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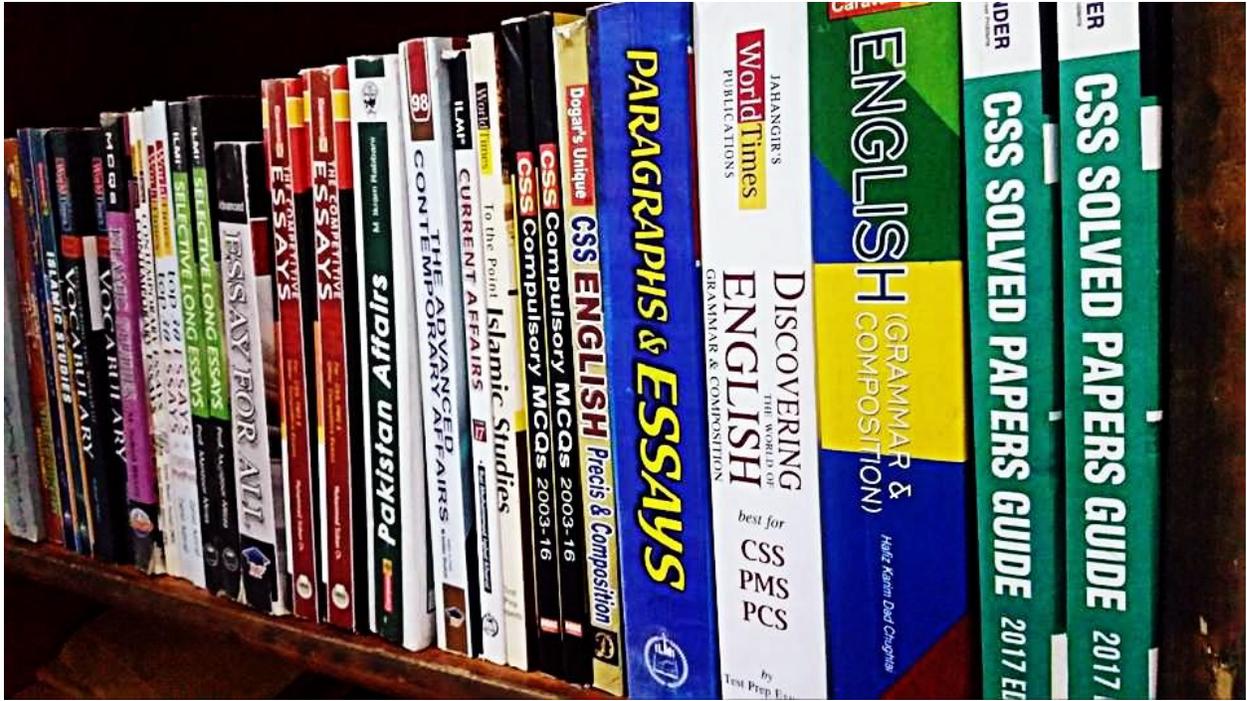
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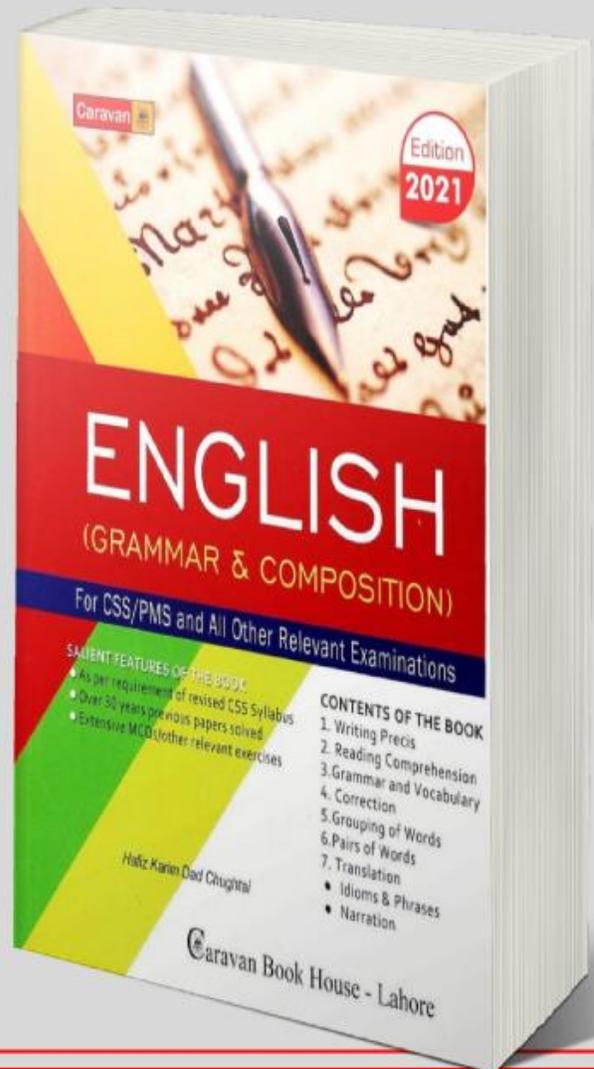
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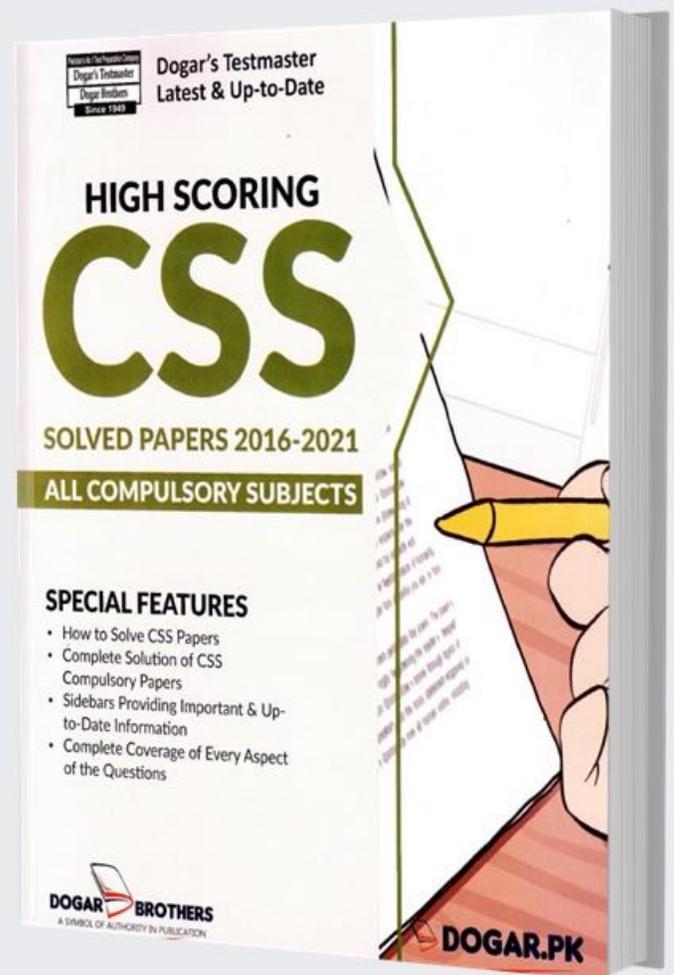
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PAKISTAN

Our Foreign Ties | Editorial

IN the choppy waters of global politics, those states that keep national interest supreme and make deft foreign policy choices — specifically by resisting getting caught up in other people’s conflicts — are the ones that succeed. Of course, various Pakistani governments in the past have failed to adopt such measures, getting the country sucked into Cold War politics, as well as the Afghan quagmire following the Soviet invasion, for example.

Now, as another geopolitical confrontation emerges in the region, pitting the Western camp against China, Pakistan will need to make some tough choices. It is in this context that the prime minister told Chinese state broadcaster CGTN on Tuesday that Pakistan will not join any anti-Beijing grouping. Pakistan “should have good relations with everyone” Imran Khan told the Chinese outlet, while adding that the relationship between Islamabad and Beijing is “very deep”.

The “strange, great rivalry” Mr Khan referred to in the interview points to the emerging Build Back Better World (B3W) scheme that has recently been floated by the G7 bloc of industrialised Western states (and Japan). As American officials have said on record, the plan is designed to counter the Belt and Road Initiative, which CPEC is a part of.

It should be remembered that the prime minister referred to CPEC as the “biggest thing happening in Pakistan” in the aforesaid interview. Along with B3W, the US is pushing the ‘Quad’, a grouping of four states that includes India, to contain China. Considering these geopolitical developments, the prime minister’s concerns are valid, and he has rightly said that Pakistan will not abandon its friends.

The fact is that Pakistan’s relations with China are indeed long-standing, and cannot be sacrificed at the altar of expediency. Beijing has come to this country’s aid at difficult times, and Pakistan values this commitment — although a position of unqualified support to any country merits review.

Having said that, this country also wishes to have cordial ties with the US and to move beyond a transactional relationship that has existed since the Cold War. Therefore, the message to Washington must be clear: we want close relations with you, but Pakistan will not become a party to any rivalries designed to isolate its traditional allies.

In fact, this should be the mantra to guide all foreign policy decisions. Whether it is getting involved in the Arab-Iranian dispute or other prickly foreign policy questions, Pakistan must maintain neutrality and be guided by pragmatism, principles and national interest. For example, Pakistan did the right thing by not getting involved in the Yemen imbroglio in 2015, though the decision had annoyed many of our Arab 'brothers'. At that juncture, the collective wisdom of parliament had saved Pakistan from getting trapped in another quagmire. Therefore, it should be through the democratic process that all future foreign policy questions are settled in a wise and judicious manner.

Published in Dawn, July 1st, 2021

Indo-Pak Rivalry in Afghanistan | Editorial

Indo-Pak tensions threaten to overshadow the reckless American exit from the Afghan quagmire. Not least because India is engaging in clandestine meetings with the Afghan Taliban in Doha; reportedly twice this month, as confirmed by the External Affairs minister. Though Subrahmanyam Jaishankar denies reports that he met Taliban co-founder Mullah Baradar. Ditto the alleged Taliban quip that relations with New Delhi will not be based on Pakistan's wishes.

Be that as it may, Islamabad has rightly rightly denounced the secret powwows. Indeed, National Security Advisor Dr Moeed Yusuf went as far as saying that India ought to be ashamed of itself. After all, the country has always remained steadfast in its refusal to dialogue with the Taliban since the group was not willing to talk to Kabul. That position hasn't altered. So what explains the Indian change of geo-strategic heart?

The world's so-called largest democracy is keen to reach out to all actors, keeping one eye firmly on the post-US scenario. Or so New Delhi would have everyone and their cat believe. But hiss beneath the surface and the more likely answer is that it wants some policy assurances from any new political set-up. The subtext being that the Afghan Taliban would naturally tilt towards Pakistan. Had India engaged in public multilateral diplomacy it would know that Islamabad's appeals to the group to sit down at the Kabul negotiating table fell on deaf ears.

When seen through Pakistani eyes, it looks a lot like New Delhi is abandoning President Ashraf Ghani in his hour of need – despite his allowing Afghan soil to be used by Indian proxies to target this country. This is to say nothing of Islamabad long decrying how both the Indian and Afghan intelligence agencies fund the Tehreek-e-Taliban Pakistan (TTP).

Of course, this message might have been better coming from the Ministry of Foreign Affairs, (MOFA). Dr Yusuf is still a relative political lightweight and his words do not carry as much weight. In fact, it still remains unclear as to why the MOFA left him to defend himself over PPP Chairman Bilawal Bhutto Zardari's baseless allegations over clandestine meetings with Israeli officials. After all, the Ministry was quick to come to the rescue of former Special Assistant to the Prime

Minister (SAPM) on Overseas Pakistanis Zulfikar Bukhari over similar accusations. As for Bilawal, he would do better to put his own political house in order instead of pumping up the volume on all this white noise.

This is not the first time that India has been found with its paw in the Taliban cookie jar. As the NATO Defence College report – ‘Regional Powers and Post-NATO Afghanistan, June 2021’ – confirms. As far back as 2018, India attended a Russia-sponsored peace conference. Fast-forward to 2020, and there was a flurry of diplomacy activity. Namely, attending the formal signing of US-Taliban peace accord in Doha; as well as the inauguration of the Afghan Peace Negotiations (APN), where senior Taliban representatives were also present. And then there was the not un-small matter of Kabul giving its blessing to Indian direct engagement with the Taliban.

All of which suggests that India is doing the American bidding in the region. Sadly. *

Published in Dailymail 2nd July 2021

Words Matter in Foreign Policy By Maleeha Lodhi

FOREIGN policy is serious business and rightly described as a country's first line of defence. Policy formulation and policy articulation both require careful thought and judgement. How policy is publicly articulated can make it more or less effective and impact on relations with other countries. In diplomacy it is essential to know when not to publicly say something and when to speak. Words have consequences, intended or unintended. Words on foreign policy can affect — for good or ill — Pakistan's diplomatic relations, how the world sees us and international opinion. As no line separates what is spoken for domestic consumption and what is heard abroad it is important to carefully weigh words and be judicious in making foreign policy assertions.

These considerations seem to have been ignored in foreign policy statements and interviews by the government's top leaders, causing unnecessary confusion and slip-ups, which are unhelpful for the country. For a start, too many PTI ministers, whose portfolios are unrelated to foreign affairs, voice public views on international issues often at variance with what their colleagues are saying. Consider the recent FATF meeting. At least three ministers in addition to the foreign minister commented on its outcome. One minister even said Pakistan's retention on the 'grey list' was due to its nuclear status! This isn't the only issue on which differing voices have been heard. At a perilous moment in Afghanistan whose fate involves serious implications for Pakistan some ministers have been airing views which don't necessarily accord with official policy.

Consistency in official pronouncements is essential so that clarity in policy is conveyed which leaves no room for doubt about Pakistan's interests and goals and position on specific issues. But this aim is compromised when those holding other portfolios mount the airwaves with little knowledge and only to seek publicity.

Even those responsible for articulating foreign policy should consider if speaking too often — a presser or TV appearance every day — is prudent or productive. Making daily statements minimises their significance. It also heightens the risk of making mistakes and gaffes that result in avoidable embarrassment. This is

evident from the frequency with which remarks by some ministers have had to be clarified or disavowed. Wise political leaders strike a balance between raising their profile and engaging in overexposure. This also applies to those with foreign policy responsibilities. Some explanations are best left to spokespersons.

Whining is not a strategy and enunciation of foreign policy should not be subservient to populist politics.

Another aspect to enunciation of foreign policy by the government has to do with its populist politics and the seemingly irresistible compulsion to play to the public gallery. This phenomenon is also evidenced in other countries where populism holds sway. Of course, it is important to explain policy to the public and build national consensus on foreign policy goals and initiatives. But that is quite different from making bombastic or provocative pronouncements aimed only at the local audience, which have direct implications for Pakistan's ties with other countries.

Again, playing to the gallery is neither new nor exclusive to Pakistani leaders. But like elsewhere, it creates avoidable problems and complications. A populist approach to foreign policy that involves excessive recourse to statements designed to appeal to people's emotions at home can end up with the country being perceived abroad as unpredictable and non-serious in its international dealings. Casting aspersions or attributing malign motives to erstwhile friendly countries hardly helps to advance the country's goals. What is said to a local audience resonates abroad and is consequential.

Another tendency of some ministers is to publicly criticise, even castigate, an otherwise friendly country or multilateral body when they are not supportive of Pakistan's position. At times an assessment reached in in-house discussions — that should stay in-house — is publicly voiced. An example is public criticism of the OIC not long ago. The question is whether a public attack, rather than privately conveying misgivings and mounting pressure, will urge an organisation or country to change course? Or will a public rebuke further reinforce their position?

This also happened with a state with whom Pakistan has a crucial relationship and resulted in a setback that took a year to rectify. The most recent case in point concerns a multilateral body, FATF. For senior ministers to publicly

denounce it for being politically motivated — a view that may be well-founded — is not the way to elicit a positive future outcome from that body. Predictably it prompted a European official (speaking anonymously) to caution Islamabad against making such statements which “were not only counterproductive but also harmful for Pakistan’s interests”. This is not to say that disagreement with statements or reports should not be voiced but it must be done in a purposeful and measured way.

The tone of foreign policy statements sends important signals abroad. Whining is not a strategy. Whining about a decision or lack of international response on an issue of importance to Pakistan will not change the minds of others. But it will expose the country’s frustrations and vulnerabilities to its adversaries. Moreover, a constantly complaining tone is self-denigrating and tiresome for others. Whining only advertises weakness and does nothing to enhance Pakistan’s reputation. Even worse are statements that give an impression of playing victim — a helpless target of ‘international conspiracies’ or unfair policies of others. Again, such sentiments even if justified, are best raised in private because playing victim shows a lack of self-confidence.

A penchant to keep invoking the past and lament how the country was (mis)treated in a relationship has also been evidenced. This is fine for internal assessments about the historical context of a bilateral relationship but it seems pointless to go on and on about it in public speeches. It signals an inability to get past the past and equally the lack of meaningful thinking about the future. Narratives predicated on public lamentations are neither helpful in rebuilding a relationship nor do they mobilise public support for any reset.

Public enunciation of foreign policy in a coherent, confident and dignified way is an essential part of statecraft. It should not be made subservient to populist politics or scoring political points at home at the cost of jeopardising Pakistan’s important relationships with other countries or indeed with multilateral organisations.

The writer is a former ambassador to the US, UK & UN.

Published in Dawn, July 5th, 2021

Pak-Iran Ties | Editorial

Earlier on Sunday, PM Imran Khan telephoned the newly-elected Iranian President, Ibrahim Raisi to congratulate him on his victory, and to discuss key regional issues along with how bilateral ties can be bolstered going forward. The timing of this phone call is important considering how the situation in the region is rapidly evolving, and it presents an opportunity for the two neighbours to navigate key regional challenges in a collaborative manner.

Even though Pakistan has always maintained cordial relations with Iran, the two countries have struggled to consolidate the bilateral relationship due to several external and internal factors. Of late however, both have been cooperating in mutual areas of interest such as security and trade. It was encouraging to see the two leaders touch upon the issue of enhancing economic ties because of the immense potential that remains untapped in that area. Currently, three border markets are being established at Gabd, Mund and Chedgi near the border with Iran with another three coming in the next phase. The opening up of these markets will certainly be of benefit to the citizens residing in the border regions as they will offer plenty of economic opportunities and sustenance.

Regional security dynamics have complicated bilateral ties in the recent past with both the countries imploring each other to do more to stamp out militants sheltering across the borders. But more recently, both Tehran and Islamabad have been working together to weed out militants in border areas and are currently fencing the 959-kilometre barrier—which is expected to reach completion by December this year.

It was also important that the two sides discussed the situation in Afghanistan. With western forces seeking a hasty exit, regional countries like Iran and Pakistan will be required to play a key role going forward. Iran has assumed a proactive role in the peace process and has cultivated relationships with the Taliban and other ethnic groups in Afghanistan—this can be leveraged moving forward to make progress towards a sustainable political agreement. Like Pakistan, Iran too is concerned about the spillover of violence and refugees flowing in across the borders as the security situation worsens. In light of these shared anxieties and interests, the time is just right for the two neighbours to

strengthen bilateral ties and ensure that relations are better insulated from external pressures going forward.

Published In The Nation on 6th June 2021

Pak-Afghan Relations Post-US Withdrawal

By Sheikh Fakhare Alam

On July 1, Pakistan's military leadership briefed the parliamentarians on the emerging landscape in the region, specifically the post-US withdrawal situation in Afghanistan. In the session, policy options for Pakistan are reported to have been discussed comprehensively. The meeting was scheduled in the backdrop of the US pressuring Pakistan to provide it bases to monitor the region.

While analysing the situation it is clear that Pakistani lives cannot be taken for granted. The US has always asked us to "do more" but now is the time to respond with "no more". No other country sacrificed for another like Pakistan did for America. Instead of appreciation, we were criticised by the US. Under the present civil-military leadership, it has been decided that Pakistan will not compromise on its sovereignty. As US forces pull out rapidly from Afghanistan, the country has plunged further into anarchy.

After the demand to host US forces, Prime Minister Imran Khan, in an interview given to Jonathan Swan, stated that Pakistan would "absolutely not" allow the US to use any Pakistani base for any action inside Afghanistan. The message by the PM was loud and clear and was heard across the globe.

It is a fact that the increasing violence in Afghanistan may lead to a new civil war in the country, with serious consequences for the region. Pakistan would be directly affected by this crisis as it is located at the centre of a geopolitical standoff.

In the past, Pakistan was wrongly claimed as a safe haven for Afghan Taliban, fighting against the foreign forces. However, Pakistan's armed forces ended the menace of terrorism from its territory after massive sacrifices. In the present scenario, Islamabad had some bargaining chips to bring the Afghan Taliban to the negotiation table with US officials as some family members of the Taliban live in Pakistan. But this influence seems to be affected by the withdrawal of US troops.

It must be understood that there is no military solution to the Afghanistan issue and using force can complicate things further. Both the Taliban and the Afghan government must find a peaceful solution to Afghanistan's issues. Pakistan has learnt a lesson from the past and it will not side with any particular group. It will continue supporting the group which enjoys the trust and confidence of the Afghan people.

It is a well-known fact that Pakistan hosts over three million Afghan refugees. If the situation further deteriorates, this figure will increase massively. Pakistan has also taken a big step by fencing the border completely in order to avoid any illegal cross-border movement. Pakistan has already sacrificed over 70,000 lives in the War on Terror. The aid given by the US was meagre as the economy has reportedly suffered losses in excess of \$150 billion. The collateral damage led to suicide attacks on the Pakistani army, which killed more soldiers than the US lost in Iraq and Afghanistan combined. Pakistan was unable to develop its tourism sector while foreign investors remained reluctant to invest. Our tribal belt has still not recovered from the horrors of the Taliban invasion. Moreover, allowing US drone attacks only created extreme hatred within the Pakistani and Afghan public for the US.

Presently, Pakistan cannot afford to host US bases. Pakistan understands that if the US, with the help of Nato forces, remained unsuccessful in Afghanistan even after 20 years, then it is unlikely to achieve its objectives through a few bases in Pakistan. Pakistan wants economic development, peace, stability and trade growth in Afghanistan and will be ready to help the Afghan government by all means. It will always play its part to make Afghanistan a peaceful and prosperous state because Islamabad knows that we can change friends but cannot change neighbours.

Published in Tribune on 6th July 2021

Time to Reframe Pak-US Relations By

Jahanzaib Ali

Since the Biden administration took charge of the affairs, the Pakistani authorities have been waiting for a clear South Asian policy. However, it is now time to realise that handling the new team is going to be much different and tougher than the Trump Administration.

Both in his recent interviews and at the floor of the National Assembly, Prime Minister Imran Khan was clearly frustrated. Understandably, because President Biden is not entertaining his request for a phone call for the last six months. He has even tried to snub the American leadership just like he engaged with former US President, Donald Trump. In 2018, PM Khan engaged in a war of words with President Trump on Twitter. It was all about Afghanistan and the sacrifices of Pakistan in the war against terrorism but after that, few meetings between the two leaders melted the ice. Taking on the Biden administration with the same approach might work, but we must remember that the current president of the US was also the vice president in Obama's tenure. At that time, there was a lack of trust, especially after the Abbottabad operation against Osama bin Laden.

It looks like Prime Minister Imran Khan tried to kill two birds with one stone. The recent interview and speech were not only appreciated by hardcore anti-American voters in Pakistan, but they also seemed to have grabbed the attention of the top minds of Washington DC. I was at the White House Correspondents' Association's reception and many of the reporters covering the White House termed his recent interview a hard-hitting approach. Still, they suggested that the withdrawal of American troops from Afghanistan would open the way for a fresh start in US-Pakistan relations.

They were asking me about the civil-military relationship in Pakistan. They were also keen to know the agenda of Prime Minister Imran Khan. I told them the challenges being faced by Pakistan—both nationally and internationally—the campaign against corruption and how Pakistani security forces supported him and his agenda. That was probably the main reason behind his hard-hitting interviews and speeches. I also asked them why President Biden was not making a call to PM Khan. A few of them talked about a lack of trust. Some cited

Pakistan's relations with China and a few others thought about the Indian domination in the White House.

The media in Washington believes that the withdrawal of American troops from Afghanistan would open the way for a fresh start in US-Pakistan relations

However, several experts from the US think tanks and former diplomats observed that Pakistan would soon be very important to the Biden administration in terms of security interests and the US cannot ignore Pakistan.

Former US Ambassador to Pakistan, Richard Olson, said during a discussion held at Hudson Institute that this was the time to "right-size" the relationship. He said that Pakistan would remain important unless the last troop left Afghanistan. "We need the lines of communications open for withdrawal and make sure that the Taliban do not use that to attack us," he said, adding, "Pakistan is critical to prevent that from happening."

Ambassador Olson continued, "There will be an important role for Pakistan, both for the Afghan peace process and for what I hope will be a regional peace process."

He spoke of the need to build a relationship that did not emphasise so much on the security and counter-terrorism aspects of the relationship and focused instead on economic and commercial issues and people-to-people ties.

Atlantic Council Fellow, Shuja Nawaz, was also a part of the discussion. He noted, "the dysfunctionality inherent in the nature of relationship."

According to him, "The US-Pakistan relationship is really a tale of two misalliances: misalliances between United States and Pakistan, an unequal marriage with both sides resentful of each other. And misalliance inside Pakistan, between civil and military."

Nawaz also emphasised that this time it was critical that the US did not make the Pakistani military "its primary interlocutor" and instead helped Pakistan become a democracy; strengthening its relationship with the civilians and civil society.

He pointed out that even if there was no Afghanistan, Pakistan would have been an important ally for the US and the West. Because after all, he noted, it was one of the largest Islamic states in the world; nuclear power and was strategically located—bordering China, India, Iran and overlooking the Arabian Sea and the Persian Gulf.

Center for Strategic and International Studies Senior Associate, Ambassador Robin Raphel, called for an appropriate and realistic proportion in the relationship. He believed in putting the relationship on a more modest plane to make it more stable and sustainable.

Center for a New American Security Senior Fellow, Lisa Curtis, voiced concern about what she saw as the absence of converging strategic interests. She was of the view that currently, there was no convergence of interests between Pakistan and the US on Afghanistan and China.

Another scholar, Dr Joshua White of John Hopkins School of Advanced International Studies, warned that this time around, there was no support within the US for large-scale financial payments or security assistance to Pakistan in return for a secret arrangement. Keeping a secret alliance seemed more difficult because of the close Pakistan-China relationship and a strong India-US partnership, he added.

The writer is a Washington-based journalist and author. He has been covering international politics and foreign policy for the last 15 years. He can be reached at jahanzaibali1@gmail.com and [tweets@JazzyARY](https://twitter.com/JazzyARY)

Published in Dailytimes on 7th July 2021

Kashmir: World's Most Forgotten Conflict

By Dr Ghulam Nabi Fai

The people of Kashmir are making an earnest appeal to humanity at large, and the world powers in particular, to pay heed to the long-standing wishes and aspirations of the Kashmiri people as they observe 90th anniversary of the Martyrs Day of July 13, 1931.

It was on the tragic day on July 13, 1931 that the foreign occupying Dogra troops shot dead 22 Kashmiris, in cold blood, in front of Srinagar Central Jail.

July 13th is forever scarred in the collective minds of the Kashmiri people as the day when the freedom movement was greeted with bullets.

Since that ominous day, Kashmiris have organized peaceful protests, seminars and conferences throughout the world. They believe that their suffering has not ended despite the end of the despotic Dogra dynasty rule.

The fate of Kashmiris changed for the worse, as it has been replaced by tyrannies of successive Indian regimes with various garbs of democracy.

But, the tyranny in Kashmir under the Hindutva nationalists has reached a new and unprecedented level of inhumanity.

No one will be allowed to venture out on July 13th, 2021 to commemorate the event and pay tribute to the heroes of Kashmir history.

But global Kashmiri Diaspora will observe the solemn Day to reaffirm their resolve to continue their struggle for self-determination, and to pay homage to over 100,000 innocent men, women and children who have and continue to sacrifice their lives for freedom of their beloved land over the 90 years since that fateful day.

The people of Kashmir clearly have little faith in or respect for the so-called Indian democracy, and India hasn't the slightest idea how to earn it.

Kashmir is back to the same square one. Killings, chaos, confusion, turmoil, uncertainty and dark nights. There is suffering everywhere.

There is darkness everywhere. At the same time, the studied unconcern by the world powers has given a sense of total impunity to Indian army in Kashmir.

It has also created the impression that the international community is invidiously selective about the application of the principles of human rights and democratic values.

So much for the heart and possibly even more so the soul of the world powers

One can only recall the quote in Matthew and the betrayal of Jesus, "When Pilate saw that he was accomplishing nothing, but rather that a riot was starting, he took water and washed his hands in front of the crowd, saying, "I am innocent of this Man's blood; see to that yourselves."

The world powers have walked away from the slaughter in Kashmir and washed its hands of it, and the world body has told India, "it's your problem. See to that yourselves."

The pro-freedom leadership, including Syed Ali Geelani and Mirwaiz Umer Farooq were detained and are not able to go out of their houses for 11 and 2 years respectively.

Mohammad Yasin Malik, Shabir Ahmed Shah, Musarat Alam and other political leaders are languishing in various jails where they are being subjected to torture, isolation and healthcare deprivation and unhygienic crowded conditions.

They are facing added fear of Covid-19 pandemic which is raging among jail staff and security forces.

Modi regime's goal is to totally decapitate the political leadership of Kashmir and it can trample any norms of decency and human rights.

Nevertheless, the people of Kashmir have sent a loud and clear message to the world community that the Kashmir issue is not about governance or economic packages or financial incentives as proclaimed by Narendra Modi, the Prime Minister of India when he abrogated Articles 370 & 35-A on August 5, 2019.

They want the world to know that the youth of Kashmir are dying on the streets, not asking for jobs and roads.

What is their actual demand? It is the demand of the people's right — the right to self-determination." As the slogan that has now become talk of the town declares, "We want Aazadi and nothing else but Aazadi."

Meanwhile the U.S., the sole superpower in the world which must bear the responsibility for setting the moral tone through disciplined and rightful leadership, sits back and does nothing.

Such a behavior poorly disguises the financial incentives that have opened India up to USD \$500 billion in American investment during the coming five years.

Lack of concern about the matter is reflected in the US State Department's Human Rights Report which has not and does not keep official records on killings by Indian forces in Kashmir occurring under the Armed Forces Special Protection Act (AFSPA).

They don't track them. Yet its own website, while alluding to the Universal Declaration of Human Rights, declares so glibly, "We see it as fundamental to our own interests to support a just peace around the world — one in which individuals, and not just nations, are granted the fundamental rights that they deserve."

President Biden so eloquently said on February 4, 2021, "We must start with diplomacy rooted in America's most cherished democratic values: defending freedom, championing opportunity, upholding universal rights, respecting the rule of law, and treating every person with dignity."

Secretary of State, Antony J Blinken spoke on February 24, 2021 that "President Biden is committed to a foreign policy that unites our democratic values with our diplomatic leadership, and one that is centred on the defence of democracy and the protection of human rights."

Then by remaining silent, the US is in fact declaring, though inadvertently that Kashmiris have no fundamental rights and do not deserve them.

Otherwise, how can you explain it to a Kashmiri when President Biden says, “The United States must lead not just with the example of power, but the power of our example.”

President Biden may take a leaf from President Obama who said on July 10, 2009 at L’Aquila, Italy, “We don’t want stronger nations bullying weaker nations.

On the other hand, where you have nations that are oppressing their people, isn’t there an international responsibility to intervene? The world powers need to know that the situation in Kashmir in 2021 is totally different from the past.

It is a youth-driven mass movement with social media savvy. They are educated and enthusiastic to achieve their birthright— the right to self-determination. The right to decide that was pledged to them by India, Pakistan and the world community.

The desire for self-determination is the one very big “element” India should be concerned about, yet continues to pretend to the world that it does not exist.

However long India refuses to acknowledge it, the decades-old movement in Kashmir will not simply die out.

—The writer is the Secretary General of World Kashmir Awareness Forum.

Published in pakobsever on 20th July 2021

Pakistan's Tough Foreign Policy Challenges

By Kamran Yousaf

Earlier this year at the Islamabad Security Dialogue, a brainchild of the national security adviser, Pakistan's civil and military leadership announced a new vision for the country. PM Imran Khan and Army Chief General Qamar Javed Bajwa agreed that Pakistan needed a paradigm shift in its policy to transform Pakistan from geo-strategic to a geo-economic hub. There was consensus that Pakistan needed to leverage its strategic location for economic gains. But this transformation was not possible without overhaul in our internal and external policies. It was one reason Pakistan started talking to India, albeit quietly, to lower the tensions. The backchannel talks resulted in the agreement by the two neighbours to restore ceasefire along the LoC which had been the scene of the worst clashes over the past many years. The idea behind seeking rapprochement with India was to have a peaceful neighbourhood — a prerequisite for moving to geo-economics.

While efforts were on to lower tensions with India, Pakistan was hoping for a peaceful end to the 40-year unrest in Afghanistan that held back the country's development. Pakistan has played a vital role in facilitating and brokering the Doha deal and intra-Afghan talks. The plan was for a smooth transition once the US and Nato forces withdrew from the war-torn country. The political solution to the Afghan war would also allow Pakistan a broad-based relationship with the US, one that would not be solely focused on security. An apparent ease in tensions between Iran and Saudi Arabia has given an opportunity to Pakistan to take full advantage. Imagine if efforts to seek rapprochement with India were successful, the Afghan war ended peacefully, relations with Iran saw a new push after revival of the nuclear deal and ties with China further deepened — Pakistan's plan to market the country as a geo-economic hub would have become a reality.

But developments of the past few weeks suggest that Pakistan's challenge on the foreign policy side will only get more daunting. The push for easing tensions appears to have backfired. After initial successes such as the LoC truce and lowering of rhetoric, the situation is now back to square one. The blame game has restarted as Pakistan publicly held India responsible for the Lahore attack,

and India admitted it made sure Pakistan remained on the FATF 'grey list'. All this means that backchannels failed to make any headway.

On Afghanistan, the unfolding situation was not what Pakistan hoped for. Despite recent talks in Doha between the Afghan government and Taliban, the prospects of a peaceful end to the war are grim. Tensions are also deepening between Pakistan and Afghanistan. The recent 'kidnapping' of Afghan ambassador's daughter led Kabul to recall its envoy. President Ashraf Ghani and certain leaders continue to blame Pakistan for the Afghan mess. The US is also not willing to expand cooperation with Pakistan beyond Afghanistan. Many months have passed yet President Joe Biden has not spoken to PM Imran. Despite Pakistan's centrality to the Afghan issue, the US Secretary of State is visiting India. If that was not enough Pakistan's time-tested ally China is not happy either after the Kohistan bus incident in which nine Chinese were killed.

In a nutshell, nothing is working on the foreign policy front. What has compounded the problem is deep political divisions discouraging internal consensus. The recent in-camera briefing arranged for parliamentarians was a good step but the PM's absence suggested lack of seriousness on the government's part to develop minimum consensus on the impeding foreign policy challenges. For now, it seems Pakistan's foreign policy will be determined by events unfolding in the region rather than its desire to seek a transformation.

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Achievements Challenges of Sino-Pak Ties in New Era By Min Li

FROM the Cold War in the 1950s to the end of the Cold War in the early 1990s and the war against terrorism in Afghanistan since the 21st century, over the past 70 years, Sino-Pakistani relations have withstood the test of the changing international landscape and remained rock-solid and unbreakable.

Sino-Pakistani friendship is a textbook example of countries with different ideologies, histories and cultures can not only peaceful coexistence but also in close friendship.

Since the 18th National Congress of the Communist Party of China (CPC), the CPC Central Committee with Comrade Xi Jinping at its core has made bold efforts to promote innovation in both theory and practice, deepened our all-dimensional diplomatic agenda, and led major-country diplomacy with Chinese characteristics to new heights.

President Xi Jinping paid a historic visit to Pakistan in April 2015, elevating bilateral relations to an all-weather strategic cooperative partnership, Sino-Pakistani friendship entered a new era.

Firstly, the proposal of the China-Pakistan Economic Corridor (CPEC) in 2013 shows that the importance of Pakistan in China's national development strategy and diplomatic strategy has reached an unprecedented height, and the national development strategies of the two countries will be further closely linked and mutually supportive.

In 2013, Chinese President Xi Jinping put forward the cooperation initiative of building the "New Silk Road Economic Belt" and "21st Century Maritime Silk Road", then the Belt and Road Initiative has become China's national development strategy in the new era, which embodies China's concept of development and world view.

The construction of "Pakistan Economic Corridor", which was proposed almost at the same time, was praised as the flagship project of the "One Belt And One

Road” initiative due to its significance in the “One Belt And One Road” initiative and the special friendly relationship between the two countries.

The China-Pakistan Economic Corridor aims to consolidate the foundation of China-Pakistan all-weather strategic partnership through promoting and deepening cooperation in our two countries’ energy, security, economy and other fields.

The construction of the China-Pakistan Economic Corridor is closely linked to China’s industrial restructuring and transformation of its economic development model in the new era, and is closely linked to the stability and development of China’s western areas.

The CEPC is an important channel and platform for China to expand opening-up and cooperation to the westward.

The CPEC will directly boost Pakistan’s industrial, energy and infrastructure development and elevate Pakistan’s important position in geopolitics and energy security.

The construction of the China-Pakistan Economic Corridor has closely linked the national development strategies of China and Pakistan.

As the world’s second largest economy and the largest trading country, with rich experience in development and reform, comprehensive and sound modern industrial system, huge overseas investment capacity, China can and should play a more active role in Pakistan’s economic development and national construction.

This is not only the consistent commitment of China to peace, stability and prosperity regionally and globally, but also it’s the reflection and inevitable outcome of China-Pakistan friendship.

According to some reports, the investment about China-Pakistan Economic Corridor has increased from US \$42 billion to US \$54 billion, which is not only the largest single Chinese investment overseas in history, but also brings unprecedented overseas investment and comprehensive industrial development

plan for Pakistan. We are on the threshold of a new era of Sino-Pakistan all-weather strategic partnership.

With the promotion of the construction of China-Pakistan Economic Corridor, the partnership between China and Pakistan will expand from the high-level politics to the low-level ones, from fields of politics and diplomacy to economy, trade, culture, educational cooperation and people-to-people contact.

Secondly, from the China-Pakistan Economic Corridor to the “One Belt And One Road” initiative, from the China-Pakistan Community of Shared Future to the Community of Shared Future for Mankind, these proposals demonstrate that Sino-Pakistan relations have unique value and significance in the practice and theory of China’s diplomacy, and that Sino-Pakistan friendship has implications to global governance and establishing a new kind of international relations.

Ideas of the Belt and Road Initiative and the Community of Shared Future for Mankind embodies a concentrated reflection of China’s thinking and exploration to the world and regional peace and development in this change and turbulence times.

It is a kind of practice and exploration by China to deal with hegemonism, unilateralism, trade protectionism, anti-globalization trend, global climate change, non-traditional security threats and other issues that increasingly threaten peace and development of the international community.

On the basis of the Five Principles of Peaceful Coexistence, the experience and practice of Sino-Pakistan relations over the past 70 years of mutual support and joint progress have enriched and inspired the innovation and development of China’s diplomacy.

In January 2021, Chinese President Xi Jinping pointed out at the Davos Agenda Dialogue that “The problems facing the world are intricate and complex.

The way out of them is through upholding multilateralism and building a community with a shared future for mankind.”

At the Boao Forum for Asia in April, Chinese President Xi Jinping further emphasized that China will act in the spirit of openness and inclusiveness as we work with all willing participants to build the BRI into a pathway to poverty alleviation and growth, which will contribute positively to the common prosperity of humankind.

Obviously, in the face of a complex world situation, anti-globalization trend, the rise of populism in the world and the perplexity of non-traditional security issues such as climate change and public health, building a community with a shared future for mankind and jointly building the “One Belt And One Road” is the path and hope for mankind to cope with these threats and challenges.

These proposals have contributed Chinese wisdom and solutions to protecting world peace and promoting common development.

So in a large sense, the theory and practice of the CPEC and the building of the China-Pakistan Community of Shared Future have provided theoretical basis and practical experience for China to put forward the Belt and Road Initiative and the Community of Shared Future for Mankind with more global significance, deeper connotation and rich extension.—To be continued.

—The writer is a PhD associate research fellow, Director of Research Centre on Pakistan, China (Kunming) Academy of South & Southeast Asia Studies.

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ECONOMY

Is Global Economy on Right Track? By Rashid A Mughal

THERE are no two opinions about the health of the global economy which suffered a severe blow during last one year, while Covid19 played havoc with human lives throughout the world.

But the good news are that the global economy is recovering faster than expected from the corona virus pandemic, the International Monetary Fund (IMF) recent report says.

“The world economy is now expected to grow by 6% this year and advance another 4.4% in 2022, sharp increases from the 3.3% decline last year during the worst months of the pandemic that spread across the globe after originating in China in late 2019”, says the report.

Chief IMF economist said in Washington recently that “improved economic outlook reflects the additional fiscal support provided in the United States, UK, Europe and other major economies.

Global vaccination efforts are going to lead to a strengthening of recovery in the second half of this year, and also the continued resilience of economic activity to the pandemic in many parts of the world.”

But IMF stressed that there still is a high degree of uncertainty in the IMF’s projections because the pandemic has yet to be defeated, and the number of virus cases is accelerating in many countries.

There are varying recoveries across borders into different countries and within individual countries.

The IMF said “economies with slower vaccine rollout, more limited policy support and more reliant on tourism do less well. The biggest risk right now is still the pandemic.

If there are new virus variants that evade the vaccine, then that could lead to a sharp downgrade. But if, on the other hand, there’s faster rollout of vaccinations, then that could uplift the outlook.

IMF says the second big risk is to financial conditions. We see multispeed recoveries, and we have seen interest rates go up.

If interest rates go up even further in a more disorderly fashion, then that could have negative implications for several countries, especially for some highly vulnerable emerging and developing economies.

Government officials, as has been the case in the US will need to continue supporting their economies with aid that is likely to lead to higher debt levels than prior to the pandemic.

Better economically targeted measures are particularly important and might be needed for a prolonged period.

Given that we are not out of the woods, it is very important for policy support to be continued in this crisis.

Of course, countries are dealing with high debt levels, so they’ll have to make sure this support is better targeted and well-tailored to countries’ specific economic conditions, the stage of the recovery they are in and the structural characteristics of the economy.

IMF urged central banks to “remain accommodative” in providing extra money for their national economies.

While the economic growth in the West is encouraging and promising, mainly due to stimulus packages, future lives in the Middle East, says Bloomberg.

Though it is critical of how players in the Middle East engage and participate in the global financial system, connecting them to global equity markets and helping facilitate inward investment.

“From the development of the region’s fixed-income market to the electronification of trading, from new standards in corporate governance to advances in sustainable finance, we are working with global and local leaders to strengthen the region’s evolving financial ecosystems.

As market data, analysis and insight become more important and regulatory data needs grow, access to quality data through less fragmented sources is rising up the agenda of CDOs and global data leaders across the Middle East.

With our comprehensive data sets, best-in-class data distribution and unified data model, more and more firms are turning to Bloomberg to manage all their data requirements”, it says.

Today, the Bloomberg Terminal remains at the cutting edge of innovation, delivering fast access to news, data and trading tools from any internet-connected PC or mobile device — and helping its subscribers turn knowledge into action.

Economic growth is picking up in the Middle East, despite escalating social unrest, elevated geopolitical risks, and more fiscal stimulus in oil-rich economies.

The global trade-war escalation and knock-on oil-price hit will weigh on Middle Eastern bank shares, though government spending and further M&A in the U.A.E. should underpin momentum. In Saudi Arabia non-oil growth has been anemic since 2016, expanding by less than 2.5%.

But the latest data show the economy is on track to break through this threshold as the fiscal stimulus could finally show up in the growth numbers due to a lower drag from monetary policy and improved private consumption.

In terms of Gulf banking trends, improving business sentiment this year and increased government spending are likely to support a stronger lending outlook for the UAE, Saudi and Kuwaiti banks.

Digital transformation and consolidation underpin the industry's prospects. Countries around the world are eager to position their domestic industries to benefit from digital technologies..

According to World Bank, Global growth is expected to accelerate to 5.6% this year, largely on the strength in major economies such as the United States and China.

And while growth for almost every region of the world has been revised upward for 2021, many continue to grapple with COVID-19 and what is likely to be its long shadow.

Despite this year's pickup, the level of global GDP in 2021 is expected to be 3.2% below pre-pandemic projections, and per capita GDP among many emerging market and developing economies is anticipated to remain below pre-COVID-19 peaks for an extended period. As the pandemic continues to flare, it will shape the path of global economic activity.

A year and a half since the onset of the COVID-19 pandemic, the global economy is poised to stage its most robust post-recession recovery in 80 years in 2021.

But the rebound is expected to be uneven across countries, as major economies look set to register strong growth even as many developing economies lag.

Growth among emerging market and developing economies is expected to accelerate to 6% this year, helped by increased external demand and higher commodity prices.

However, the recovery of many countries is constrained by resurgences of COVID-19, uneven vaccination, and a partial withdrawal of government economic support measures. Excluding China, growth is anticipated to unfold at a more modest 4.4% pace.

In the longer term, the outlook for emerging market and developing economies is likely to be dampened by the lasting legacies of the pandemic – erosion of skills from lost work and schooling; a sharp drop in investment; higher debt burdens; and greater financial vulnerabilities.

Growth among this group of economies is forecast to moderate to 4.7% in 2022 as governments gradually withdraw policy support.

Among low-income economies, where vaccination has lagged, growth has been revised lower to 2.9%. Setting aside the contraction last year, this would be the slowest pace of expansion in two decades.

The group's output level in 2022 is projected to be 4.9% lower than pre-pandemic projections.

Fragile and conflict-affected low-income economies have been the hardest hit by the pandemic and per capita income gains have been set back by at least a decade.

— The writer is former DG (Emigration) and consultant ILO, IOM.

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Pakistan's Economy: What's Next? By

Hasaan Khawar

Pakistan has been getting quite a lot of good news lately on the economic front. The country posted impressive growth numbers for the last financial year.

The large-scale manufacturing sector grew by more than 14% during July 2020 to May 2021, on the back of astounding growth in automobile, textile, pharmaceutical and chemical sectors. Pakistan received record remittances of \$29.4 billion during the last financial year. The country has 'almost' completed the FATF action plan, with only one outstanding action. And the vaccination drive and handling of the pandemic have been truly impressive, mitigating the adverse economic impacts. Yet the economic uncertainty is far from over.

Inflation remains high. Trade deficit has bounced back. The circular debt keeps piling up. And debt-to-GDP ratio remains in the red zone. Pakistan's recent economic recovery therefore remains fragile, especially in the wake of the impending fourth wave of Covid-19.

Going forward, Pakistan's short-term economic trajectory would depend upon three things: the country's revenue performance, its current account balance, and the fate of the IMF programme.

On the revenue side, the government has set an ambitious target of Rs5.8 trillion for FBR to finance the expansionary budget to provide a much-needed stimulus to the economy. The realisation of this ambitious target in turn would depend on a host of revenue and enforcement measures. While this target is not impossible to achieve, a more realistic assessment suggests that FBR may fall short of this target by Rs300 to 400 billion. Besides tax revenues, meeting the targets for other revenue sources would also be critical to keep the fiscal deficit in check, such as proceeds from privatisation and petroleum development levy. Any shortfall on the revenue front can take a toll on the promised development spending and may even necessitate introducing a mini budget in the next few months.

Then comes the current account. So far, the healthy remittance inflows have really helped the current account to end up in green, despite the trade deficit touching \$30 billion. With growth bouncing back, the imports are likely to swell, further widening the trade deficit. What remains to be seen is if the remittances can maintain their healthy trajectory to compensate for rising trade deficit.

The increase in remittances can be attributed to the pandemic that greatly restricted international travel, a crackdown on hawala/hundi under the FATF action plan and various measures by the government such as incentivising the use of formal banking channels. But considering that remittances from Saudi Arabia, UAE and GCC countries grew only by 9 to 16%, whereas those from UK, US, EU posted 50+% growth, indicates that at least some part of these increased remittances would evaporate once air travel is fully open.

On a monthly basis, the CAD has already touched \$632 million and if it continues like this, the rupee can face more pressure leading to devaluation.

The fate of the IMF programme will also play an important role in deciding the near-term prospects of our economic future. Given our external financing needs, Pakistan cannot afford to walk out of the IMF programme. This means that not only will we have to comply with our revenue target but may also have to create additional fiscal space and move the needle on structural reforms. The country would therefore be facing a delicate balance, as too much of tightening could disrupt the efforts to stimulate growth, but too little effort would disrupt the IMF programme.

Besides these economic factors, the rapidly evolving situation in Afghanistan and the looming threat of a fourth wave can also affect some of these calculations. However, once Pakistan successfully navigates its way through these challenges, the medium-term economic future for the country looks bright.

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From Stability Onwards to Growth By

Muhammad Zahid Rifat

NEW federal budget for financial year 2021-22 has quite expectedly sailed through smoothly through the National Assembly, passed on the second last day of last financial year on June 29 and budgetary measures have already got in action throughout the country in the right earnest hopefully.

This was PTI led coalition government's third budget which was presented by its fourth Finance Minister Shaukat Tarin as a successor to Asad Omer, Dr Hafeez Shaikh and Hammad Azhar.

His full name, which is not known to many around, is Shaukat Fayaz Ahmed Tarin and he has previously also shouldered the heavy responsibility as the Minister for Finance and Revenue though the ruling party was different. The incumbent PTI led coalition government completes its three years in August 2021.

There is no denying of the fact that the federal government headed by Prime Minister Imran Khan has been facing numerous economic challenges besides other internal and external issues and problems during its being in the office for almost three years.

The PM and his team of economic managers in a determined and committed manner been facing the economic challenges squarely and boldly taking all difficult decisions required and successfully progressing from recovery and stabilization of the national economy to sustainable growth.

In order to ensure its march onwards from stability to growth despite prevalence of pandemic of COVID-19, the federal government has fixed a number of priorities to be pursued during the financial year 2021-22.

These priorities include inclusive and sustainable economic growth; pro-poor initiatives and social safety net through the Ehsaas Programmes' vertical and horizontal expansion; reduction in inflation and price hike control and monitoring; increased development spending for ensuring maximum job opportunities creation; initiatives of the Prime Minister including Kamyab Jawan and Kissan

Programmes; impact mitigation of COVID-10 and continuation of the Stimulus Package; circular debt financing and power sector subsidies; revenue mobilization without new taxes; continuing support of the Housing Sector and the Construction Industry through Naya Pakistan Housing Scheme sand Small Medium Enterprises (SMEs) support programme; facilitating expatriates remittances and savings through Roshan Digital Account, and; continuing pursuing Pakistan Remittances initiatives and other schemes.

As per information available from official sources concerned and relevant budget documents and avoiding mentioning facts and figures to the maximum extent, main objectives underlying the new federal budget are also many.

These include a) striking a balance between fiscal deficits due to COVID-19 and boosting growth of the national economy, b) striking and maintaining primary balance at a sustainable level, c) protection of social spending under the Ehsaas Programme to continuing supporting vulnerable segments of the society, d) resource mobilization with required changes in tax structure, e) successful continuation of the ongoing International Monetary Programme (IMF), f) carrying forward the Stimulus Package, g) keeping the development budget at an adequately appropriate level to stimulate sustainable economic growth coupled with policy support, h) funding of crucial Housing initiatives including Naya Pakistan Housing project to boost the construction sector, i) adequate funding for the special areas ie erstwhile FATA, Azad Kashmir, Gilgit and Baltistan for ensuring their accelerated development.

j) continuation of special initiatives of the Prime Minister like Kamyab Jawan, Sehat Card, Billion Tree Tsunami etc, k) austerity and control of non-productive expenditure, l) rationalization of subsidy regime to provide targeted subsidy to the deserving segments of the society, and m) revising the NFC Award and also persuading the provinces to fulfill their funding commitments made at time of merger of erstwhile FATA in Khyber Pukhtoonkhwa.

Performance and achievements of the incumbent federal government during just ended financial year 2020-21 will mentioned briefly and separately some other time.

—The writer is Lahore-based, retired Deputy Controller (News), Radio Pakistan, Islamabad.

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Economy—Ten Main Challenges By Dr Kamal Monnoo

Pakistan's economy finally seems to be moving in the right direction: GDP growth is up; large scale manufacturing is consistently registering double-digit growth; even the SME sector's power consumption is showing an increase, which can only point to its revival; Exports have crossed the previous high and continue to grow; Remittances have touched an all-time high; and last but not least, the government's revenue collection is showing a healthy year-on-year increase. However, the big question is; is all this sustainable? Well, while the outcome really depends on our economic managers' management skills and expertise, it may perhaps help to list out the challenges confronting this present cycle of growth, since successfully managing these would hold the key for how the next 24 months will pan out.

Here is my list of ten main challenges, arranged in their order of importance.

One, the brewing Afghan situation: One does not have to look too far back in history to realise how some flawed notions and misplaced aspirations hurt us during the last such developments in Afghanistan. Not only did events boomerang on to us, but the virus of violence and terror also ended up inflicting Pakistan, taking with it everything from stability to security to the very social values that we always held dear. The litmus test will be in seeing whether or not the government this time actually follows—in letter and spirit—its stated stance of neutrality and on not allowing border crossovers either for refuge or for any type of safe havens. As we know, maintaining law and order and guaranteeing security at home directly correlates to business confidence and investment (both domestic and foreign).

Two, energy and oil and gas prices: Global oil prices pose a significant challenge, as an expected rise can exacerbate our circular debt and energy pricing woes at home. The economic managers need to realise that the current competitiveness of manufacturing is primarily utilities' input driven and increasing them beyond a certain point risks flattening out the entire growth curve. Thus far, the energy, oil, gas and power sectors have been quite mismanaged, something also reflective in the frequent changes of ministers, advisers, secretaries and

personnel; the sooner this government finds the right team that can prudently address this domain by encompassing a holistic view, the better it will be for the future prospects of the economy.

Three, connectivity: Pakistan's main markets are the European Union, the United States, the United Kingdom, China and the Middle East. At the moment, businessmen remain totally disconnected with their customers and partners, since visas are either completely closed or delayed and travel to most of these destinations is simply not allowed for Pakistanis. If this persists, the situation will eventually have its own fatigue on businesses, as the current level of transactions will simply not be able to sustain itself in absence of such a physical disconnect. This reflects a complete failure on part of our foreign office.

Four, logistics: Smooth trade needs trouble free and affordable logistics. Of late, this area is becoming a cause of concern, especially for Pakistan. With PIA struggling and the presence of foreign airlines dramatically reduced owing to pandemic restrictions, this constraint is also affecting the air freight market where not only the prices have climbed by nearly 300 percent, but the sheer availability of space also poses a big problem. Sea freight has been another story altogether where rates have climbed almost 700 percent and are still rising. Additionally the frequency of vessels' calling at Pakistani ports stands reduced to almost one third and that too with curtailed space allocation owing to the smaller size of the vessels calling at Karachi and Port Qasim. Unless the government steps in quickly (perhaps as done by the Bangladeshi and Vietnamese governments) to manage the situation, both with the shipping lines and the exporters, this problem alone carries the potential of eroding our export competitiveness. Only last week I was advised by the UMA Shipping Line's representative that freight from Karachi, say to in-land South America is touching an astronomical level of \$20k per container and to New Zealand and Australia almost 10k per container. Going forward, if not checked, the lines are contemplating an increase of around 75 percent till December 2021!

Five, current account deficit: As the economy heats up, the current account deficit once again is starting to swell. Since in all likelihood any meaningful FDI in the near term is unlikely, the government needs to start taking action now to ensure that this deficit does not spiral out of control, as witnessed during PML-N's last tenure. A good start would be to curtail all types of unnecessary or luxury imports and to single-mindedly focus on increasing exports. The recent growth in

home remittances is laudable, but cannot be expected to register a continuous growth or even hold itself indefinitely at the present levels.

Six, dwindling cotton crops: The continuous reduction in the size and quality of the national cotton crop poses a real danger to the country's textile exports which constitute almost 67 percent of the total national exports. The space for cotton growing has been gradually encroached upon by sugar cane largely due to flawed policies by successive governments. A crop size that was not long ago hovering around the 13 million bales mark today stands reduced to under 7 million bales and that too of a deteriorating staple. Ironically, the recently announced 2021-22 budgetary measures tend to further discourage cotton trade. Not only do these policies have to be reversed, but also revised to instead promote cotton cultivation. Based on today's global cotton prices, an addition of 5 million bales translates to roughly 1 percent of our GDP and 8 percent of industrial employment.

Seven, inflation and monetary policy: Agreed that controlling inflation over a certain threshold should be a top priority, but equally important is to understand the real drivers of inflation in Pakistan. This government may be barking up the wrong tree in its efforts to tame the prevalent double-digit inflation, as the causes lie somewhere else. Rent seeking (more on that below), misplaced policies, shoddy management of the SOEs, supply chain disruptions, reduced focus on agriculture support, vision-less taxation measures, currency volatility, and constraints on economies-of-scale in operations are all key elements that fuel inflation at home. As for the interest rate, the author opines that Pakistan still keeps a lending rate nearly 200 basis points higher than what it should be, which not only stifles growth, but also retards investment and compromises on the economy's sustainability.

Eight, FATF: The longer it takes for us to come out of the FATF grey list, the more damage it will cause to our economic prospects. For example, a natural fallout has been our inclusion by the European Union in its eleven money laundering watch list countries. The resultant constraints—from such measures—on our business houses and entrepreneurs to be able to tap into global business opportunities are causing unquantifiable losses to Pakistan's long-term economic prospects. One is hoping that this government quickly delivers on its promise on soon redressing this situation.

Nine, rent seeking and rising inequality: Despite some tall claims by the government and its functionaries, rent seeking in the economy still remains rampant. This not only stokes inflation and hinders fair competition, but also is rapidly leading to concentration of wealth, and naturally inequality. There is a need to address the legislative and administrative (especially in judiciary) gaps in order to strengthen the institutions overseeing fair competition, conflict-of-interest and prompt resolutions of antitrust disputes.

Ten, currency stability: Time and again, the author has written accompanied with empirical evidence that only a stable currency can ensure long-term, sustainable and equitable growth. The examples of recent growth stories around us are plenty that point out to this fact, but we do not seem to learn. Even exports, value addition and an innovative culture creation, all respond more positively to a stable currency rather than devaluation drives. Pakistan's economy simply cannot afford to be a victim of yet another currency devaluation jolt.

Published In Thenation 28th July 2021

WORLD

Another US Proxy War With Iran? | **Editorial**

The UN could well be Iran's knight in tarnished armour. After all, Secretary General Antonio Guterres has urged the US to lift or waive all sanctions on Tehran, as per the terms and conditions of the multilateral nuclear pact. Of course, he didn't say this directly to the Biden White House but, rather, in a report to the UN Security Council. Oh well, baby steps for the toothless.

That Guterres is striving for an extension of waivers to include trade in oil and nuclear non-proliferation projects sends an important message to the Iranian people. One that recognises the economic fallout they have endured since the US quit the nuclear accord back in 2018. Yet only the optimistic view this as a warning to Washington that the unilateralism of the Trump years will not be tolerated, let alone welcomed. For the way everyone and their cat sees it, the Biden administration — like those that came before — is interested in status quo politics. At least in foreign policy terms. Including the reckless and unconditional exit from Afghanistan.

For the target of US ire continues to be Iran. Tensions between the two sides escalated this week along the Syria-Iraq border. Biden accuses so-called Iranian-backed militants of targeting American personnel and facilities in Iraq and retaliated in kind. He also reminded everyone, cats and all, that Iran would never get a nuclear weapon — not on his watch. That this tough-talking came as Biden was hosting outgoing Israeli President Reuven Rivlin is not coincidental.

All that being said, the UN remains effectively powerless in the face of US aggression. From Afghanistan to Iraq to Syria to Libya. Indeed, when Biden boasted to Rivlin that he had the authority to act in unilateral self-defence against Iranian-sponsored aggression — he did not cite a UNSC resolution authorising

the use of force. No, he quoted the American constitution. Though some of his own Democrat comrades thought this was pushing it somewhat.

For some pundits sitting closer to home, the rush to exit Afghanistan now makes more sense. The US will likely up the ante on Iran. For the Americans have discovered that they may well need more manpower and resources to bulldoze the road to Tehran that passes through Damascus. And while the US must realise that any military option would be unwise — it, nevertheless, explains the eagerness to maintain military bases in this neck of the woods. Because keeping an eye on Afghanistan means tracking ISIS fighters who are moving into that country from Syria. And with Iran covertly recruiting Afghan Shias to go to Syria to fight ISIS over there, we have come full circle.

The bottom line is this: far from hitting-and-running from the Afghan quagmire of its own making — the US is potentially eyeing it as the next opening in a new proxy war with Iran. The Great Game has begun. Sadly.

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The Emerging New World Order! By Khalid Saleem

RECENT developments on the international scene- that includes the Corona Virus Pandemic – all point towards a rapidly evolving World Order.

For one thing, the United States' reign as the sole super power would appear to be all but over.

The question begging for an answer is: will the emerging new World Order be bi-polar or multi-polar? The mystery factor in the fast-emerging scenario is, of course, China! The new leadership in the United States does not appear to be overly happy with the likely shape of things to come, especially in so far as the China factor is concerned.

At this point, a peep over the shoulder may be in order. When the erstwhile Soviet Union had collapsed under its own weight, the United States considered it a great victory. The US Think Tanks started off by spreading their wings, even though they still lacked the knack of flying.

In their new-found and ego-boosting triumph, they chose to ignore even those sidekicks who had made it possible.

They somehow failed to recognize that you forsake your friends and allies at your own peril. They may now be paying the price; and with them some of their strategic allies!

The Russian Federation, the successor to the erstwhile Soviet Union, appeared for a while to be fast emerging from the shadows, thanks to the genius of President Putin.

Under his leadership the Russian Federation was for sometime well on its way to recover at least some of its lost glory.

In fact, one may go so far as to state that the Russian Federation was, at one time, reaching out to re-don the mantle of big power politics.

This dream now appears to be fading away! While, the sole superpower appeared to exhaust its energy and resources in ungainly conflicts and in chasing the mirage of a victory over ‘terror’, the Russian Federation appeared to be moving cautiously towards the coveted goal of regaining its past glory (and power?).

Having fortified itself with generous reserves of oil and gas, the Russian Federation made cautious but definite moves to re-assert its big power status.

The Georgia episode of yore was a blatant reminder that Russia was not to be trifled with. Putin’s calculated move into Georgia’s breakaway province should have been enough to convince the skeptics that Russia could no longer be brushed aside as a has-been.

Slowly, but steadily, the Russian Federation attempted to move towards a position where it did emit for a while clear signals to the powers that be that it was determined to re-capture its glory – if not physically, but at least in drawing some of the remnants of its lost empire into its sphere of influence.

In order to achieve this end, it showed feeble signs of mounting a challenge to the status quo.

At this point, it may be of some relevance to recall that during his visit to Iran after the Caspian States’ Conference, Putin had indirectly issued a “hands off doctrine” to counter the pre-emption doctrine of President George W. Bush. In so doing, Putin not only asserted a new-found confidence but also tentatively tossed Russia’s hat in the ring.

So much for the resurgent ambitions of the Russian Federation under Putin! As things stand, the European Union, post-BREXIT, appears to be too busy in sorting out its own ‘backyard issues’ to spare time for global ambitions. It cannot be written off in the long-term stakes, though, but it is a long shot.

The foregoing said, there is no overlooking the upsurge of the all-round power of China that can upset many an applecart. China is akin to a giant coming into its own after a longish period of slumber.

Let it not be forgotten that China is not just a country, it is the successor to an ancient civilization, one that is heir to an identity all its own.

Through its pragmatic policies over the past decades, China is now in a position to claim the position that rightfully belongs to it.

China may appear to be a country in a hurry but, if looked at closely, every step it takes is meticulously planned and not at all haphazard.

In the twenty-first century – rightfully being touted as the Asian Century – the so-called big powers will ignore China only at their own peril.

The recent developments on the world scene, not the least the emergence of the COVID-19 Pandemic, have turned the whole system on its head.

The world will need plenty of time to recover. The shape of the ‘New World Order’ that will emerge from the ashes is difficult to predict.

For all one knows, Nature may have other surprises in store for an already destabilized and wonder-struck world.

For one venturing into an assessment of the shape of things to come is full of hazards akin to a mine-field.

While it may be a trifle early to forecast a return to a multi-polar World Order, the portents certainly point in the direction of a bi-polar one.

The sole superpower has enjoyed its hour of glory, though, to be honest, it has not exactly covered itself with glory when it had its opportunity.

The time may be ripe for it to prepare itself for the inevitable transition to a multi-polar, or bi-polar, world.

What is ordained cannot be wished away. On its part, the Third World would be well-advised to keep its fingers crossed. Our own region, already unpredictable, may well find itself right in the eye of the storm.

It would require all the energy and the guile to steer the Ship of State safely through, given the rapids and the choppy seas. That and all the skill and guile our leadership can muster!

— The writer is a former Ambassador and former Assistant Secretary General of OIC.

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Peace in Afghanistan | Editorial

In the midst of the ongoing process of the US' withdrawal, the Taliban have made significant advances in Afghanistan which led high-level peace talks to stagnate. However, in recognition of the important role its neighbours have to play in conflict resolution, Iran hosted a conversation with the Taliban. In doing so, certain progress was made as the Taliban agreed to return back to Doha for further negotiations with the Afghan government. We expected this to be a tough process but we must all now rally to protect the region from worsening circumstances.

Initially, it seemed as though Afghanistan's government and the Taliban were making headway in their Doha conferences but all progress was halted in the face of increased violence, occupations and diplomatic impasse. The power vacuum left behind by the US' withdrawal is also a contributing factor for this surge in tensions as both stakeholders scramble to consolidate their hold on the area and the people—the recent attack of Qala-e-Naw for instance. Well aware about the ramifications of this civil war—including a refugee crisis, economic instability, heightened terrorism and regional security threats—Afghanistan's neighbours must join hands in preventing the country from turmoil. Collaboration by Iran and Pakistan is particularly vital considering that we share our borders with the war-stricken country.

Playing a constructive role dictates that we provide a platform through which further conversations can be held, create peace strategies that might aid the country and direct our resources towards improving the standard of living for the masses. Through a closer partnership amongst ourselves, we will be able to put up a stronger stand against regional clashes. Thus, this is something that we must work towards. Independently, we have been directing our efforts in facilitating peace in Afghanistan. Now, Pakistan must nurture its relationship with regional powers so that the resolution process is as successful as it can be.

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Biden-Putin — Sparks a Galore By Tariq Khalil

IN the follow up of Biden Putin meeting one thing is clear there has been tough talk on human rights issues in Russian Federation. It is a Navalny issue which was in the background.

The USA has been accusing Russian Federation that they have been interfering in US elections.

In response Russia has been accusing the USA of supporting anti-government forces to destabilise Putin's Government, an accusation USA denies. Yet they found some common ground.

Arms treaty is one area. Both sides will continue to discuss the issue. Emily Shervin observed by and large these were productive talks. The outcome both agreed there will be no Cold War.

None want the Cold War to resume in the post pandemic period when economies worldwide have been hit hard. Putin's talks were constructive.

He indicated no hostility with Biden. Biden retreated cooperation is in mutual interest. Cyber security is another area. Cyber security concerns are for both sides.

There have been cyber attacks in USA and the fingers were being raised towards Russia. Biden desired predictable relationship, stated Phil Mattingly, the White House spokesman.

The talks focused on substantive issues. Putin raised anti-Russian stance of the US Administration. This will cast a shadow on the relationship of two countries, he emphasised.

The issues of Cyber Attacks and Election interference are denied by Russia. Crimea Ukraine also reportedly came up. Russia's stand is very clear.

This is the outer ring of Russia. There is no major breakthrough for the world, observe David Gergen Former Advisor to four US Presidents. However, the chances are that the two countries will establish sustainable relationships.

Biden is a pragmatic leader and has decades of experience in diplomacy, if the body language of the President is taken as a guide, issues notwithstanding; there is positive movement.

Reportedly, there has been substantive, efficient, useful strategic conversation. The people involved or accused in cyber attacks are charged.

It is observed that the Biden Administration is professional and pragmatic and they are capable of establishing trust. Arms treaty, climate and human right issues will continue to be coming up between two countries.

While the USA thinks, and considers China a threat, Biden's diplomatic manoeuvring will be to vane away Russia from getting closer to China. It is not likely.

Nevertheless, the world at large sees fault lines already emerging. Cold War or not, the day of US supremacy are waning. Multiple power centres are emerging which are going to cast their shadows on the smaller countries.

In the post pandemic period when economies stand shattered, possibility of immediate hot war is not there unless some unexpected event triggers something.

It will be an economic war, a race to conquer science and technology. Supremacy of space and increase respective sphere of influence.

China already is claiming supremacy in the world. A major challenge indeed. The USA and Russia have internal problems besides post-Covid economic losses. The turmoil in the ME is likely to escalate, war in Yemen will keep both engaged.

And post US withdrawal, Afghanistan seems to be drifting towards a civil war if no solution is arrived at within stakeholders. Bagram Air Base already stands vacated by the USA. Reality is USA forces stand withdrawn.

Taliban has by now seized over 100 districts and Afghan Army is just melting instead of standing up to fight.

Apparently Blinkin formula has substance to solve post withdrawal issues. Any conflict will again pull neighbouring countries, specifically in refugee problem of greater magnitude. In Regional countries, Kashmir is a flash point.

Status quo can not remain in Kashmir forever. Already Indian war preparations in Kashmir and elsewhere are sounding drums of war.

—The writer, a retired Brigadier, a veteran of 1965, 1971 wars with SJ, SI, and IS Bar Gallantry. A senior Defence and Industry analyst.

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Cold War — This Time in Asia By Rashid A Mughal

ASIA these days is in focus mainly because of two factors — the spectacular rise of China as the mighty global economic power house and its rising influence — both economic and political in the neighbourhood and also in Africa and other regions.

After the Cold War, many in the United States believed democracy was fait accompli around the world. Thirty years later, it is on shaky ground.

The US allies such as Hungary, Poland and Ukraine are sliding into authoritarianism. In the wake of the 2008 global financial crisis, dreams of economic and social stability are finding renewed purchase over more liberal values.

The Cold War: “a period of intense antagonism between the two superpowers — the United States and the Soviet Union” which lasted from 1945-1991 seems to be back — this time in Asia.

Although the two sides never directly fought each other, the war was waged for spheres of influence around the world, through proxy wars.

The two major proxy wars during the Cold War became the fourth and fifth wars, being Vietnam and Korea respectively, with the highest American casualties — only behind the Civil War, and both World Wars.

For close to 20 years after the collapse of the [erstwhile] Soviet Union, the international order organized under the USSR’s former rival, the United States. Under this system, US interests around the world were relatively unchallenged.

The rising great powers of China and Russia have since challenged the US hegemony, actively seeking to limit the power of the US.

In this power struggle, Russia is playing an increasingly aggressive role in challenging the US supremacy.

The Cold War is back and very much alive. The sleeping bear that is Russia is only beginning to wake from its hibernation to once again challenge the United States.

Analyzing the conflicts in Ukraine and Syria, the diplomatic actions taken by the United States and Russia, and the economic threats posed by each side, compare the current state of tension between the two sides to that of the Cold War era.

There is a new Cold War paradigm between the United States (its Western European allies) and Russia with China as global economic power, challenging the dominance of the US since the end of World War-II. The relationship of these military, diplomatic and economic actions taken by both sides intertwine.

Each action is influenced by the others and vice-versa, resulting in retaliatory responses by the opposing side. The Ukraine and Syria have become proxy conflicts for regional influence.

These conflicts have resulted in ramifications for both sides, simultaneously escalating with rising tension and emotions.

The United States-led North Atlantic Treaty Organization (NATO), quickly expanded its influence into the (former) Soviet states in Eastern Europe.

By 1994, NATO extended invitations to all former Soviet states to participate in 'Partnership for Peace.' This programme enabled the States to make their military structure compatible with NATO.

The Partnership for Peace programme that intended to start integrating the (former) Soviet satellite states in Central and Eastern Europe with the West directly violating an agreement made with the Kremlin in 1990.

There were many critics of the plan because of this. They feared that the expansion would not only undermine the non-proliferation agreement in Russia but would also undermine NATO's main purpose: guaranteeing intervention in member countries from other NATO members in relation to security threats.

Nonetheless, at the direction of the United States, NATO not only expanded into Central Europe but was as bold as to enter into States that bordered Russia, such as Latvia and Lithuania.

In the 1994 Budapest Memorandum on Security Assurances was signed, giving national security assurances to Ukraine from the United States and the United Kingdom in exchange for the acceptance of the non-proliferation agreements.

From the collapse of the Soviet Union in 1991 until the beginning of the Arab Spring in 2010, the United States stood as the unchallenged hegemonic power in the global order. The United States' sphere of influence spread across the world.

Their foreign policy and foreign interests dictated intervention policies in Iraq and Afghanistan.

As of 2010, the United States spent more on military “than the next top 14 countries combined.” The Arab Spring marked the end of US hegemony as the great powers of China and Russia began to align and grow.

The turmoil brought by several revolutions and conflicts ended the reign of strong handed US allies in the states of Egypt, Libya and Tunisia. The importance of the Arab Spring on US influence in the region was profound. The US no longer has the prestige and resources to dominate Middle East affairs.

The framework of great power competition and the rhetoric of the ‘China challenge’ has taken root throughout US policy circles, but do America’s allies view China in the same light? Perhaps the real “China challenge” is not China itself, but the struggles the US may face in rallying its allies to its side. China’s rapid economic growth has challenged America’s dominant influence throughout East Asia.

As the U.S. and China struggle to avoid a “new Cold War,” smaller nations are forced to straddle growing fault lines between the two great powers. At stake in the US-China relations is contest for influence in East Asia and this fuels cold war.

Events following the historic Cold War alienated and antagonized Russian society. Under the ironclad rule of Vladimir Putin, Russia has dug its way out of

its metaphorical hole, aligning itself with the rising powers in the East, directly challenging US hegemony.

Although leaders of both factions publicly deny the existence of this growing power struggle, the course of action taken by both parties show otherwise.

The Western diplomatic alliances are clear indicators of the international power struggle, as the West clings to its waning international influence.

The fight for regional significance in the Middle East and Ukraine also illustrates this power struggle in the reshaping international order. Finally, the diplomatic and economic actions of both sides reveal the power struggle.

The culmination of all of these factors proves the existence of the New Cold War between the East and West — Russia and the United States and China.

The West currently established as the hegemonic military alliance of the US led-NATO, and the latter being the alignment of the rising economic superpowers in Asia.

In pursuing the current course of action, the consequences of this looming conflict would be astronomical for both sides.

Under this trajectory, the threat of nuclear war returns, as with an atmosphere of constant fear in the coined phrase, 'mutually assured destruction'. Both sides are currently unwilling to back down.

Both sides hold equal responsibility for this conflict: Russian aggression and the antagonism of NATO and the US.

But China is quietly and steadily cultivating its role as a reliable and trustworthy partner in Asia while perusing a policy of non-interference in other countries' affairs and providing economic help and assistance in the region to increase its influence, much to the annoyance (and worry) of America.

— The writer is former DG (Emigration) and consultant ILO, IOM.

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Nuclear Arms Control After the Biden-Putin Summit – Analysis By Amy F. Woolf

After meeting in Geneva on June 16, 2021, President Biden and Russia's President Vladimir Putin released a Joint Statement on Strategic Stability, which outlined their agreement on a path forward for nuclear arms control and risk reduction. In February, the two Presidents agreed to extend the New START Treaty for five years beyond its planned expiration on February 5, 2021.

This treaty limits deployed long- range strategic nuclear weapons but does not address all types of U.S. and Russian nuclear weapons or other factors that could affect the risk of nuclear escalation or nuclear use. The joint statement addresses future discussions on these issues.

Summit Goals

When announcing the planned meeting with President Putin, the White House indicated that the Presidents would “discuss the full range of pressing issues” and would “seek to restore predictability and stability to the U.S.-Russia relationship.” President Biden emphasized that, although areas of disagreement exist, it is in the two nations’ interest to cooperate when possible and that strategic stability is one area of possible cooperation.

Capturing this sentiment, the joint statement begins by recognizing that “the United States and Russia have demonstrated that, even in periods of tension, they are able to make progress on our shared goals of ensuring predictability in the strategic sphere, reducing the risk of armed conflicts and the threat of nuclear war.”

Statement on Nuclear War

In their joint statement, Presidents Biden and Putin reaffirmed “the principle that a nuclear war cannot be won and must never be fought.” Presidents Ronald Reagan and Mikhail Gorbachev had issued this statement in 1985, when they indicated that they were “conscious of the special responsibility of the USSR and the U.S. for maintaining peace.” By issuing this statement, Reagan and Gorbachev recognized the need to ease tensions that might lead to a conflict that could escalate to nuclear war.

In recent years, some experts have suggested that a U.S.-Russian reaffirmation of this statement might help bolster international nonproliferation efforts by reducing the perceived value of nuclear weapons. Some have also suggested that this statement, if adopted by all nuclear weapons states, might offset the impression that the nuclear weapons states seem to view these weapons as a viable tool to address regional security challenges. The statement might also signal that the nuclear weapons states recognize the growing risks of nuclear escalation during crises.

Others, however, have questioned the value of the statement in the current security environment, noting that, in 1985, it was a reflection on the risk of large-scale nuclear war between the United States and Soviet Union. Moreover, some argue that a statement excluding the possible use of nuclear weapons in a regional conflict could undermine efforts to deter large-scale conventional attacks or even cyberattacks. Some have also questioned whether the United States might have to alter its employment policy or force posture if it acceded to a statement forswearing the value of nuclear weapons in regional conflicts.

The Biden Administration has not addressed questions about its rationale for reaffirming the statement. When it issued its Interim National Security Strategic Guidance in March 2021, it noted that the United States would “take steps to reduce the role of nuclear weapons in our national security strategy.” Reissuing this statement on nuclear war may contribute to that goal without foreshadowing any changes in the U.S. nuclear posture.

Strategic Stability Dialogue

Presidents Biden and Putin agreed that the United States and Russia would engage in “an integrated bilateral Strategic Stability Dialogue” that would “seek to lay the groundwork for future arms control and risk reduction measures.” The United States and Russia had engaged in similar talks in the past, and both Presidents supported their resumption prior to the summit. In his press briefing following the summit, President Biden noted that this dialogue would allow diplomats “to work on a mechanism that can lead to control of new and dangerous and sophisticated weapons that are coming on the scene now that reduce the times of response, that raise the prospects of accidental war.”

With its focus on an “integrated, bilateral” dialogue, it seems evident that the U.S.-Russian strategic stability talks will not include other nations with nuclear

weapons—such as China, France, and the United Kingdom—but could include discussions about other types of weapons beyond the long-range strategic weapons limited in New START. These might include shorter-range nonstrategic nuclear weapons, hypersonic glide vehicles, and new types of nuclear delivery systems. Nevertheless, the two nations may begin the talks with different views on which topics they should discuss and different understandings of what constitutes strategic stability.

Jake Sullivan, President Biden’s National Security Advisor, suggested that “the starting point for strategic stability talks should be the very complex set of nuclear arms issues that face our two countries.” He noted that the two sides might address later whether to add other elements to the talks. Russia appears to favor a broader agenda, with Russia’s Foreign Minister Sergey Lavrov noting that the discussions should include everything that “influences strategic stability,” including “nuclear and non-nuclear weapons, offensive and defensive weapons.”

With its mention of “arms control and risk reduction measures,” the joint statement also seems to indicate that the talks will not focus exclusively on negotiating a new treaty limiting nuclear weapons. They might also address transparency and risk reduction measures that could reduce the risk of inadvertent or intentional escalation to nuclear use during a crisis or conflict. The agenda could also include emerging technologies, operational practices, or doctrinal statements that might exacerbate tensions or complicate crisis management.

During the summit, the Presidents did not address the timing or structure of the talks. However, Russia’s Deputy Foreign Minister Sergei Ryabkov has indicated that they will begin “in a matter of weeks, not months.” White House Press Secretary Jen Psaki confirmed that assessment. Both sides have indicated that they believe the talks will begin with high-level contacts between the Russian Foreign Ministry and the State Department, which could then break out into working groups of experts from both sides.

*About the author: Amy F. Woolf, Specialist in Nuclear Weapons Policy

Source: Published in Euroasiareview

The New Great Game in Central Asia By

Tamseel Aqdas

“He who controls the heartland controls the world”- Halford Mackinder. The assertion of this concept is portrayed in the contemporary dynamics of Central Asia, along with its emerging power struggles. The region comprises the heart of Eurasia and has retained strategic significance for trade routes throughout history. As of now, strides for Central Asian dominance are observed in the international system, with aspirations of accessing the land’s untapped mineral, oil, and gas resources. However, due to the prevalence of rugged mountains and lack of sea access, Central Asia has inadequate connections and routes. Such factors resulted in the region’s isolation from global power games; however, China’s aspirations for accessing Central Asia via the Wakhan Corridor have altered the dimensions of the region for the new Great Game.

Inarguably, the flashpoint for the initiation of the new Great Game is equated to the narrow strip of land under the sovereignty of Afghanistan, coined as the geostrategically significant Wakhan corridor. Historically, the region fell victim to the Great Game at the hands of the British and Russian Empires, and the contemporary dynamics assert a similar pattern. With China’s aspirations for creating a highway as part of the mega Belt and Road Initiative, Pakistan and China will gain access to the untapped yet abundant Central Asian resources. Since these steps directly challenge the interests of India and the USA, the region may serve as the flashpoint for the new Great Game between numerous conflict actors.

China aims to revive the former Silk route by constructing a highway through the Wakhjir pass in the Wakhan corridor. Subsequently, Central Asian states will be linked via the Karakoram and Kashgar highway, marking the shortest and cheapest trade route with Pakistan and China. Regional trade and associations shall accelerate through increased commerce with Central Asia and the Gwadar port, increasing China’s economic and military influence over the region. For instance, investments in gas pipeline routes seek to increase China’s energy dominance in Central Asia. Along the same lines, the Wakhan corridor offers economic prospects for Pakistan too, because strides towards a transit economy, job generation, foreign revenue, and regional connectivity shall be undertaken,

as the establishment of a route shall integrate the strategic corridors of Central Asian states, Afghanistan, Pakistan, and China.

In conclusion, the recent developments in the Wakhan Corridor have served as a flashpoint for the new Great Game in resource-abundant Central Asia. The current dynamics lie in favour of China and Pakistan; nevertheless, both India and the USA have initiated measures to alter the tide. Since the witnessed developments are recent, the true potential and implications of the new Great Game are yet to be witnessed. Can Central Asia become a battleground in the US-China Cold War?

The resource-abundant states of Central Asia have access to 22 billion barrels of oil in Kazakhstan, 7.5 trillion cubic meters of gas in Azerbaijan, 37 billion barrels of oil in Turkmenistan; meaning, economic incentives for both China and Pakistan.

Nevertheless, the ambitions affiliated with the Wakhan corridor carry signs of projecting the new Great Game. To begin, this notion directly challenges the national interests of India, since efforts for linking Afghanistan, India, and the Chabahar port for regional connectivity shall be undermined. In an attempt to counter the rising influence of China, India has introduced measures to revive historic civilization links with Central Asia. Indian dynasties such as the Mughals were of Central Asian descent, and the region served as a critical component of the Silk Road.

Hence, India has extended assistance to Central Asian states under the notion of capacity building and human resource development in information technology, pharmaceuticals, and healthcare. Furthermore, the Wakhan corridor highway project directly targets Indian national interest in Kashmir.

The Karakoram Highway's establishment was opposed due to its descent from Pakistan administered Kashmir and its role in China's string of pearls strategy for Indian isolation. Hence, the highway project along with China's increased presence in Central Asia and Afghanistan, challenges the border security of India alongside Kashmir, and its aspirations to dominate the region.

Adding on, the Wakhan Corridor project further aspires to establish a link with the Gwadar port, thereby increasing Pakistan's trading potential and boosting its

economy. Since the states have been involved in diplomatic and military rivalries since 1947, the economic rise of Pakistan impacts the integrity of India.

Further, the USA views Central Asia as a battleground for countering China's rising global influence. Although the USA retained a military presence in Afghanistan previously, the Wakhan Corridor project has altered its approach altogether. Investments in the private sector have been initiated. For instance, \$100 million were allocated to Uzbekistan for developing financial markets and increasing trade relations with Afghanistan. Consequently, the rising strides towards the Wakhan Corridor could be challenged, along with China's influence.

In conclusion, the recent developments in the Wakhan Corridor have served as a flashpoint for the new Great Game in resource-abundant Central Asia. The current dynamics lie in favour of China and Pakistan; nevertheless, both India and the USA have initiated measures to alter the tide. Since the witnessed developments are recent, the true potential and implications of the new Great Game are yet to be witnessed. Can Central Asia become a battleground in the US-China Cold War?

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China-Taliban Meeting | Editorial

WITH the government in Kabul appearing to stand on very fragile foundations, and as the clock ticks down to the final withdrawal of foreign forces from Afghanistan, the Afghan Taliban are asserting themselves diplomatically across the region.

The most recent diplomatic exchange took place in the city of Tianjin, where the Chinese government had invited members of the armed movement for talks. Indicating the importance of the meeting, the Chinese side was led by Foreign Minister Wang Yi, while the Taliban were represented by their number two, Mullah Abdul Ghani Baradar. Earlier, a Taliban delegation was in Iran to talk peace with the Afghan government, with the Iranian foreign minister playing host, while peace talks between both sides were also hosted by Russia.

While some have pointedly commented that the Taliban are being treated as a 'government in waiting' by regional powers, the truth is that in the cruel world of geopolitics, states must hedge their bets and keep channels open with all players, however unpalatable. Moreover, it can be argued that it was the US — more precisely the Trump administration — that granted legitimacy to the Afghan Taliban by signing the Doha peace accords in 2020, which paved the way for the current foreign withdrawal. The fact is that in today's Afghanistan, the Taliban are the most powerful armed group, which is why foreign states are keen to engage the movement. The Chinese are obviously worried about Afghanistan becoming a haven for militancy again if the Taliban capture Kabul, with particular concern about Uighur fighters taking refuge in the country. Afghanistan and China share a short but inhospitable border. Other states have similar concerns.

According to a recent UN document, Al Qaeda is present in around 15 Afghan provinces, with Al Qaeda in the Indian Subcontinent reportedly working under Taliban protection. Anti-Pakistan terrorists such as the TTP also maintain a presence in Afghanistan as do Central Asian militants and members of the IS-Khorasan 'chapter'. Therefore, if central authority collapses in Afghanistan, the possibility of all these unsavoury groups getting a free hand to carry out their operations becomes quite distinct. And here questions about the Afghan Taliban's intentions begin to arise. Has the group learned a lesson from the American invasion and sworn not to provide sanctuary to foreign Islamist

fighters? Or will the Taliban, fired up by the zeal of global 'jihad', once more become an accessory to global terrorist groups? Some answers may emerge in the weeks ahead.

Foreign states must continue to hammer home the message that militancy based out of Afghanistan will not be accepted, while it should also be communicated that religious freedom and women's rights must be assured. It is up to the Taliban to choose the path forward. They can either try and enter the mainstream, or stick to their mediaeval worldview and risk isolation from regional states and further conflict within Afghanistan.

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How The US, China, India, Pakistan And Russia Are Reshaping South Asia By Andrew Korybko

South Asia has emerged as the convergence point of American, Chinese, and Russian interests in the run-up to the US' military withdrawal from Afghanistan by August 31st, which makes this region the most geo-strategically significant in the world right now. Those three Great Powers are actively working to shape the situation there in partnership with its two most influential stakeholders, India and Pakistan. The many interactions between the members of this "Quintet" in South Asia will greatly affect the future of the supercontinent and therefore the on-going New Cold War between the American and Chinese superpowers considering the region's significance. The present analysis aims to simplify these complex dynamics for the benefit of the average observer and thus help everyone better understand the importance of what's happening right now.

The state of affairs is rapidly changing but it's still possible to identify a few top trends. These are the transition from geopolitics to geo-economics; America's & Russia's efforts to balance between India & Pakistan; and America's, China's, and Russia's cautious welcoming of the Taliban into the international community. The most recent developments of relevance are February's agreement to build a Pakistan-Afghanistan-Uzbekistan (PAKAFUZ) railway; Russian Foreign Minister Sergey Lavrov's regional sojourn in early April; mid-July's Tashkent conference about Central Asia-South Asia connectivity; the US' "New Quad" with the PAKAFUZ states; US Secretary of State Antony Blinken's trip to India; the Taliban's latest travels to China; and Pakistani National Security Advisor Moeed Yusuf's and Director-General ISI Lt. General Faiz Hameed's trip to the US.

In the order that they were mentioned, the top trends' significance is that: the Great Powers are focusing on friendly geo-economic competition in the Eurasian Heartland; which necessitates America & Russia working more closely with India & Pakistan in this pivotal region; as facilitated by those first two's and China's pragmatic relations with the Taliban. With respect to the developments of relevance, they're significant because: PAKAFUZ is the vehicle for bringing this about; Russia successfully restored balance to its South Asian strategy this

spring; everyone except India tacitly supports PAKAFUZ; the US' "New Quad" shows the seriousness of its planned geo-economic engagement; the US wants to allay India's concerns about the aforementioned; the Taliban will welcome more Belt & Road Initiative (BRI) investments; and Pakistan wants to strengthen its ties with the US.

The only realistic spoiler in this scenario is India because: it hitherto thus far refuses to enter into public contact with the Taliban; which in turn excludes it from the Extended Troika format of America, China, Pakistan, and Russia in Afghanistan which requires all participants to have ties with both warring parties; and increases the risk that New Delhi might extend more military support to Kabul to perpetuate its proxy war against the Taliban; so as to indefinitely delay the planned post-war implementation of the PAKAFUZ project which serves as the most tangible example of convergence between America, China, Pakistan, and Russia. The ideal solution is for India to be encouraged by its American and Russian allies to publicly talk to the Taliban so that New Delhi can then participate in the Extended Troika and consequently defend and expand its relevant economic interests.

The path to the implementation of that proposal is in progress but its ultimate outcome is still uncertain because: India feels very uncomfortable with its historical Russian ally recently getting so close to the Taliban; seriously distrusts its new American ally's strategic intentions with the "New Quad" considering Pakistan's key role in it; and expects to provoke a domestic political scandal if its incumbent Hindu nationalist government enters into public talks with the same Taliban that the BJP condemned as terrorists for years. These perceptions are responsible for India's regional strategy having yet to fully evolve from geopolitics to geo-economics like America's, China's, Pakistan's, and Russia's have, which makes it an unpredictable outlier among this Quintet's members since the advancement of its geopolitical goals might undermine their geo-economic ones.

China and Pakistan are incapable of exerting positive influence over India since they're both its rivals so this responsibility naturally falls upon America and Russia. America is expected to hype up the so-called "China threat" in order to reassure India of its commitment to the "Old Quad" whose raison d'être is widely considered to be predicated upon the shared goal of "containing" the People's Republic. This geopolitical appeal is intended to convince India that the US hasn't abandoned it by partnering with Pakistan through the geo-economically

driven “New Quad”. Regarding Russia, it’s expected to double down on its geo-economic outreaches to India by inviting it to invest more in the Eurasian Great Powers’ resource-rich Arctic and Far Eastern regions to show its historically ally that it too hasn’t abandoned New Delhi by supporting PAKAFUZ.

America and Russia hope that their uncoordinated but nevertheless coincidentally timed respective geopolitical and geo-economic outreaches to India can convince the South Asian state not to behave as a spoiler and consequently sabotage their similar vision for the region through the game-changing Afghan-transiting PAKAFUZ project. Be that as it may, cynical observers are correct in pointing out that the US could strategically afford to sit out on the PAKAFUZ opportunity for now while its new Indian ally sabotages that project for as long as possible in order to undermine the more urgent related goals of America’s Chinese and Russian rivals. Even so, India arguably lacks the capabilities to do so for all that long which means that America would have to geo-economically compete those two there sooner than later, hence why it might not support that scenario.

Indian decision makers would also have to keep in mind that actively obstructing PAKAFUZ through the potential intensification of their proxy war against the Taliban via more military assistance to Kabul would provoke distrust from their historical Russian ally. This could lead to unpredictable long-term strategic consequences if Russia recalibrates its ever-evolving balancing act between India and China by moving closer towards Beijing in response to possibly perceiving of New Delhi as a regionally destabilising US proxy state for dividing and ruling the Eurasian Heartland due to its geopolitical obsession with zero-sum outcomes. While this would be to America’s comparative advantage, pushing India in that direction might be counterproductive if New Delhi already anticipates such a negative outcome and thus suspects Washington of setting it up to fail.

America is also in a tricky strategic position since its repeated threats to sanction India if it goes through with its planned purchase of Russia’s S-400 air defence systems hang heavy over everyone’s heads like a Damocles’ sword. It might be impossible for the US to not impose some sort of sanctions after all the drama that it’s made over this issue otherwise it would risk “losing face”, but substantive ones would worsen its ties with India by pushing it even closer into Russia’s arms so symbolic ones might be a suitable enough “compromise” in order to not ruin bilateral relations with New Delhi and thus inadvertently undermine the “Old

Quad's" anti-Chinese geopolitical purpose by none other than Washington's own hand. The influence of the S-400 sanctions factor on the overall strategic situation in South Asia is thus more important than some observers might have thought.

As it stands, all of these complex interactions are mostly occurring bilaterally apart from the multilateral political efforts undertaken by the Extended Troika (America, China, Pakistan, and Russia) in Afghanistan. In the best-case scenario, these four countries and India would come together through a single platform in order to more effectively shape the future of South Asia. This would be similar in spirit to the quadrilateral nuclear powers framework that well-respected Valdai Club expert Andrey Sushentsov proposed in June but which the author of this present article argued during that time should be expanded to include Pakistan too. The first practical step in that direction would be if America and Russia successfully convinced India to publicly talk to the Taliban and therefore enabled it to join the Extended Troika.

Upon that happening, this Quintet could then expand the scope of their negotiations to discuss the broader future of "Greater South Asia", which in this context includes Central Asia seeing as how PAKAFUZ will eventually integrate those two regions into a single one for all strategic intents and purposes. Failing the formation of a platform for bringing together the Quintet's top South Asian stakeholders, interactions between them will remain limited and thus risk resulting in contradictions that could be counterproductive for their collective interests. Although some in India might think that their grand strategic goals could be advanced by spoiling the PAKAFUZ project that it's thus far voluntarily isolated itself from, this would be a dangerous illusion since their obstructive efforts would just be temporary and only isolate India even more from all stakeholders.

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