signed a joint statement on deep strategic cooperation. Four years ago, the leading Chinese and Iranian strategists met in Zhongnanhai, the central government of Beijing and Tehran to map out the content and formulation of a treaty that could include the military, economics, energy, communications, industry, infrastructure, science, and education. Now in 2021, both the countries going into deep cooperation could change the balance of strategy and geography in the Middle East in the future.

In October 2020, the UN lifted the arms embargo on Iran under the Joint Comprehensive Plan of Action (JCPOA). This enabled Iran to import regular military hardware. Even though Iran's Foreign Minister Mr. Javad Zarif while addressing the Parliament maintained that Iran does not want or allow China to establish permanent military bases or gain any long-term control of the territory in Iran to secure any economic agreements. However, while developing industrial or infrastructure contracts in Iran, China may seek to provide security for ongoing construction, especially in areas with security risks. Likewise, in the military sector, several developments have been made so far which would significantly enhance their military partnership. These include: expanded military training, naval, naval, and air tests, such as last year's naval exercises in China-Russia-Iran in the Gulf of Oman, and also investment in new military installations and advanced technologies.

Following the lifting of the arms embargo, with an estimated budget of \$15-20 billion to protect Iran's military recruits for naval power, advanced missile development, aerospace technology, and other areas have made Iran's armed forces in the next decade. The strength of the Iranian military industry remains important despite years of the arms embargo being imposed by the US and the



UN. Much of Iran's missile power comes from the production of custom-made missiles, although Iran retains the S-300 missile system purchased from Russia. The country saw the potential of Iranian missiles when the (Islamic Revolutionary Guard Corps) IRGC on January 8 this year introduced 15-22 round arches made of Ayn al-Asad airbase in the Al Anbar province in western Iraq, in retaliation for the assassination of US Qasim Solaimani. Reports examining the Iranian missile attacks have revealed the attack with the highest quality.

In the long run, a Chinese-Afghan-Iranian infrastructure initiative may emerge, pending negotiations with Afghan authorities and Taliban

In the economic sector, the China-Iran agreement is likely to cover a wide range of areas specifically in Iran's energy sector which includes: investment in oil, gas, and petroleum projects along with the provision of new pipelines. Further, Chinese banks can establish Iran's offices, reforms, and support for Iran's national banking sector and its private and public economic sectors. Iranian tourism would also get the benefit of this partnership; requiring investment in new hotels, restaurants, tourism infrastructure, and investment in new airports. Chinese companies would be in a position to enter emerging commercial and private markets throughout Iran. Chinese companies can offer advanced technology, robotics, and AI in a variety of industrial sectors. China and Iran must agree on how to deal with US sanctions to reduce risks in its strategic relationship. While exchange agreements that sell Iranian oil and gas contracts for Chinese industries, infrastructure, and power deals are emerging, other alternatives may emerge from negotiations between China and Iran.

Moreover, Iran's energy sector development is an important part of the industrial sector in the strategic agreement between China and Iran. While China National Petroleum Corporation (CNPC) is issuing an agreement to develop Iran's 11th phase in the South Pars gas sector, which is adjacent to Qatar's share of that gas field, a new strategic agreement between China and Iran could revive CNPC's entry. Currently, the Iranian energy company Petropars is developing Phase 11 in the South Pars gas sector.

A list of new energy deals including oil, gas, petroleum, and renewable energy could follow through a strategic agreement between China and Iran. Chinese companies can also contribute to new oil and gas pipelines connected to existing regional pipeline networks and create new pipelines. In the region, existing

pipeline networks include the Central Asia – China gas pipeline, which connects to China’s west-east pipeline grid which runs from the western part of China to the east and covers approximately 7000 km from Turkmenistan to eastern China. The Tabriz-Ankara pipeline runs 2,577 km from Tabriz in north-west Iran to Ankara in Turkey. The Iran-Pakistan gas pipeline also known as the Peace Pipeline foresaw the construction of a pipeline from the South Pars gas field in Iran to Karachi in Pakistan. However, while the pipeline remains delayed, a strategic agreement between China and Iran may provide the necessary final push to complete the Iran-Pakistan pipeline. Currently, Iranian companies have built the 1100 km Goureh-Jask pipeline stretching from the Goureh Oil Terminal near Busher to Mobarak Mount in the western Jask region along the Sea of Oman, with 1 million barrels per day transfer capacity.

Also, Iran’s telecommunications sector needs reform and new infrastructure. While Iran seeks 5G power, internal issues with Iran’s Islamic Republic of Iran Broadcasting (IRIB) that controls 5G with a power of 700MHz and 800MHz remain as IRIB currently looks unwilling to release the spectrum of future 5G services across the country. When the right internal problems are solved, Huawei’s 5G network would likely gain momentum in Iran. Iran maintains a substantial manufacturing industry producing automobiles, electric appliances, telecommunications equipment, military hardware, industrial components, steel, and manufactured commodities for its energy sector. Chinese industrial players may enter to modernize Iran’s manufacturing industry further. This combined with educational and scientific exchanges and partnerships between Chinese and Iranian universities and research institutes may drive educational, scientific, and innovative advances.

In the infrastructure field, Iran effectively enters into China’s One Belt One Road strategy. Due to Iran’s unique geostrategic location with a 2250 km coastline with the Persian Gulf, Strait of Hormuz, Sea of Oman, and the Caspian Sea; in addition to a vast land border with Iraq, Turkey, Armenia, Azerbaijan, Turkmenistan, Afghanistan, and Pakistan; Iran becomes a vital country in China’s maritime One Road strategy and the land-based One Belt strategy.

Chinese port developers may assume the development of Chabahar Port, which India failed to complete in recent years. Chinese port developers may also develop a range of other ports along Iran’s 2250 km coastline along the Persian Gulf and in the Caspian Sea — which then facilitate port and shipping

connections to Turkmenistan, Kazakhstan, Russia, and Azerbaijan. Combined with port modernization and port terminal development, Chinese infrastructure developers would likely modernize Iran's railway structure with high-speed railway networks. China's strategic infrastructure architecture thinking often combines its maritime ports and port terminals with railways and highways to different inland logistics clusters and special economic zones which form economic corridors enabling supply chain connectivity with countries across vast geographies.

China and Iran may also seek to connect the 3200 km long China-Pakistan Economic Corridor (CPEC) which stretches from Kashgar in the Xinjiang province in Western China to Gwadar in southern Pakistan along the Indian Ocean into Iran's inland infrastructure and maritime port structure networks. This appears increasingly plausible now as Pakistani Prime Minister Imran Khan visited Tehran twice in 2019 to improve Pak-Iran relations further. Building infrastructure in the border region between Iran and Pakistan may also provide economic development in the tense Balochistan region, which has experienced unrest with various Indian backed groups including the Balochistan Liberation Army and the Baloch Liberation Front which regularly clash with Pakistan's security forces. Calming tensions in the Balochistan region through economic and infrastructure development may provide employment and new trade networks unlocking the economic potential of this important border region and herald a new economic era for Iranian-Pakistani relations.

In the longer run, a Chinese-Afghan-Iranian infrastructure initiative may emerge, pending negotiations with Afghan authorities and Taliban, constructing an infrastructure corridor including a railway, highway, and a pipeline structure from Western China across the Wakhan Corridor in eastern Afghanistan through the Hindu Kush mountain range to Iran. This may form one of many initiatives driving Afghanistan's future economic development as US military forces complete their planned withdrawal.

Iran and China may also seek to develop high-speed railway and cargo railway networks across Iran with connections from Iran to Kazakhstan and Turkmenistan, and onward to Tajikistan and Kyrgyzstan, thus connecting Iranian transportation networks to the emerging Central Asian infrastructure architecture. This enables connectivity with the important logistics cluster — Special Economic Zone Khorgos Eastern Gate located 330 km from Almaty on the Kazakh-Chinese

border about four hours from Urumqi, the capital in the Xinjiang province in western China. Connecting China and Iran via Kazakhstan and Turkmenistan in addition to Afghanistan and Pakistan cement economic corridors across Central and South Asia. Fundamentally, the China and Iran strategic agreement forms a geostrategic economic architecture by connecting a China-Pakistan-Iran corridor, a potential China-Afghanistan-Iran corridor, and a China-Central Asia-Iran corridor into a geostrategic China-Iran Economic Corridor (CIEC).

Although China and Iran face various challenges by entering a 25-year strategic agreement, both China and Iran constitute historical trading and merchant civilizations with substantial manufacturing industrial bases and traditions in advanced scientific innovation. This provides a unique historic opportunity for both countries to finally form what may become a new strategic economic theater from East to West Asia for the coming decades transforming the geopolitical equilibrium in the Middle East as it, in reality, negates large parts of the US sanctions regime; propels Iran's economic development eastwards, and grows the economic landscape from China to Iran. This strategic agreement shifts the political equality in Iranian relations with Saudi Arabia because it exacerbates the situation, which Saudi Arabia wants to maintain.

In short, the China-Iran agreement reportedly would likely bring certain benefits to Pakistan even though Pakistan is not the signatory to the agreement. There are widespread deliberate speculations that the China-Iran deal would undermine the CPEC however, these claims are baseless as the nature of CPEC is quite different from the agreement one China signed with Iran. Besides, there is no land connection between Iran and China which makes these claims baseless. Mushahid Hussain Syed had negated these claims last year when the agreement was under discussion. Pakistan can benefit from this deal while playing Chinese cards. The strategic agreement would help Pakistan and Iran to meet the shortfall, improve their commitments, and begin joint efforts in addition to their joint Rapid Reaction Force program to address their joint security concerns. It would oust Pakistan on suspicion of Indian presence in Iran. China's comprehensive agreement with Iran forms the basis for the China-Iran Economic Corridor (CIEC) which could change the strategic equity and geographical structure in the Middle East in the coming years to create a tectonic strategic direction in the east of China.

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Source: <https://dailytimes.com.pk/746018/debunking-china-iran-comprehensive-agreement/>

## **What a U.S. Withdrawal Means for Afghanistan By Carter Malkasian**

In September of last year, peace talks between the Taliban and the Afghan government finally opened in Doha, only to immediately stall. Negotiators have been unable to address even the most basic issues, such as an agenda for a political process, let alone the tougher ones, such as what type of government the country should have. But as representatives of both parties have talked in circles in the Qatari capital, events in Afghanistan have taken a dramatic turn.

The United States has withdrawn thousands of troops from the country in accordance with a deal it struck with the Taliban in February 2020, leaving a security vacuum that the militants have readily exploited. Over the last six months, the Taliban have won major battles and recaptured large swaths of territory, likely incentivizing them to fight on and to shun compromise at the negotiating table. Why agree to share power when you can take it by force?

On Wednesday, April 14, U.S. President Joe Biden is expected to announce that all remaining U.S. troops will depart Afghanistan by September 11, 2021. His administration faced a difficult choice between completing the U.S. withdrawal as agreed with the Taliban and digging in for the long haul with the minimum number of troops needed to suppress the terrorist threat. Both would have been viable strategies. But the worsening situation on the ground, coupled with the poor outlook for the peace process, makes an American withdrawal more compelling. Regardless of what the Biden administration does, it can expect that the Taliban will resist compromise and that the war will continue to rage.

It wasn't long ago that the Taliban were on the back foot. After winning sweeping victories in 2015 and 2016 in Kunduz, Helmand, and elsewhere, they faced three years of heavy casualties and military setbacks from U.S. special operations forces, drones, and airstrikes. The years 2017 through 2019 were bad ones for the Taliban. In a candid moment in 2019, one of the group's negotiators in Doha admitted to me that U.S. airstrikes had killed many Taliban and impeded their ability to capture territory. The 14,000 American boots then on the ground had created a costly stalemate, and the Taliban in Doha readily acknowledged that as long as the United States remained in Afghanistan, they would be unable to

achieve a military victory. This environment offered at least some hope that peace talks could lead to compromise.

But the situation changed markedly in 2020. In February of that year, U.S. President Donald Trump struck a deal with the Taliban to withdraw all U.S. and NATO troops by May 1, 2021, in exchange for certain counterterrorism guarantees, a reduction in violence, and a promise to begin intra-Afghan peace talks. The U.S.-Taliban agreement required the United States to draw down to 8,600 troops within 135 days. But the Trump administration withdrew even more troops than it had promised, making it impossible for the United States to effectively advise Afghan forces and support continued heavy airstrikes. Less than a month after intra-Afghan talks began in September, the United States had drawn down to between 4,000 and 4,500 troops, opening the door to Taliban advances.

Almost immediately, in early October 2020, the Taliban assaulted Lashkar Gah, the provincial capital of Helmand Province, reversing the tentative gains U.S. Marine-advised Afghan forces had made over the last three years. What happened next was worse. On October 27, at the beginning of the pomegranate harvest, 1,000 or more Taliban—Afghan estimates were as high as 3,500—attacked the farms and countryside surrounding Kandahar City, taking control of regions such as Arghandab, Panjwai, and Zharey that had been firmly in government hands since the U.S. surge of 2009 to 2011. Afghan soldiers and police officers abandoned scores of security outposts, allowing the Taliban to seize in two days what U.S. soldiers had spent years fighting to protect. One Afghan from the province told me there were just “too many [Taliban] for the police to handle.” Others said the police weren’t manning their posts to begin with; in one district, only 150 out of 700 police officers were allegedly present.

The U.S. and Afghan forces responded to the Taliban offensive with airstrikes and counteroffensives by special operations forces. “If it weren’t for the airstrikes,” the Arghandab police chief Niaz Mohammed told *The Washington Post*, “the Taliban would not have fallen.” Even so, they advanced to the edges of Kandahar City, which is second in strategic importance only to Kabul.

The Taliban are now on the march. The group may be larger today than it was in 2018, when it numbered between 60,000 and 80,000, and its senior leaders are rumored to have returned to Afghanistan from Pakistan. The group’s fighters are

also well armed and supplied, having captured large stocks of Afghan army equipment. In addition to local cadres, the Taliban field special “red units,” or quick reaction forces, that are trained, often have night vision or optics for their rifles, and are deployed to spearhead major offensives.

On the other side of the conflict, Afghan government forces are in disarray. The Afghan National Army, which is meant to be the country’s backbone of defense, and the blue-uniformed police, which tend to bear the brunt of Taliban attacks, are operating at roughly 50 to 70 percent of their official maximum strength of 352,000, due to a combination of corruption, attrition, and difficulty finding replacements. The most effective Afghan units are the special operations forces, which together with the remaining Americans, hold things together. Yet even the Afghan special operations forces struggle to hold back the Taliban without the help of U.S. advisers and airstrikes. After all, they are up against an enemy that uses suicide car bombs and improvised explosive devices, devastating tools that the Afghan government thankfully does not employ.

The government retains control of the country’s cities, but these are hardly bastions. Taliban and Islamic State (or ISIS) cells have infiltrated Kandahar, Jalalabad, and Kabul—the latter of which has become increasingly fortified. And the inhabitants of these cities are tired. Some minority of urbanites are now willing to tolerate Taliban rule if it means finally achieving peace. As one highly educated peace activist recently told me: “War keeps killing people. Whatever comes with the Taliban won’t be so bad. . . . Why do hundreds of Afghans have to die every week because 2,000 Americans died on 9/11?”

The Taliban’s recent success on the battlefield will almost certainly motivate the group to fight on—regardless of when the United States departs. Taliban commanders now see that battlefield gains are possible, and they will be compelled to continue achieving them. Some openly claim that their objective is total victory. As one senior Taliban commander told *The Washington Post* last month, “This fight is not to share power. This war is for religious purposes in order to bring an Islamic government and implement Islamic law.”

Members of the Taliban political commission involved in the Doha peace talks have been more circumspect, but even their statements have ranged from obstinate to unconstructively ambiguous. Tayeb Agha, who led the Taliban’s political commission from 2009 to 2015, claimed to have advised the late Taliban



leader Mullah Omar that any attempt to reinstitute the Islamic emirate would prolong the war but that the Taliban “would be greatly disgraced” by accepting Afghanistan’s 2004 constitution and sharing power with any elected government. The same sentiment may drive even so-called moderate Taliban today.

Should the Biden administration follow through on its reported plan to withdraw all U.S. troops by September, the Taliban will probably capture most of the south and east of the country in a matter of months. After that, the government could collapse. It is also possible that the government, its special operations forces, and the old Northern Alliance—Tajik, Hazara, and Uzbek leaders—could muster enough unity and grit to stave off the fall of Kabul. Indeed, the Northern Alliance is already rumored to be mobilizing forces to fight.

The problem then would become time. Without U.S. advisers, Afghan equipment would degrade and the country’s special operations forces would be worn down. Politically, the current government, led by President Ashraf Ghani, who belongs to the Pashtun ethnic group, would struggle to justify its rule with the northerners providing most of the fighters. And the northerners themselves may not be what they used to be. Over the past four years, the Taliban have scored victories in the north, raising questions about the old northern allies’ will to fight.

Ultimately, not only Afghans and Americans will determine the course of the war. China, India, Iran, and Russia all have interests in Afghanistan and do not wish to see a Taliban emirate. Iran and Russia have long-standing relations with Hazaras, Tajiks, and Uzbeks who oppose the Taliban. The two countries have been playing both sides for years, arming or at least funding the Taliban as a way to press the United States out of their backyard while publicly rejecting the idea of a Taliban emirate. Interests will shift as the United States departs. The conflict could come to resemble the Libyan and Syrian civil wars, as different regional powers back different sides. Even if such regional intervention is enough to prevent the Taliban from regaining power, the outlook for Ghani’s democratic government will not be good; of all the regional players, only India favors democracy.

Could the forecast be different if the Biden administration were to decide to stay? Yes, but prolonging the American mission in Afghanistan is unlikely to bring peace. The United States could probably prevent the fall of Kabul and secure U.S. counterterrorism interests with between 2,500 and 3,500 troops. Given that

the Taliban gained ground in the autumn, when many more American forces were in the country, the group is likely to advance farther this year regardless of whether a small American counterterrorism contingent remains. With gains in the offing, the Taliban will have little reason to compromise in peace negotiations.

The painful truth is that the United States is leaving behind a war that is now much further from a negotiated settlement than it was even one year ago. That changed reality—along with heightened competition with China, climate change, a pandemic, and other pressing matters at home—makes Biden’s decision to withdraw all American troops all the more compelling.

Source: <https://www.foreignaffairs.com/articles/afghanistan/2021-04-14/taliban-are-ready-exploit-americas-exit>

# **US-China Contest For Influence in Asia By**

## **Asfan Tariq**

The first high level in-person meeting amid US-Chinese officials under the new Biden administration had augmented tensions between the world's two largest economies. The two countries are at odds on many issues, from cyberattacks to trade; the relationship grew steadily worse under former President Donald Trump, who used tariffs to wage a trade war on Beijing thereto.

The Chinese were particularly angry that Washington had imposed sanctions on them the day before the talks, over a crackdown on pro-democracy advocates in Hong Kong. Beijing solicited that the "United States does not have the qualification to say that it wants to speak to China from a position of strength. The US side was not even qualified to say such things even 20 years or 30 years back, because this is not the way to deal with the Chinese people. If the United States wants to deal properly with the Chinese side, then let's follow the necessary protocols and do things the right way. Well, the American people are certainly a great people, but so are the Chinese people."

US officials landed in Alaska after visiting US allies in South Korea and Japan, where the relationship with China was a major topic. US officials, however, say they are still reviewing aspects of US policy on China and intend to continue consulting with America's allies and partners overseas thereof. The US stance was that it "will not stop holding China liable for its actions in places like Hong Kong, where Beijing has cracked down on democracy; its economic coercion of other countries. The US does not seek conflict, but welcomes stiff competition, and will always stand up for their principles, for their people, and for their friends."

Though Beijing has often told the US to stop snooping in "internal matters," the US asserted that such Chinese actions "threaten the rules-based order that maintains global stability. That's why they're not merely internal matters." Beijing meanwhile, warned the United States to back off and accused it of hypocrisy. Beijing said that the United States uses its financial and military might to bully other countries. America has its own long history of human rights problems and foolish actions abroad. "China does not believe in invading through the use of force, or to topple other regimes through various means, or to massacre the

people of other countries, because all of those would only cause chaos and instability in this world.”

On the other side, a couple of days after the Alaska Meet, Iran and China signed a wide-ranging economic and security cooperation agreement as a “strategic partnership” that will last for 25 years. The deal, which was five years in the making, was signed in Tehran, defying US attempts to isolate Iran and advancing Tehran’s longstanding efforts to deepen diplomatic ties outside Western powers.

Details about the agreement weren’t immediately published, nonetheless it was said that Chinese investments will be in projects ranging from nuclear energy, ports, railroads and other infrastructure to transfer of military technology and investment in Iran’s oil-and-gas industry. In return for investments, China would receive steady supplies of Iranian oil, according to Iranian media, adding that the two countries also agreed to establish an Iranian-Chinese bank. Such a bank could help Tehran evade US sanctions that have effectively barred it from global banking systems.

“This cooperation is a basis for Iran and China to participate in major projects and infrastructure development, including Beijing’s Belt and Road initiative, said Iranian President Hassan Rouhani ahead of the signing.

It is therefore asserted that Beijing is expanding influence in its home continent, shrugging off US sanctions and CAATSA whereof. Since establishing diplomatic ties in 1951, China and Pakistan have enjoyed a close and mutually beneficial relationship. Pakistan was one of the first countries to recognise the People’s Republic of China in 1950 and remained a steadfast ally during Beijing’s period of international isolation in the 1960s and early 1970s. The China-Pakistan Economic Corridor (CPEC), one of the most ambitious components of Beijing’s Belt and Road Initiative, was announced to great fanfare in 2015. Since then, it has consistently been held up as a “game changer” for Pakistan’s economy. But the road to completion has proved long and winding. The pace of CPEC projects has been slowing down in Pakistan in the past. At present, it is a dire need of the time for Pakistan to strive hard to work hand in hand with Chinese counterparts on CPEC for regional prosperity and stability in every aspect.

Source: <https://nation.com.pk/17-Apr-2021/us-china-contest-for-influence-in-asia>

## **Saudi-Iran Talks | Editorial**

EVER since the 1979 Islamic Revolution in Iran, ties between Tehran and Riyadh have been increasingly strained, affecting sectarian relations across the Muslim world. While before 1979 both were in the pro-American camp, after the fall of the Shah Iran embarked on a journey to 'export' its revolution, which obviously did not sit well with the Arab monarchies. After over four decades, the relationship remains tense, with proxy conflicts between the two being fought in Iraq, Yemen, Syria and Lebanon. However, despite the starkly different ideologies both camps adhere to, coexistence is possible, should there be a desire to live with each other. A small example of this was recently witnessed in Iraq, where reportedly a low-level meeting between Saudi and Iranian officials was held to discuss the Yemen quagmire. There have been no relations between Saudi Arabia and Iran since the former broke off ties in 2016 after Riyadh executed Shaikh Baqir al-Nimr, a Saudi Shia cleric.

Though the talks in Iraq do not constitute a major breakthrough, they do prove that if both sides wish, engagement is possible. Saudi Arabia is quite keen to extricate itself from the Yemen crisis, where it has failed to dislodge the Iran-allied Houthis. Indeed, these parleys should be built on and carried forward, and perhaps the scope can later be expanded to the greater Saudi-Iranian rivalry playing out across the Middle East. Iraq can be a good interlocutor as it has relations with both sides; elements within its Shia-majority government have deep ties to Tehran, while as an Arab state Iraq shares cultural bonds with the Saudis. In fact it is desirable for states in the region to sort out their own issues. Military invasions and interventions by outside powers have only led to increased misery in the Middle East, while Israel is also keen to play up confessional and ethnic differences. If Riyadh and Tehran persist, they can succeed in establishing cordial relations and putting the hostility of the past behind them.

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# **North Korea Is More Isolated Than Ever Before**

## **By Thomas Byrne**

North Korea's decision to submit a SARS-CoV-2 vaccine order to the GAVI, the vaccine alliance, a United Nations-affiliated entity that helps provide vaccines mainly to poor countries, signaled a dramatic shift in posture. The country had previously turned down South Korean and U.S. offers of humanitarian assistance in dealing with the coronavirus pandemic. Although Pyongyang has yet to report to the World Health Organization a single infection, health experts and former South Korean foreign minister Kang Kyung-wha have been skeptical.

Pyongyang's vaccine order raises some fundamental questions. Is Pyongyang prioritizing its relationship with the rest of the world over China, by reaching out to the international community instead of asking China for access to its coronavirus vaccines? Is this a harbinger of further opening to come? Does it signify domestic reform to prioritize the welfare of its citizens? The answer to all three questions is: probably not. North Korea has a long track record of selectively accepting humanitarian aid from the international community.

Moreover, it has thus far only secured the promise of 1.7 million doses of the AstraZeneca vaccine, which is not enough for the 2.8 million loyal inhabitants of Pyongyang. Not to mention the logistical nightmare of storing the doses in the country.

Does this portend a flattening of pandemic fear in North Korea this spring? Probably not. North Korea was not among the 104 countries that received vaccine doses as of early April, and they likely won't arrive in May, either. North Korea is reaping what it has sowed in shunning engagement with the international community since it was founded more than seven decades ago.

Until North Korea starts vaccinating en masse, the national shutdown which began in early 2020 will continue. The already insular country has closed its borders, cut off tourism and land trade with China—meaning nearly all trade—and locked down its population. More than a year later, much remains the same. No commercial flights have left the country since March 2020, and only 290 foreigners reportedly remain in the country—mostly diplomatic staff in the capital.

Meanwhile, the U.S. State Department has said that the shutdown is preventing international aid groups, including UN agencies, from delivering urgent humanitarian assistance to the country's most vulnerable populations.

The pandemic's biggest impacts on North Korea are economic and social, but not political, given North Korea's totalitarian control. Its economy is crippled and the government is working to re-consolidate control—squeezing what little extra capital it can out of its entrepreneur citizens—the so-called donju. The result is what Kim Jong-un recently described as the country's "worst-ever situation." The prospects for a near-term reopening, no matter how limited, are therefore improbable, as is long-term reform.

The Biden administration, for its part, seems unwilling to soften its position on denuclearization, and its reach-out efforts to North Korea have thus far been rebuffed. U.S. Secretary of State Antony Blinken, on a tour of Japan and South Korea, emphasized the goal of complete denuclearization, which could complicate engagement.

Meanwhile, Pyongyang is growing increasingly secluded. And lacking close ties with even its traditional partners in Moscow and Beijing, Pyongyang is also growing increasingly bellicose. Amidst a global pandemic, North Korea is more isolated than ever before. This spring will not breathe in a new beginning in North Korea.

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Source: <https://nationalinterest.org/blog/korea-watch/north-korea-more-isolated-ever-183181>

## **Climate Action Now By Antonio Guterres**

In this pivotal year for humanity, now is the time for bold climate action. The science is irrefutable and globally agreed: to stop the climate crisis from becoming a permanent catastrophe, we must limit global heating to 1.5 degrees Celsius.

To do this, we must get to net zero emissions of greenhouse gases by mid-century. Countries making up about two-thirds of the global economy have committed to do so. This is encouraging, but we urgently need every country, city, business and financial institution to join this coalition and adopt concrete plans for transitioning to net zero.

Even more urgent is for governments to match this long-term ambition with concrete actions now, as trillions of dollars are mobilized to overcome the Covid-19 pandemic. Revitalizing economies is our chance to re-engineer our future.

The world has a strong framework for action: the Paris Agreement, in which all countries committed to set their own national climate action plans and strengthen them every five years. Over five years later, and with damning proof that if we don't act we will destroy our planet, it is time for decisive and effective action as the UN convenes all countries in Glasgow in November for COP26.

The new national plans must cut global greenhouse gas pollution by at least 45 percent by 2030 compared to 2010 levels. Many have been presented already and set out clearer policies to adapt to the impacts of climate change and boost access to renewable energy. But so far, those plans achieve less than a one percent cut in emissions. This is a true red alert for people and the planet.

In the months ahead, beginning with the upcoming Leaders Summit hosted by the US, governments must dramatically step up their ambitions – particularly the biggest-emitting countries that have caused the vast bulk of the crisis.

Phasing out coal from the electricity sector is the single most important step to get in line with the 1.5-degree goal. Immediate action to remove the dirtiest, most polluting fossil fuel from power sectors offers our world a fighting chance.



Global coal use in electricity generation must fall by 80 percent below 2010 levels by 2030. This means that developed economies must commit to phase out coal by 2030; other countries must do this by 2040. There is simply no reason for any new coal plants to be built anywhere. One-third of the global coal fleet is already more costly to operate than building new renewables and storage. COP26 must signal an end to coal.

As the world moves toward clean air and renewable energy, it is essential that we ensure a just transition. Workers in impacted industries and the informal sector must be supported as they move jobs or reskill. We must also unleash the vast power of women and girls to drive transformation, including as equal participants in governance and decision-making.

The countries that contributed least to climate change are suffering many of the worst impacts. Many small island nations will simply cease to exist if we don't step up the response. The developed countries must deliver on their commitments to provide and mobilize \$100 billion annually by: doubling current levels of climate finance; devoting half of all climate finance to adaptation; stopping the international funding of coal; and shifting subsidies from fossil fuels to renewable energy.

The G7 Summit in June offers the opportunity for the world's wealthiest countries to step up and provide the necessary financial commitments that will ensure the success of COP26.

While governments must lead, decision-makers everywhere have a vital role to play.

I ask all multilateral and national development banks, by COP26, to have clear policies in place to fund the Covid recovery and the transition to resilient economies in developing countries, taking into account crippling debt levels and huge pressures on national budgets.

Many local governments and private businesses have committed to net zero emissions by 2050, and have engaged in significant reviews of their business models. I urge all to set ambitious targets and policies.

I encourage young people everywhere to continue to raise their voices for action to address climate change, protect biodiversity, stop humanity's war on nature and accelerate efforts to achieve the Sustainable Development Goals.

Time is running out, and there is much hard work ahead, but this is no time to raise the white flag. The UN will keep flying our blue flag of solidarity and hope. This Earth Day and over the crucial months ahead, I urge all nations and all people to rise together to this moment.

The writer is the secretary-general of the United Nations.

Source: <https://www.thenews.com.pk/print/823857-climate-action-now>

# **Globalization's Coming Golden Age By**

## **Harold James**

The thought that trade and globalization might make a comeback in the 2020s, picking up renewed vigor after the pandemic, may seem far-fetched. After all, COVID-19 is fragmenting the world, destroying multilateralism, and disrupting complex cross-border supply chains. The virus looks like it is completing the work of the 2008 financial crisis: the Great Recession produced more trade protectionism, forced governments to question globalization, increased hostility to migration, and, for the first time in over four decades, ushered in a sustained period in which global trade grew more slowly than global production. Even then, however, there was no complete reversal or deglobalization; rather, there was an uncertain, sputtering “slobalization.” In contrast, today’s vaccine nationalism is rapidly driving China, Russia, the United Kingdom, and the United States into open confrontation and sowing bitter conflict within the EU. It is all too easy to extrapolate and see a future of “nlobalization”—globalization vanishing in a viral haze.

Over the past two centuries, the course of trade and globalization has been shaped by how governments and people have responded to such crises. Globalization comes in cycles: periods of increasing integration are followed by shocks, crises, and destructive backlashes. After the Great Depression, the world slid into autarky, nationalism, authoritarianism, zero-sum thinking, and, ultimately, war—a series of events often presented as a grim parable of the consequences of globalization’s reversal. Yet history shows that many crises produce more, rather than less, globalization. Challenges can generate new creative energy, better communication, and a greater willingness to learn from effective solutions adopted elsewhere. Governments often realize that their ability to competently deliver the services their populations demand requires answers found abroad.

Modern globalization, for instance, began as a response to social and financial catastrophes in the 1840s. The most recent wave of globalization followed scarring economic disruptions in the 1970s. In both cases, shocks laid the foundation for new international connections and solutions, and the volume of world trade surged dramatically. The truth is that historic ruptures often generate

and accelerate new global links. COVID-19 is no exception. After the pandemic, globalization will come roaring back.

### THE FIRST TIME AROUND

The 1840s were a disaster. Crops failed, people went hungry, disease spread, and financial markets collapsed. The best-known catastrophe was the Irish potato famine, which began in 1845 and led to the deaths of nearly one million people, mostly from diseases caused by malnutrition. The same weather that made potatoes vulnerable to fungal rot also led to widespread crop failures and famine across Europe. In *The Communist Manifesto*, published in 1848, Karl Marx and Friedrich Engels articulated how global integration was driving the world toward social and political upheaval. “The development of Modern Industry,” they argued, “cuts from under its feet the very foundation on which the bourgeoisie produces and appropriates products.”

Europe was a tinderbox. In 1848, it ignited in an inferno of nationalist revolution, with populations rising up in France, Italy, and central Europe. But the economic shock of the 1840s did not reverse the course of global integration. Instead, trade expanded, governments reduced tariff barriers, capital mobility surged, and people moved across continents. Migration was not only a response to social and political immiseration; it also reflected the promise of new prosperity.

Historians now think of the second half of the nineteenth century as the first age of globalization. Food shortages highlighted the need for broad and diversified supply chains, and leaders realized that a modern state needed reliable access to supplies from beyond its borders. In the United Kingdom, the British government initially responded to the Irish famine by importing corn from outside Europe. At the time, *The Economist* argued that “except Russia, Egypt, and the United States, there are no countries in the world able to spare any quantity of grain worthy of mention.”

Historic ruptures often generate and accelerate new global links.

Imports, however, failed catastrophically. This was in part because the new food was unfamiliar, but above all, it was because London couldn't work out how to pay for the goods. Trade deficits generated currency shortages, which pushed up interest rates in the United Kingdom and France. This intensified a manufacturing crisis—itsself the result of a decline in purchasing power caused by surging food

prices. Although the best solution was to sell more goods abroad, that would have required governments to lower trade barriers and open up their markets.

These shortages generated popular demands for more competent governments. Although it was only in 1981 that the economist Amartya Sen's pioneering work on the 1943 great Bengal famine definitively showed that famines are often manmade, that intuition was already widely shared in the 1840s. John Mitchel, an Irish nationalist who emigrated to the United States, concluded, "No sack of Magdeburg, or ravage of the Palatinate, ever approached in horror and desolation to the slaughters done in Ireland by mere official red tape and stationery, and the principles of political economy."

Governments everywhere eventually responded to these demands. That meant learning from successful efforts elsewhere. The United Kingdom enacted a series of civil service reforms, adopting a competitive examination process in place of arcane patronage. The most striking extension of state capacity, however, occurred across the English Channel, where Louis-Napoléon, the nephew of the emperor, was elected president of France in 1848. After a coup and a series of plebiscites advertising his competence and activism, Napoleon made himself president for life and, eventually, emperor—Napoleon III. His policies were designed to show the benefits of an efficient autocrat over divided liberal regimes. He initiated large-scale public works projects—including railroad expansions and Baron Haussmann's famous rebuilding of Paris.

Napoleon also demonstrated his competence by negotiating the Anglo-French tariff agreement of 1860, which reduced duties on important goods traded across the channel. Other countries quickly followed suit and negotiated bilateral trade deals of their own across Europe. But even before 1860, improved communication and transportation meant commerce was surging: global trade in goods accounted for just 4.5 percent of output in 1846 but shot up to 8.9 percent in 1860.

The events of the 1840s also laid the foundation for a wave of institutional changes to address the proliferation of small states with a limited ability to deal with migration. The creation of new nation-states with novel currencies and banking systems, notably Germany and Italy, and administrative reform in the Habsburg empire—ending internal customs duties and serf labor—were all designed to push economic growth. In this context, the American Civil War and

the Meiji Restoration in Japan were also nation-building efforts meant to maximize the effectiveness and capacity of institutions. The abolition of slavery in the United States and feudalism in Japan were profound social and economic transformations. Both upheavals, moreover, led to monetary and banking reforms.

Business competence was also newly in demand. In 1851, the United Kingdom celebrated its industrial strength with the Great Exhibition—an international fair intended to display British ingeniousness and mechanical superiority, as well as the virtues of peaceful commerce. Some of the most stunning products, however, were neither British nor particularly peaceful—among them, the steel cannon, invented by a German, Alfred Krupp, and the revolver, developed by an American, Samuel Colt. British observers saw continental Europeans catching up and overtaking their own country. To the British scientist Lyon Playfair, the exhibition showed “very clearly and distinctly that the rate of industrial advance of many European nations, even of those who were obviously in our rear, was at a greater rate than our own.” He went on: “In a long race the fastest sailing ship will win, even though they are for a time behind.” The event taught world leaders a powerful lesson: international trade was vital for enhancing national performance. Competition was central to generating competence.

The result was an abrupt psychological shift from catastrophism to optimism, and from despair to self-confidence. This new mood initiated the first wave of globalization—its so-called golden age, in which international trade and finance expanded rapidly. Eventually, however, this optimism gave way to complacency, then doubts about the benefits of globalization and increasing disillusion among those left behind (notably European farmers). The upswing came to an end with World War I. That conflict prompted a massive international rebuilding effort that faltered bloodily with the rise of fascism in the 1930s and the advent of World War II.

## A SHOCK TO THE SYSTEM

The makers of the postwar settlement in 1945 had learned a great deal from the mistakes of the last century. They created an extensive framework of international institutions but left substantial economic control in the hands of national authorities. As a result, the end of World War II did not immediately unleash waves of capital mobility like those that had characterized the nineteenth century. Nearly three decades later, however, the dilemmas raised by shortages

and scarcity that had led to earlier versions of integration finally returned—setting the stage for the current era of globalization.

In the 1970s, after two large oil price hikes, the industrialized world saw its way of life threatened. Oil prices had been stable in the 1960s, but a surge in demand taught producers that they could exploit control over the world's most important commodity. Adding to the crunch, the first oil shock, in 1973–74, was accompanied by a 30 percent rise in wheat prices, after the Soviet Union experienced poor harvests and bought up U.S. grain to compensate. Shortages reappeared. Some oil-importing countries imposed “car-free days” as a way of rationing gasoline consumption. As states spent more on oil, grain, and other commodities, they found their balance of payments squeezed. Unable to afford vital goods from abroad, governments had to make hard choices. Many floundered as they tried to ration scarce goods: mandating who could drive cars when or struggling over whether they should pay nurses more than teachers, police officers, or civil servants.

The immediate and instinctual response to scarcity was protectionism. In the United Kingdom, where the balance-of-payments problem appeared earlier than elsewhere, the government tried a domestic purchasing campaign, supported by all the major political parties. Leaders encouraged citizens to wear stickers and badges with the Union Jack and the message “I’m backing Britain.” (The press magnate Robert Maxwell distributed T-shirts with a similar slogan, but they turned out to be made in Portugal.) In the mid-1970s, after the first oil shock, the government briefly flirted with what the Labour Party’s left flank called a “siege economy,” including extensive import restrictions. In the United States, there was acute anxiety about Japanese competition, and in 1981, Washington pressured Tokyo to sign an agreement that limited Japanese car exports. The move backfired, however. Because of the new restrictions, Japanese producers merely shifted their focus away from cheap, fuel-efficient cars and toward luxury vehicles.

Despite these gestures at economic nationalism, the oil shock—paradoxically at first—created more globalization. In conjunction with price increases, a financial revolution driven by the emergence of large international banks transferred huge surpluses accumulated by oil producers into lendable funds. The new availability of money made resources easily accessible for governments all over the world that wanted to push development and growth. International demand thus surged.

In contrast, in the United Kingdom, Labour's siege economy looked like it would cut off access to markets and prosperity.

Familiar historical forces will drive post-pandemic reglobalization.

Thus, crises in the 1970s led to the same realization as in the 1840s: openness produced resilience, and financing needed to be available for trade to expand. The eventual impact was obvious: trade in goods and services, which in 1970 had amounted to 12.1 percent of global GDP, increased to 18.2 percent by 1980. The cycle swung back to globalization once again.

Protectionism in the 1970s also triggered a discussion of whether governments were handling the crisis competently. At first, the debate was personalized and highly caricatured: in the United States, it centered on Richard Nixon's crookery, Gerald Ford's supposed inability to chew gum and walk, or Jimmy Carter's micromanagement. In the United Kingdom, commentators focused on the detached bachelor existence of Prime Minister Edward Heath and then on allegations of cronyism against his successor, Harold Wilson. France went into the oil shock under the very sick President Georges Pompidou, who died of cancer in 1974. In West Germany, the revelation that Chancellor Willy Brandt's closest assistant was an East German spy undermined the country's reputation for competence. His successor, Helmut Schmidt, believed that Germany was returning to the chaos of the interwar Weimar Republic.

The many examples of personal incompetence in rich industrial democracies generated the thesis that such countries had become ungovernable. The political theorist Jean-François Revel concluded that democracies were perishing and that the Soviet Union was winning the Cold War. Autocracies such as Chile under Augusto Pinochet and Iran under Mohammad Reza Shah Pahlavi appeared better suited to handle modern global challenges. The autocrats lectured others about their superiority. In reality, however, they were bloody, corrupt, and, in many cases, spectacularly unsuccessful.

The real insight of the debate over administrative effectiveness was that governments could overstretch themselves by taking on too many tasks. That realization inspired a key tenet of what was later widely derided as "neoliberalism": the belief that if governments took on microdecisions, such as determining wage and price levels (a central part of both Nixon's and the British government's bids to contain inflation), they risked their legitimacy and reputation



for competence. Official decisions would appear both arbitrary and unenforceable because powerful groups would quickly make sure that new settlements favored their interests.

## INFLATION NATION

The shortages of the 1840s and the 1970s both seemed to have an apparent cure: inflation. Inflation can help accommodate shocks, often painlessly. Because people have more cash or bank credit, monetary abundance generates the impression that they can have everything they want. Only gradually do consumers realize that prices are rising and that their money buys less.

In the 1850s, inflation may have been partially unintended. It was largely the result of the 1849 California Gold Rush, which vastly increased the world's gold stock. Price increases were also driven by financial innovation, primarily Europe's adoption of new types of banking that drove money creation, such as the so-called *crédits mobiliers*, which developed industrial lending in France and central Europe. By giving people apparently greater wealth, this increase in the supply of money (and the resulting mild inflation) helped governments appear more competent and made businesses and consumers more confident. It prompted a genuine global surge in production, which generated greater prosperity and security.

After 1971, when Nixon finally severed the link between the dollar and gold, monetary policy was no longer constrained by a metallic standard. In times of crisis, governments could now print more money to drive growth. In many countries, the immediate response to oil price increases was therefore to accommodate the shock through expansive fiscal and monetary stimulus: people could still go on buying. That reaction spurred inflation, which by 1974 had risen to 11 percent in the United States and beyond that in some other countries: in 1975, the United Kingdom's inflation rate reached 24 percent.

Although inflation initially seemed to be the solution to the scarcity problem, it soon appeared in diagnoses of government incompetence. The economist Arthur Okun developed a popular "misery index" by simply adding inflation and unemployment. The metric became an important political weapon. The Democratic presidential challenger George McGovern used it against Nixon in 1972, Carter used it against Ford in 1976, and Ronald Reagan used it against Carter in 1980.

High inflation at first superficially stabilizes societies, but over time, it becomes a threat. Inflation often pushes interest groups—internationally, producer cartels such as OPEC, and domestically, labor unions—to mobilize, organize, and lobby in the hope of acquiring a greater share of monetary and fiscal resources. Depending on the extent of that mobilization, it can pull societies apart, as unions leapfrog each other with aggressive wage demands and inflation erodes the pay and pensions of the nonunionized and the retired. By demonstrating that governments are vulnerable to organized pressure, inflation is thus a destabilizing force in the long term. Indeed, analysts have argued that it was at least in part generalized international inflation in the 1960s that pushed oil producers to organize—leading to the price hikes of the 1970s.

Monetary experiments of this sort created demands for new ordering frameworks. After the surge in economic growth of the mid-nineteenth century, the world internationalized the gold standard to create a common framework for international payments. Although policymakers went a different route after the inflation and liberalization of the 1970s, they were also looking for a return to stability. To end the monetary disorder, central banks targeted a low inflation rate, and governments engaged in new patterns of cooperation abroad—creating the G-5 and then the G-7 and the G-20 as forums for discussing collective responses to global economic challenges. The quest for stability was also aided by the steady march of globalization. Greater global integration lowered production costs and thus helped correct the inflationary surge that initially accompanied the shortage economy. Inflation, which first fueled globalization in the 1850s, was, by the end of the twentieth century, eventually tamed by it.

## PAST AS PROLOGUE

Today, the COVID-19 pandemic has produced a deep economic crisis, but it is different from many past ones. The shock is not a demand-driven downturn, like the Great Depression or the 2008 recession. Although lockdowns have interrupted supply and caused unemployment to soar, there is no overall shortage of demand. Large rescue and stimulus packages in rich countries have generated a financial buffer, and savings have shot up as people spend less. The best estimate is that in 2020, the United States piled up \$1.6 trillion in excess savings, equivalent to seven percent of GDP. People are waiting to unleash their pent-up purchasing power. On top of that, finance ministers and international

institutions are listening to U.S. Treasury Secretary Janet Yellen's demand that "the time to go big is now" when it comes to fiscal relief.

Yet the current crisis does share key characteristics with the crises of the 1840s and the 1970s. The world of scarcity, for one thing, is already here. The pandemic has led to shortages of medical supplies such as face masks and glass vials for vaccine storage. Food prices have soared to their highest level since 2014—the result of a combination of dry weather in South America that has hurt wheat and soybean crops and pandemic-induced shipping disruptions. In the initial stages of the pandemic, laptops became scarce as employees scrambled to update their work-from-home setups. There is also a worldwide chip shortage, as the demand for microprocessors in medical, managerial, and leisure use has increased. Freight rates between China and Europe quadrupled at points in 2020. Steel, too, is in short supply.

Much as the crises in the 1840s and the 1970s did, the pandemic has also raised questions of government competence. At first, China seemed able to deal with the crisis better than its Western competitors—its cover-up of the severity of the pandemic notwithstanding—which prompted many observers to question whether democracies were capable of swift, effective action. Donald Trump's presidency collapsed because of his chaotic handling of the crisis. British Prime Minister Boris Johnson faced a revolt among conservative members of Parliament because of his complex, contradictory, and constantly shifting lockdown rules. The European Commission lost credibility because of its poor management of vaccine purchases. As in the past, citizens personalized the incompetence. Americans debated, for example, how much blame to put on Trump's son-in-law, Jared Kushner, who led part of the response. In the United Kingdom, much of the outrage focused on Dominic Cummings, the prime minister's policy adviser, who had violated the country's lockdown rules.

The challenge of the new upswing in the cycle of globalization will be to find ways to learn and adapt.

For other observers, the unifying theme behind the mismanagement was populism, with Trump, Johnson, Brazilian President Jair Bolsonaro, Indian Prime Minister Narendra Modi, and Philippine President Rodrigo Duterte all botching the response. But even in countries where the crisis has been handled relatively well, there have been surges of protests against the way governments have

reacted to the pandemic. In Germany, “alternative thinkers” protesting new lockdown measures attacked the parliament building in August 2020. Even in Japan, where there is a long tradition of the use of face masks as a hygiene measure, a movement calling itself the Popular Sovereignty Party organized “cluster protests” again mask wearing.

Given these challenges, it’s easy to assume that governments and citizens alike would prioritize nationalization—cultivating supposedly resilient domestic supply chains to hedge against the next crisis. But that’s unlikely to happen. Instead, people are desperately looking for new leadership and new visions. As was true during previous supply shocks, leaders can make a good case for the importance of foreign models: some countries have done much better than others in dealing with the health and economic consequences of COVID-19. Although some of these countries are small or relatively isolated, by most metrics, the country with the most competent response was the biggest: China. That is not without irony, to put it mildly: the country responsible for unleashing the virus has also been a major beneficiary—with some states now looking to Beijing for leadership. But instead of condemning China’s response or demanding reparations for the pandemic’s costs, other countries should consider how to use Beijing’s example, just as the United Kingdom in the 1850s realized that it could learn from foreign producers.

## NO SURPRISES

Familiar historical forces will drive post-pandemic reglobalization. In a world facing enormous challenges, not just the pandemic but also climate change, solutions are global public goods. In 1945, the architects of the postwar order believed that peace and prosperity were indivisible and could not be the property of one nation. Now, health and happiness are the same. Both are impossible for individual states or regions to enjoy alone.

Technology is also transforming a globalizing planet, as it did in the 1840s and the 1970s. In the mid-nineteenth century, the drivers were the steamship, the undersea cable, and the railroad. In the last quarter of the twentieth century, it was computing power: the first widely available personal computers appeared in the early 1980s. Today, data occupies the same position—linking the world and offering solutions to major problems, including government incompetence. New types of information might help leaders attack some of the inequalities and injustices highlighted by the COVID-19 pandemic. More automation might mean

that machines can take on some of the repetitive and dangerous tasks performed by low-paid essential workers. Telemedicine and data-driven public health can trigger faster and more precisely targeted pharmaceutical or medical interventions.

As in past crises, there is also an immediate and powerful global demand for cheap and reliable products. In the mid-nineteenth century, it was foodstuffs, and in the 1970s, it was oil and commodities. In the 2020s, it is medical supplies, data chips, and rare-earth metals. To be resilient to new shocks, these commodities need to be produced and traded internationally, by a multiplicity of suppliers.

Governments and businesses also need to continuously innovate. As it did in the 1840s, isolationism today would mean cutting off opportunities to learn from different experiments. No single country, or its particular culture of science and innovation, was responsible for the development of an effective COVID-19 vaccine—one of the miracles of 2020. Success was the product of intense international collaboration. This story of innovation also applies to government competence. No state can succeed alone. Even if one particular decision is by chance spectacularly successful—say, Germany’s impressive testing record or the United Kingdom’s fast vaccine rollout—it is usually difficult to repeat that success in other policy areas. Policymakers may stride confidently past their first victory, only to slip on a banana peel.

The United States, in particular, may find this a hard pill to swallow. Americans have long been attached to the idea of their country’s superiority, akin to the belief held by the British in the mid-nineteenth century. COVID-19, like the 1840s famines and the 1970s oil shocks, presents both a crisis and a learning opportunity. The United States has coasted on the idea that the world needs the English language and the U.S. dollar. Neither of those assumptions can hold forever. Just as automatic translation technology is increasing linguistic accessibility, a different currency could become a new international standard. The dollar is not an adequate insurance policy or a viable basis for Washington to reject the need for change.

The challenge of the new upswing in the cycle of globalization will be to find ways to learn and adapt—increasing the effectiveness of government and business—without compromising fundamental values. As in the 1840s and the 1970s, financial and monetary innovation, or the tonic of inflation, will drive

transformational change. Memories of crisis will push countries and governments to adapt in 2021 and beyond, just as they have before.

Source: <https://www.foreignaffairs.com/articles/united-states/2021-04-20/globalizations-coming-golden-age>

# **Complicated Afghan Endgame By Maleeha Lodhi**

THE postponement of the US-orchestrated Afghan peace conference marks an early setback for renewed efforts to expedite talks on a political settlement of the conflict. It leaves the nascent peace process in disarray at least for now. The conference co-hosted by the UN, Turkey and Qatar was scheduled for April 24-May 4 in Istanbul. Announcing its postponement until after the end of Ramazan, Turkey's Foreign Minister Mevlüt Çavuşoğlu said that in view of the Taliban's non-participation it was "meaningless" to press ahead especially as there was "no clarity about the formation of delegations and participation".

The conference was being calibrated by Washington with its plans to completely withdraw from Afghanistan. Announcing this in his much-anticipated address on April 14 President Joe Biden boldly acknowledged that nothing more could be achieved by retaining US troops in the country and all would be pulled out by Sept 11. He said once Al Qaeda had been degraded and Osama bin Laden eliminated a decade earlier, the US goal was achieved but its presence in Afghanistan continued for another decade for increasingly unclear reasons. Rejecting the Pentagon's preference for a conditions-based drawdown, Biden said: "We cannot continue the cycle of extending or expanding our military presence in Afghanistan hoping to create the ideal conditions for our withdrawal, expecting a different result."

Under the Doha agreement between the US and Taliban, forged in February 2020, American forces were to fully withdraw by May 1 in exchange for the Taliban commitment to prevent Afghanistan's soil from being used by terrorists and agreeing to intra-Afghan talks. Even before Biden's announcement the Taliban had declared they would not participate in the Istanbul talks and threatened "consequences" if the withdrawal deadline was shifted. Washington probably hoped that by giving a final and unconditional deadline for its departure the Taliban would accept the decision. But the Taliban maintained a tough posture and responded to Biden's speech by reiterating their position that delay in the pullout was a breach of the Doha agreement for which "necessary counter-measures" would be taken. They refused to attend the Turkey conference and said that creating expectations this would yield a peace deal was an effort "to

push the Taliban willingly or unwillingly, to a rushed decision which was needed by America”.

Plans for the ‘Istanbul Conference on the Afghan Peace Process’ had been set in train by the US weeks before its withdrawal announcement. A leaked letter from US Secretary of State Antony Blinken to President Ashraf Ghani laid out key elements of the American proposal. They included a UN-led peace conference in Turkey attended by regional and other ‘partners’ to mobilise a consensus to support the peace plan followed by a meeting between the Afghan parties to finalise a peace deal. A joint statement by the UN, Turkey and Qatar cast the aim of the conference in ambitious terms: “The Conference will focus on helping the negotiating parties reach a set of shared, foundational principles that reflect an agreed vision for a future Afghanistan, a roadmap to a future political settlement and an end to the conflict.”

All stakeholders know if the path of negotiation is abandoned the country will descend into chaos.

Driving this effort with a sense of urgency was, of course, the US in the hope of accelerating the peace talks into making significant progress ahead of its withdrawal deadline. Intense shuttle diplomacy by its special envoy Zalmay Khalilzad in the region was aimed at persuading the Afghan parties to attend the Istanbul Conference and give an impetus to the peace process.

The postponement raises many questions. Is the Turkey peace conference stillborn? Can the peace process be revived? If so, can progress be made to reach a settlement before the US withdrawal? Will the US leave without a peace deal? Will the Taliban wait for the departure of American/Nato forces to strengthen their hand in peace negotiations afterwards?

The answer to all of the above turns principally on the Taliban’s calculation as well as to how much leverage — and interest — the US has to push the peace effort. Indications are that the Americans will remain engaged in diplomatic efforts and seem serious in wanting a peace deal or at least progress towards it before their departure. This would be an important element of face-saving for Washington and also enable an orderly and ‘honourable’ exit. That is why behind the scenes talks are also focused on negotiating a 90-day reduction of violence with the Taliban. As for leverage, while the effectiveness of coercive pressure



has been diminishing with the withdrawal underway, the UN sanctions process remains a source of leverage as de-listing is among the Taliban's main demands. In any case, the Doha accord committed Washington to begin this process once intra-Afghan talks commenced. The US along with the international community can also use economic incentives by holding out the promise of assistance after September. This is also the hope expressed by top US diplomats as well as Pakistani officials.

The Taliban while adopting a tough posture have nonetheless kept space open for engagement and significantly refrained from announcing their spring offensive. The thinking among field commanders may be that all the Taliban need to do is wait it out for the US to depart and there is little value in engaging in peace talks where they will have to make concessions. However, the leadership's calculation may be different. They may feel they have more to gain from resuming the peace dialogue than abandoning it especially as they would not want to risk losing the international recognition and legitimacy they now have. Release of their prisoners and removal from UN sanctions can only be secured through diplomatic engagement. They may also see an opportunity after two decades of military struggle to secure their goal through negotiations — an option that would help them elicit international support and assistance needed in post-America Afghanistan and importantly, offer a better chance of achieving lasting peace.

For these reasons the Afghan peace process is far from being dead even if it faces daunting challenges ahead. All stakeholders, and above all, the Afghan parties know that if the path of negotiation is abandoned Afghanistan will descend into chaos and strife from which no one will benefit.

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