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Margalla Papers

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‘Margalla Papers’ is an annual publication of National Defence University, the premier institution of security and strategic studies. The subject journal is a unique publication of the country which primarily deals with the national security issues of Pakistan. The journal has its own standing among the students, researchers, experts, policy makers and intelligentsia. It has been enlisted by International Political Science Abstracts, USA, Bibliography of Asian Studies USA and Ulrichs Periodicals Directory. Keeping the flag high, all the articles appearing in the journal are selected after a rigorous scrutiny and blind peer review at home and abroad. It is the testimony of quality of contents of the journal that Higher Education Commission of Pakistan has upgraded the subject journal into ‘Y’ category.
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EDITOR'S NOTE

The latest issue of the Margalla Papers is on the table after upgradation of its category from 'Z' to 'Y' by the Higher Education Commission of Pakistan. Under the aegis of the country's premier institution, the National Defence University of Pakistan and ISSRA particularly prides itself in making regular contribution to the strategic thought and policy-making in Pakistan through its publications. The country's premier institution is uniquely placed to invite and incorporate a wide variety of views on matters of national security from the scholars, researchers and practitioners at home and abroad. The current issue is no exception either.

This issue initiates an interesting debate regarding grant of MFN status to India and the business community is very much keen to know the benefits of this status. Dr Zafar Mahmood's article 'Benefits and Impediments to Trade Cooperation between Pakistan and India' answers this question.

'South Asia's Strategic Security Environment' is overshadowed by traditional military security of the state and human security remains hostage to the security perceptions. Ehsan Mehmood Khan in his paper analyzes key manifestations of the security paradigm and provides a comprehensive, cooperative and holistic security framework.

Arshad Mahmood and Umar Baloch's article 'Enhancement of Russian Interests in South Asia during Putin’s Era' argues that the leadership of Vladimir Putin has played an important role in resurgence of Russia. The authors are of the view that during Putin era, Pak-Russia relations have also improved to a great extent.

Dr. Mavara Inayat in her article discusses the dynamics of conflict and cooperation in South Asia in the aftermath of 9/11
with special emphasis on the US partial exit from Afghanistan. The author argues that the primacy of Pakistan-India-Afghanistan relationship along with the policy of the major powers will decide the nature of conflict and cooperation in the region in the foreseeable future.

Dr. Raja Muhammad Khan’s article ‘China’s Role in post-2014 Afghanistan’ explores Chinese strategy towards Afghanistan which is realist based national security paradigm and a liberalist based idea of economic cooperation.

Dr. Ishtiaq Ahmed Ch & Tasawar Hussain dwell upon the largely ignored ideational factors and identity politics in foreign policy analysis while accepting the ideational-material complicity in political analysis.

Dr. Musrarat Amin and Dr. Rizwan Naseer, in their article highlight the prevailing Pak-US mistrust and its effects on the regional security. They argue that although, Pakistan and United States’ mutual interests substantially overlapped yet both have divergent foreign policies and national interests. If this mutual mistrust persists then chances to win the war on terror seem bleak.

Dr Mansur Khan’s article ‘The Making and Coming of the Second Cold War-US Foreign Policy towards China’ reflects the US shift to the Pacific region, namely China, with its old containment policy. The author argues that hegemonic policy could lead to a (military) conflict; however, the chances of success for the US policy are likely to reduce.

'The Sino-Pakistan Trade and Investment Relations' have been aptly projected by Ahmed Rashid Malik. The author pounders upon the fact that although Pakistan and China enjoy cordial relations yet, economic relations remained relatively low and are not commensurate with the level of friendship. The author urges for significant up-gradation of economic ties between both the countries.

____The Editor

Margalla Papers 2013
BENEFITS AND IMPEDIMENTS TO TRADE COOPERATION BETWEEN PAKISTAN AND INDIA

Dr. Zafar Mahmood

Abstract

Most-favored-nation (MFN) treatment is the first article of the General Agreement on Tariffs and Trade (GATT), which governs international trade in goods. As such, it is a general obligation for all the World Trade Organization (WTO) member countries. However, some exceptions are allowed by the agreement. For example, member countries can set up a free trade agreement that applies only to goods traded within the regional group. Or they can give developing countries special access to their markets (say through GSP scheme). Or a country can raise trade barriers (contingent protection) against products that are considered to be traded unfairly from specific countries. India and Pakistan have been denying the most favourite nation (MFN) status to each other purely on political basis, which is not an exception according to WTO rules. India took the initiative and granted MFN status to Pakistan in 1996, Pakistan is now considering reciprocating it. With the announcement, the business community and other stakeholders in the two countries are excited about the upcoming opportunities and challenges they might be facing in the future. They thus want to know as to how their businesses are going to shape up in the aftermath of granting of the MFN status. Business community and industrialists are curious and asking questions whether cooperative trade relations afterwards will face hurdles or not? They are interested to know how smooth will be the new trade relations. These are the precise questions that are addressed in this paper. After answering these questions, the paper puts forward strategic directions to guide policymakers to develop cooperative trade relations with India.
Introduction

With the announcement on the 2\textsuperscript{nd} November 2011, that Pakistan will grant the most favored nation (MFN) status to India, business people and other stakeholders on both sides of the Pak-India border were excited about the expected change they are about to experience. This is particularly because they are privy to the perpetual stalemate in their relations for more than half a century. They are also thrilled because they want to know that in what way their lives are going to change due to this mega event. They are also curious and asking questions whether cooperative trade relations will face hurdles or not? How smooth will be the trade relations in the aftermath of granting of MFN status? Precisely, these are the concerns that are addressed by this paper.

A few words regarding the granting of the MFN status to India are in order. The MFN rule of the World Trade Organization (WTO) requires that at the port of entry, products made in trading partners’ own countries are treated no less favorably than goods originating from any other country. In this very context, MFN treatment to a trading partner is a basic instrument of a freer trade policy. Pakistan is expected to re-grant the MFN status to India that it granted her between 1948 and 1965.\textsuperscript{1} MFN means the two countries will not discriminate each other in the implementation of their trade policies. It will be the same policy instrument they are using for other WTO members.\textsuperscript{2} It will not be more than this.\textsuperscript{3} Of course, if the two countries take additional steps and go for a special and a separate trade agreement then that will have different implications from a purely MFN treatment.

Granting of MFN treatment will be a major Confidence Building Measure (CBM) and a right way forward that will definitely provide a strong foundation for any future trade cooperation either on bilateral or regional basis. MFN is a WTO obligation and should not be treated more than that. It should not be considered as trade cooperation, but a beginning towards cooperation. Without it, trade cooperation
is indeed unthinkable. Thus, huge work in trade relations between the two countries awaiting in the time ahead.

This paper orbits around the context after the granting of MFN status to India by Pakistan. Given the focus of this paper, trade cooperation needs to be defined here. Trade cooperation between countries aims to facilitate each other for the promotion and sustainability of trade. Thus, trade cooperation is a strategy to promote trade expansion. Trade cooperation is primarily achieved through liberalizing trade and by creating harmony and coherence in trade policies. It is critical amidst sluggishness of our economies. Contrary to trade liberalization, protectionism intensifies recession and adversely affects growth. Accordingly, trade cooperation should be seen as vital for the development of two economies.

Rest of the paper is divided into seven sections. Section 2 assesses the existing structure of Pak-India trade. Section 3 examines the current trade regime in India. Potential tradable products are identified in section 4. Section 5 discusses the likely benefits of trade cooperation between India and Pakistan. Section 6 discusses the impediments to trade cooperation between India and Pakistan. Section 7 provides strategic directions to maximize benefits from trade cooperation while alleviating hurdles on its way. Finally, section 8 concludes the paper.

**Structure of Current Pak-India Trade**

Current official trade between India and Pakistan is less than $2.0 billion (Table 1). Trade balance has always remained in favor of India and is perpetually growing. Informal trade reportedly is in the range of $2-3 billion. At present, paradoxically, the total landed cost of imports (value of imports plus MFN tariff plus transportation cost) from, say, Dubai is lower than the landed cost (value of imports plus non-MFN tariff & NTBs plus transportation) on direct imports from India. This is simply the reason as to why Pakistani importers are using third countries to import Indian goods into Pakistan, or through border smuggling. Most of the
available studies estimate 4-5 times total trade potential between the two countries. Khan (2011) estimates trade potential of $42.0 billion if normal relations are assumed. In any case, these studies speak of large untapped trade potential of the two countries.

Table 1: Pak-India Trade (US Dollars in Million)

<table>
<thead>
<tr>
<th>Year</th>
<th>Pakistan’s Exports to India</th>
<th>Pakistan’s Imports from India</th>
<th>Total Pak-India Trade</th>
<th>Trade Deficit with India</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004-05</td>
<td>288</td>
<td>547</td>
<td>835</td>
<td>259</td>
</tr>
<tr>
<td>2005-06</td>
<td>293</td>
<td>802</td>
<td>1095</td>
<td>509</td>
</tr>
<tr>
<td>2006-07</td>
<td>343</td>
<td>1235</td>
<td>1578</td>
<td>892</td>
</tr>
<tr>
<td>2007-08</td>
<td>255</td>
<td>1701</td>
<td>1956</td>
<td>1446</td>
</tr>
<tr>
<td>2008-09</td>
<td>320</td>
<td>1914</td>
<td>2234</td>
<td>1594</td>
</tr>
<tr>
<td>2009-10</td>
<td>260</td>
<td>1061</td>
<td>1321</td>
<td>801</td>
</tr>
<tr>
<td>2010-11</td>
<td>261 (1.07%)</td>
<td>1722 (4.31%)</td>
<td>1983</td>
<td>1461</td>
</tr>
<tr>
<td>2011-12</td>
<td>320 (1.44%)</td>
<td>1426 (3.36%)</td>
<td>1746</td>
<td>1106</td>
</tr>
</tbody>
</table>


Figures in parenthesis are shares out of Pakistan’s total exports and imports.

It may be noted that the complementarity index shows that it is small (16% in 2003 and 19% in 2007, Table 2) and thus with status quo in our production and trade structure, the size of the index points out to low trade opportunities for Pakistan in the Indian market. Likewise, IIT with India is low (11% in 2003 and 20% in 2007). Such a trade structure and trends call for diversifying Pakistan’s exports to India to reap the benefits of the bigger Indian market. Of course, this is not easy to accomplish. A lot would depend on how our policy assists domestic industries to restructure themselves, and introduce new products where industries can create competitiveness and India has a demand. It may also be noted from Table 2 that these indices of Pakistan for the rest of the world are somewhat higher than India. Therefore, complementarity of Pakistani trade with other countries is
greater than India. This should also motivate policymakers to strive to create complementarities and intra-industry trade between two countries.

**Table 2: Trade Complementarity and Intra-industry Trade Indices of Pakistan**

<table>
<thead>
<tr>
<th>Year</th>
<th>India</th>
<th>Rest of the World</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Trade complementarity index (%)</td>
<td>Intra-industry trade index (%)</td>
</tr>
<tr>
<td>2003</td>
<td>15.69</td>
<td>0.11</td>
</tr>
<tr>
<td>2004</td>
<td>16.33</td>
<td>0.26</td>
</tr>
<tr>
<td>2005</td>
<td>18.09</td>
<td>0.25</td>
</tr>
<tr>
<td>2006</td>
<td>17.46</td>
<td>0.15</td>
</tr>
<tr>
<td>2007</td>
<td>18.59</td>
<td>0.20</td>
</tr>
</tbody>
</table>


Overall export to import ratio of Pakistan for the period 2006-07 to 2010-11 is 54%, whereas, this ratio of Pakistan with India is only 19%. It implies that Pakistan’s import dependency on India is much greater as compared with the rest of the world. This one-sided trade dependency needs to be corrected to allay the fears of the Pakistan industries.

Notwithstanding above, Table 3 shows the weak competitive strength of the Pakistani industries vis-à-vis Indian industries in both countries’ markets as well as in the international markets. It may be noted from the table that Pakistan’s competitiveness increased till 2005 but afterwards it started declining. On the other hand, Indian competitiveness is continuously increasing and is very high as compared with Pakistan. Pakistan needs to introduce concrete policy measures on urgent basis to improve the competitive strength of its industries so that they are ready to face competition from Indian industries; something policymakers ignored so far.
Table 3: Indices of Competitiveness of Pakistan and India

<table>
<thead>
<tr>
<th>Year</th>
<th>Pakistan</th>
<th>India</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>With respect to Indian market</td>
<td>With respect to the international market</td>
</tr>
<tr>
<td>2003</td>
<td>0.18</td>
<td>0.18</td>
</tr>
<tr>
<td>2004</td>
<td>0.24</td>
<td>0.15</td>
</tr>
<tr>
<td>2005</td>
<td>0.31</td>
<td>0.16</td>
</tr>
<tr>
<td>2006</td>
<td>0.25</td>
<td>0.15</td>
</tr>
<tr>
<td>2007</td>
<td>0.19</td>
<td>0.14</td>
</tr>
</tbody>
</table>


Current Trade Regime in India

Broadly speaking, the Indian trade regime relies on tariffs, para-tariffs and non-tariff measures (NTMs) to restrict imports to its territories. Its overall applied tariff rate is 12 percent. In addition to MFN tariffs, India also uses different para-tariffs including entry tax to a state, octroi, sales tax at the import stage, different surcharges, taxes on foreign-exchange transactions, service fees affecting importers, etc. (Table 4). In particular, why para-tariffs are not a preferred trade policy instrument? It is because para-tariffs in India are normally subject to arbitrary implementation and are non-transparent. They are often driven by specific interest-groups to protect their industries or use the revenue earned from it to finance their activities.

Textiles and agricultural commodities are sensitive areas of trade for Pakistan and are major areas of concern. These are the areas where Pakistani exporters face major hurdles in India. It may be noted from Table 4 that, whereas for textiles average MFN tariff rate is 9.6 percent, however, when other
import related taxes (such as para-tariffs) are added to it then overall tariff rate becomes 23.5 percent. Likewise, in the case of agricultural commodities the average MFN tariff rate is 33.4 percent, but when other import-related taxes are added then the traders have to face the total import tax burden of 41.8 percent.

The concept of tariff equivalent incorporates the impact of all NTMs in addition to regular (nominal) tariffs and para-tariffs, and is often many times that of the nominal tariffs. It makes the Indian nominal tariffs are redundant, i.e., meaningless. High NTMs virtually prohibit our exports to India. Thus, India has a ‘disguised tariff structure’ which shows that its nominal tariff rates are lower, however, all trade hurdles are embodied in NTMs and para-tariffs.

**Table 4: India’s Trade Regime: 2011**

<table>
<thead>
<tr>
<th>MFN Applied Tariff Rate (Overall Average = 12%)</th>
<th>Non-tariff Measures (NTMs)</th>
<th>Export-related Incentives</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Para-tariffs: entry tax, octroi, sales tax, additional surcharges, etc.</strong></td>
<td>NTBs (QRs, bans), bureaucratic and administrative mishandling (red tapeism) , security clearance, licenses, conformity assessment, accreditation, labelling and marking rules, SPS certificates, country of origin certificate, end-use certificates, state trading, education cess (3%), support price, anti-dumping</td>
<td>Duty remission and exemption schemes, tax holidays in EPZs and export oriented units, central government subsidies for agriculture, state subsidies for electricity, and water, input price controls, concessionary export finance, marketing assistance,</td>
</tr>
<tr>
<td><strong>Manufacturing Average</strong></td>
<td><strong>Agricultural Average</strong></td>
<td></td>
</tr>
<tr>
<td>Overall manufacturing: 8.9%</td>
<td>33.4% (when other import related taxes are added then 41.8%)</td>
<td></td>
</tr>
<tr>
<td>Textile: 9.6% (when other import related taxes are added then 23.5%)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Clothing: 10% (when other import related taxes are added then 22%)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Benefits and Impediments to Trade Cooperation between Pakistan and India

| Measures, pre-shipment inspection for imports, visa restrictions and surveillance of visitors to India, banking limitations and restrictive trade routes. | Insurance. |

Source: WTO (2012).

Potential Tradable Products

The list of products reported in Table 4 is based on the Revealed Comparative Advantage (RCA) technique pioneered by Balassa (1965, 1977 and 1986). Based on this analysis, four different likely effects are discussed in Table 5.

It may be noted that ‘industries that are likely to experience losses’ with trade opening with India are those where only India, and not Pakistan, exports according to its comparative advantage in the international market or those products where India export without having comparative advantage but it has relatively less disadvantage as compared with Pakistan. These industries include: tea, animal feeds, jute textiles, organic-inorganic compounds, soaps, insecticides, perfumery, rubber tyres & tubes, glassware, cycle, household equipments, miscellaneous machinery, automobile and parts, lighting fixtures & fittings, furniture, footwear, printed matter (Table 5).

Pakistani industries that are likely to face ‘weak threat’ from Indian imports are those where both India and Pakistan export in international market according to their comparative advantage, yet India has an edge over Pakistani industries. These industries include: spices, starch, manufacture of leather, floor coverings, and wood manufacture (Table 5).
Pakistani industries which can gain after the granting of MFN status to India are those that have an edge over India in terms of comparative advantage or have lower disadvantage over India. These industries include: fish, rice, dry fruits, sugar, cotton, wool, cement, leather, yarn, cotton fabrics, clothing, cutlery, surgical instruments (Table 5).

Industrial users in Pakistan can gain by importing raw materials/inputs/machinery from India where Pakistan is a net importer of these. These raw materials/inputs/machinery include: iron ore, aluminium ore, copper ore, pig iron, metal products, fuel wood, printing book binding machinery (Table 5).

A caveat may be pointed out here. The list of industries given in Table 5 is an indicative and not a precise list. This is because while preparing it only 3-digit level products were considered. To be precise one needs to conduct an analysis at 6- or 8-digit level. This was beyond the scope of this study.

Table 5: Likely Effects of Trade Opening with India on Pakistan Industries

<table>
<thead>
<tr>
<th>Effect</th>
<th>Major Industry</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industries that can suffer</td>
<td>Tea, animal feeds, jute textiles, organic-inorganic compounds, soaps, insecticides, perfumery, rubber tyres &amp; tubes, glassware, cycle, household equipments, miscellaneous machinery, automobile and parts, lighting fixtures &amp; fittings, furniture, footwear, printed matter.</td>
</tr>
<tr>
<td>Industries with weak threat</td>
<td>Spices, starch, manufacture of leather, floor coverings, wood manufacture.</td>
</tr>
<tr>
<td>Industries that can gain</td>
<td>Fish, rice, dry fruits, sugar, cotton, wool, cement, leather, yarn, cotton fabrics, clothing, cutlery, surgical</td>
</tr>
</tbody>
</table>
Benefits and Impediments to Trade Cooperation between Pakistan and India

**Instruments.**

| Products where user can gain where domestic production is either zero or negligible | Iron ore, aluminium ore, copper ore, pig iron, metal products, fuel wood, printing & bookbinding machinery. |

Source: Based on the Author’s analysis.

**Likely Benefits of Trade Cooperation**

In the context of trade cooperation with India in the aftermath of MFN, following are the benefits and hurdles that are likely to be faced by the Pakistan industries:

- **Trade cooperation a CBM**: Trade cooperation in itself is the most important CBM in the economic and political relations of the two countries. Future relations between two countries will depend on how cooperative are trade relations.

- **Simplification of trade measures**: With one set of MFN tariffs for all countries, it would simplify the rules and makes them more transparent. This will also lessen the problem of establishing and implementing the rules of origin (RoO). It will thus restrict trading partners to take undue advantage from liberalized trading environment.

- **Specialization in production and exports**: Trade cooperation would allow specialization in production and exports this and will thus enhance competitiveness.

- **Economies of scale and scope**: Trade expansion through cooperation means greater opportunities to benefit from economies-of-scale and -scope. This would also allow establishing agglomeration (cluster of industries) and drawing benefits from it.

- **Greater research and development**: Larger firms benefiting from economies-of-scale and scope will have greater opportunities for research and development (R&D). Consequently, the quality and range of products can be improved with trade expansion through trade cooperation.
Growth and employment: Trade cooperation will provide opportunity for sales in bigger Indian markets – more sales means higher economic growth and productive jobs creation.

Availability of cheaper and quality goods: With trade expansion through cooperation, consumer's access to better quality and cheaper goods along with bigger variety of goods.

Enhanced trade business: If no trade corridor is given to India to reach Afghanistan and Central Asian Republics’ (CARs) markets then all trade carried out with India directly by Pakistani traders will create employment and business will flourish in Pakistan. If Indians are given a direct access then India may not only dump its goods in Afghanistan that may renter into Pakistan through illegal trade channels. Not only this, Indian traders will also bring back cheaper raw materials to feed their efficient value added industries to produce goods for export to Pakistan, thus depriving Pakistani value added industries who may not withstand to Indian competition.

Availability of cheaper raw materials: Pakistani industry that uses higher import content and are inherently uncompetitive will benefit from cheaper imports of Indian parts and raw materials. Such industries can make long term trade contract for their benefit.

Revenue generation: Mixed results are expected for revenue generation. Tax revenue may increase to the extent of creation of imports and that some smuggling will be diverted to legal trade channels. Conversely, tax revenue may fall because now Pakistan will have to use MFN tariffs rather than non-MFN tariffs.

Improved competitiveness: With trade cooperation, protection may erode in the short- to medium-run for our industries. However, in the long-run with proper adjustment and restructuring of industries they will be able to compete with the Indian imports.
Benefits and Impediments to Trade Cooperation
between Pakistan and India

- **FDI inflows**: Regional and international investment to Pakistan may increase; as MFN status and future bilateral trade cooperation may encourage long term collaboration with Indian and other foreign firms.

- **Balance of payments improvement**: With the removal or easing of Pakistan-centric NTMs through trade cooperation agreement, Pakistan may be able to reduce its trade deficit with India.

- **Surge in IIT**: Intra-industry trade is expected to increase and will provide sustainability in trade relations. Because it will create dependency as compared with inter-industry trade.

- **Enhanced role of MNCs**: Many products of India-based multinationals are cheaper in India than in Pakistan; multinationals may further lower their prices if trade opening with Pakistan increases their scale of production. Whereas this will benefit consumers, it will erode protection to Pakistani industries. Some Pakistan based MNCs think that they can penetrate into Northern Indian markets from Pakistan if they are allowed to do so. This will in turn benefit Pakistan in terms of growth, employment, export earnings and tax revenues.

**Likely Impediments to Trade Cooperation**

Following are the impediments that preclude trade cooperation between Pakistan and India:

- **Non-granting of MFN status by Pakistan**: So far non-granting of the MFN status to India by Pakistan is one of the major hurdles in trade cooperation between two countries.

- **High tariffs and para-tariffs as well as NTMs**: A pertinent question is, will conferring MFN status to India eliminate the so-called Pakistan-centric NTBs? Probably not! It needs to be understood that NTBs on face of them may not be Pakistan-centric. But, the way NTBs are mis-handled by the Indian officials make them extremely harsh against Pakistani exports. It may
be underlined that high trade restrictions results into high incidence of smuggling and trade misinvoicing that in turn circumvent the very objective of our trade policy.

- **Subsidization**: India provides subsidies to its local industries and agricultural commodities of interest to Pakistan (see, Table 4).

- **Customs Procedures**: Cumbersome customs procedures and non-transparent regulations. Pakistan and India signed Customs Cooperation Agreement (information, data, and harmonization) in November 2011. Let us see how it is implemented.

- **TBTs**: India’s TBTs are very stringent, they discriminate against our exports. Different agencies and states follow different standards. It often becomes difficult for our exporters to meet these standards as our national standards are not recognized by India. Pakistan and India signed Limited Mutual Recognition Agreement (standards) in November 2011.

- **Lax enforcement of IPRs**: Insufficient protection of industrial property rights (patents, trademarks, etc.). And different standards of enforcements create hurdles for our exports to India.

- **Fierce Competition**: Fierce competition from established players in the Indian market denies entry for new potential entrants from Pakistan.

- **Lack of Exportable Surplus**: Lack of exportable surplus of desired specification and absence of required structural changes denies the available export opportunities in India.

- **Lack of Competitiveness**: Lack of competitiveness and competitive nature of export products in two countries.

- **Lack of Standardization**: Lack of standardization, differences in specification and poor quality of products.

- **Lack of Information**: Lack of information in terms of export potential, import needs, domestic economic policies and infrastructural facilities.
Benefits and Impediments to Trade Cooperation between Pakistan and India

- **Inadequate Transportation**: Inadequate transportation, logistics and communication infrastructure: only one active border post.
- **IS Policies**: Import substitution policies of the past era still remain prevalent in both countries that do not encourage them to take decisive measures for trade opening.
- **Smuggling and Trade Misinvoicing**: Illegal trade flows (smuggling and trade misinvoicing) are prevalent across the border. Cost of smuggling is much lower as compared to MFN tariffs and tariff equivalent.
- **Lack of Banking Facilities**: Lack of banking facilities in each other’s country. A move is recently made.
- **Non-Existence of Dispute Settlement System**: Non-existence of dispute settlement institution or body where traders can settle trade disputes. In this regard, a "Redressal of Grievances Agreement" (commercial disputes resolution mechanism) was signed in November 2011.

**Strategic Directions**

Current magnitude of trade deficit with India warrants that Pakistan should explore all possible avenues to expand its exports to India. One such possibility that is in Pakistan’s interest and is likely to be beneficial for us is to negotiate a Trade Cooperation Agreement with India in the aftermath of the MFN treatment. This is also because after the MFN treatment the size of trade deficit is likely to go up further. The exact extent of trade cooperation will depend on the nature of complementarities and competitiveness of our tradable goods. Pakistani policymakers face an uphill task from challenges that demand a balance between protectionism and export growth. This can be achieved by having an equitable trade cooperation agreement that will ensure fair, sustainable and mutually beneficial trade relations.

Given the impediments and challenges to Pakistani trade, how the policymakers go about from here to further develop
Pak-India trade relations. I put forward the following strategic directions (SDs).

- **SD 1**: Enter into a Trade Cooperation Agreement with India. Minimum level of trade cooperation is granting of MFN. Without it there is no justification for trade cooperation. Of course, in the near future full-fledge cooperative trade relations might not be possible. In the absence of normal political relations, if we become extremely dependent on India, any event like the ‘Mumbai’ can jeopardize all the success achieved by the two countries and India can adopt the beggar-thy-neighbor policy as it did back in 1948. A Comprehensive Trade Partnership Agreement may be considered once Trade Cooperation Agreement delivers positive results. But at this moment it is out of sight.

- **SD 2**: Preparing domestic industry for post-MFN stage. MFN will effectively liberalize our trade regime and our industries will face a very different and unprecedented environment to which they are not accustomed. Therefore, we need to devise very special measures to cope with the upcoming situation.

- **SD 3**: Leveraging and expanding the existing industrial strength. This can be achieved by enhancing competitiveness of export firms by introducing better technology and diversification in production.

- **SD 4**: Creating complementary specialization and IIT. Trade can both be competitive or complementary in nature. Those who take the myopic view emphasize more of competitive nature of trade and hence would like the use of safeguard measures to protect local industry. But in the long run for sustainability and growth of trade Pakistan needs to also promote trade complementarities and encourage IIT.

- **SD 5**: Encouraging re-export activities after MFN. Re-export is likely to be major activities in the future. Therefore, Pakistan needs to develop special trade policies for trans shipment to CARs, Afghanistan and China exclusively through its traders and not directly by the Indians.


Benefits and Impediments to Trade Cooperation between Pakistan and India

- **SD 6**: Improving customs, transportation and logistics infrastructures. To materialize trade expansion both countries would need to cooperatively work on the improvement of physical and institutional infrastructure. With the present infrastructure arrangements, it would be very difficult to accomplish the trade potential.

- **SD 7**: Improving trade facilitation measures. It includes faster border crossing of cargo, streamlining of documentation requirements, coordination of border agencies, opening up of new border crossings and strengthening of the existing ones, strengthening of customs clearance procedures to facilitate movement of bulk and low volume cargo, improvement of electronic data interchange, telecommunications, and easing of visa restrictions. What is essentially needed is to improve the trade facilitation system to make whole of our supply and value chains competitive and dynamic.

- **SD 8**: Asking India to remove Pakistan-centric NTMs. Stringent Indian NTMs often act as a de facto barrier to trade. Therefore, in future trade negotiations with India, Pakistan should push forward for the elimination of Pakistan-centric NTMs (especially, the use of their handling procedures for Pakistani exports). Concomitantly, Pakistan needs to put its own house in order. In this context, traders and businesses should proactively engage with the government and support governmental efforts. A participatory approach is the need of the hour to identify most problematic trade barriers and to find and implement suitable solutions.

- **SD 9**: Rationalizing and simplifying TBTs and SPS measures. These are the major hurdles in trade of two countries. Streamline standards, quality controls, technical regulations, material testing, etc. Harmonize legal regulations for IPR. Remove procedural difficulties to open up commercial bank branches in two countries. Banking services are essential for letter of credit (LC) opening and cross border transfer of funds. Sanitary and phytosanitary as well as laboratory
inspections of one country should be accepted in the other country.

- **SD 10**: Improving Pakistan’s trade regime. Use ‘escape clause’ to allow protection to declining industries. This WTO clause provides a basis to safeguard domestic industries. The rationale for safeguard protection is to give an industry sufficient time to adjust or restructure to vigorous import competition. Safeguard provisions include anti-dumping duty, countervailing duty, infant industry protection measures, emergency protection, balance of payments measures, and national security. Since safeguard provisions are holes in the multilateral trading system, as they can seriously undermine trade liberalizing dynamics; therefore, safeguard measures need to be imposed on a non-discriminatory basis.

- **SD 11**: Assigning the role of market intelligence collection to commercial attaché in India. Indian ambassador is proactively engaged in such activities in Pakistan; likewise Pakistani diplomats should be vigilant in India. Market intelligence collected by Pakistani diplomats should cover Indian Central and State policies regarding tariffs, para-tariffs and NTBs besides others, and information about competitors from other countries in Indian markets.

- **SD 12**: Introducing pragmatic and realistic measures. We should not be defensive in our policies. Because defensive policies are doom to be a failure. Get benefits from upcoming opportunities, where possible exploit them. This is the way international trade works. In our policies, it appears that we only care about industries. We should equally care about traders, businesses, transport companies, and other support companies because they also create national income and generate employment. As there are always certain losers and gainers. It is the job of the government to develop schemes of compensation to losers by taxing a bit to gainers, this is necessary for the required restructuring.

- **SD 13**: Penetrating Indian Markets. In all those items where Pakistan exports in international market on the basis of comparative advantage while India does not,
Pakistan should penetrate in Indian markets by utilizing its underutilized capacity or by enhancing the existing capacity. In this regard, improvement in productivity of industries should also bring forward larger exportable surpluses.

- **SD 14**: Obtaining Cheap Indian Raw Materials. Irrespective of the fact whether India has a comparative advantage or not in producing raw materials, if it can deliver raw materials to Pakistan at cheaper rates than the rest of the world, it should obtain these raw materials from India to feed its value added industries.

**Concluding Remarks**

One thing is very clear that life after MFN will not be the same and easy as protection to domestic industries will be eroded. Trade will introduce competition that Pakistani import-competing industries will face from Indian products in Pakistan, and Pakistani export firms will face from third countries’ exporters as well as from Indian industries inside Indian markets. Incidentally, Pakistani industries are already facing *de facto* competition from Indian smuggling and trade misinvoicing as well as from international competitors in our export markets. This is an encouraging sign. Profit after the grant of MFN status will not be so easy for our firms with inertia of past policies. With granting of MFN status it is expected that immediately all the Indian goods coming from third world countries will become India’s direct trade; however, a part of border smuggling will continue, as the cost of smuggling in general is much lower than the MFN tariff equivalent. All in all, there will be an import surge from India that will definitely pressurize our balance of payments and industries. To cope with the situation adoption of above strategic directions will reform and prepare Pakistani industries to effectively face the upcoming competition from the Indian trade.

A Trade Cooperation Agreement in the future would further facilitate trade. This may be implemented at the beginning without any institutional mechanisms in place. It
should be treated different from a Comprehensive Trade Partnership Agreement where an institutional framework is drawn out to improve economic and technical cooperation. For instance, by having a Joint Council whose role would be to periodically define guidelines for economic cooperation.

We conclude on a cautious note. That is, Pakistan needs to be vigilant! Unless India becomes a trustworthy trading partner and neighbor, our too much dependency for trade on India may be injurious for our industries and the economy. We witnessed back in 1948 that to impose its policy of devaluation on Pakistan, India refused to import anything from Pakistan. Thus, we should carefully manage our bilateral trade relations with India and watchfully and skillfully move forward in developing cooperative trade relations.

Author

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Notes

1 Both India and Pakistan granted the MFN status to each other after ratifying the GATT in July 1948. This relationship between the two countries continued till 1965. Trading halted between the two countries after the war of 1965. Trading relations, however, resumed after the Shimla agreement, with four items on the ‘positive list’. India granted MFN status to Pakistan in 1996, at which time Pakistan did not reciprocate.

2 Pakistan is also granting MFN treatment to non-WTO countries.

3 Because the initial contracting parties to the General Agreement to Tariffs and Trade (GATT) were quite small, 23 in numbers, the benchmark for MFN is the best treatment offered to any country.


5 This index measures the degree to which the export pattern of one country matches the import pattern of another. A high degree of complementary index is assumed to indicate more favorable prospects for a successful
trade arrangement. Value of zero indicating no overlap and 100 indicating a perfect match in import-export pattern.

6 Competitiveness is defined as the capacity of an industry to increase its share in international markets at the expense of its trading rivals. It is thus an index of market power. See, www.unescap.org/tid/aptiad/index_cmpl_fm.aspx.

7 Para-tariff is a charge on an imported good instead of, or in addition to, a tariff. It is also called a “secondary tariff.” In practice, para-tariff has the same effect as of a tariff.

8 The RCA index suggests that it may not be necessary to include all factors affecting a country’s comparative advantage in the analysis. Instead, the index proposes that comparative advantage is “revealed” by observed patterns, and in line with the theory of international trade, one needs pre-trade relative prices that are not observable. Thus, inferring comparative advantage from observed data is named as “revealed comparative advantage (RCA)” (see, Mahmood and Al-Haji, 2009).
SOUTH ASIA’S STRATEGIC SECURITY ENVIRONMENT

Ehsan Mehmood Khan

Abstract

South Asia is home to nearly one-fourth of humanity. It also has one of the largest arrays of territorial and non-territorial disputes in the world. The region has witnessed several interstate wars and warlike situations besides a number of intrastate insurgencies, ethnic discords and confrontations in the last about seven decades. As a consequence, the strategic security environment of the region is overshadowed by traditional military security of the state. Human security of virtually 1.57 billion people remains hostage to the security perceptions based on the nature of conflicts rather than human sufferings based on shared realities. This paper analyzes key expressions and manifestations of the security paradigm so as to recommend practicable measures for a comprehensive, cooperative and holistic security framework.

Introduction

History, geography, demography, and political opportunity structure intermix to formulate national purpose, interests and inspirations of a state. National interests stipulate economic, social and political priorities. These, in turn, shape a strategic construct – strategic mindset and security paradigm – consistent with the power potential of the nation. The string goes down to the lowest rung in a manner that it receives light from the national purpose to the extent it must. While economic, social and political concerns are debated openly by the policymakers and strategic planners, they often downplay the imprints of religion on decision making and policy formulation process. At any rate, religious beliefs play a consequential role in evolution of strategic culture and concerns of a country or region.
All this is as much true in case of South Asian countries as it is for any other state, whether big or small, developed or developing, and overtly theological or ostensibly secular. However, South Asia’s strategic culture is quite different from other major regions of the world because of its peculiar security issues and atypical security calculus. Geo-historic, geo-political, geo-strategic and geo-economic and geo-cultural dimensions together play their part in making and maintaining the security construct of the region. Besides, security interests of major powers of the world create an unbreakable interface thereby leaving irremovable imprints on the regional security landscape.

South Asia is one of the most militarized zones in the world and home to inter-state and intra-state wars. Having remained in a state of conflict for centuries, and especially since 1947, it has turned into a “Corridor of Instability” on the globe. Security problems of the region range from traditional to non-traditional and state security to human security. State security overshadows human security in a number of ways, and people remain to be the ultimate sufferers. Thus, the region is hostage to a security web of its own, and would seemingly remain so in the decades to come.

**Location and Makeup**

Located in the heart of Asia, the South Asian region physically stretches from the Hindu Kush to the Malay Peninsula and from the Indian Ocean to the Himalayas, and is bordered by the Middle East, Central Asia, China and South East Asia. This way, it is a meeting point for various important regions on the globe. Thus, events and activities in South Asia directly affect the contiguous regions and indirectly affect remaining parts of the world. Likewise, any sort of developments in the adjacent regions, too, reflect on the South Asian affairs.

Traditionally, South Asia has been understood as a region comprising seven countries namely Pakistan, India, Bangladesh, Sri Lanka, Nepal, Bhutan and Maldives.
However, an extended definition of the area in keeping with the archives of the UN shows Afghanistan too as part of South Asia. Figure-1 illustrates. It is of note that the South Asian Association for Regional Cooperation (SAARC) initially consisted of seven countries. Later, Afghanistan, too, became a member. The composition of South Asia in this paper is, hence, based on the UN definition of South Asia as well as present membership of SAARC.

There is a unique mismatch between the population and landmass of the region (Figure-2). For instance, South Asia’s population (1,577,744,692) when combined with that of China (1,338,612,968) comes to 2,677,225,936 and is thus 54% of this total (Figure-3). On the other hand, the region has nearly 35% of the territorial area when combined with that of China (9,596,961 square kilometre). Similarly, compared with the European Union, the region has virtually thrice more population (1,577,744,692 vis-à-vis 491,582,852). To put it in global comparison, South Asia has 23.23% of world population (6,790,062,216) dwelling on 1% of the globe (510.072 million square kilometre). These comparisons have been given herein for the reason that demographic and territorial composition of South Asia has a concrete linkage with makeup of its security paradigm.
South Asia has a diverse territory ranging from fertile plains to vast desert stretches and the highest mountain ranges in the world. To note, top thirteen mountain peaks of the world are located in the Karakoram and Himalaya mountain ranges of South Asia. The region has tremendous tapped and untapped natural resources. Throughout the recorded history of the region, it attracted traders and invaders especially from the Central Asia and the Middle East. Intermarriages, immigration and settlements changed the demography of the region to a great extent. Likewise, it paved a way for new religions and languages. Today, South Asia is home to a number of major world religions, ethnic tribes, races and languages. All these are inalienable features of security outlook in the region. There are numerous other expressions e.g. sects within Islam and Christianity, and castes within Hinduism. Thus, South Asia has
tremendous heterogeneity, which adds complexity to the already intricate security atmosphere.

Inter-state conflicts involve huge unsettled territory; indeed, unparalleled with territorial disputes elsewhere in the world. This, source of conflict, is the most dangerous dimension of security in the region. This needs dexterity and statesmanship on part of the South Asian leadership so as to manage security and maintain stability in the region. With unsettled inter-state disputes and unmediated intra-state ethnic interests, human security atmosphere of the region remains clothed in despair and desolation. This calls for a regional approach to interconnection, interdependence, integration and unity within the diversity, which is supported by the UN Charter, too.7

Dynamics and Manifestations of Security Paradigm

South Asia is at war with itself. This densely populated chunk of territory on the globe is heavily militarized too. The region is carrying the burden of history. Historical memories of the partition of India in 1947, the colonial legacies and more so, the Muslim rule in India before the British colonized it, have left strong imprints on the hearts and minds of the people, which are acting as psychological determinant in virtually all human affairs including the statecraft. It is here that the religion interacts with security. These are, thus, a major impediment on the way to concord and conciliation, and a stumbling block for regional security and stability. The state policies are influenced by political concerns and security perceptions from top to bottom. Due to the same reasons, even the most technical issues pending solution, often, transform into geo-political moorings and politico-military disputes. This has given birth to an intricate security template and conflict landscape.

South Asia’s dynamics of conflict that shape up the regional security environment have four principal motivations namely the historical memories, colonial legacies, ethnicity and foreign linkages. These motivations transform into
dangerous expressions leading to drastic consequences for the individual states and societies as well the region as a whole, as shown in Figure-4. The ultimate product of this complex nature of security environment is an unremitting instability, which leads to primacy of militarism rather than humanism. Key manifestations of security paradigm are (Figure-5): inter-state wars; intra-state insurgencies; conflict management rather than resolution; an unending conventional arms race; nuclearization (of India and Pakistan); interventional politics i.e. regional intervention; extra-regional intervention (e.g. presence of foreign forces in form of International Security Assistance Force (ISAF) in Afghanistan); and human insecurity, which is a by-product of some of these and a cogent reason for others.

This has embedded a sort of mini Cold War in the region especially in case of the two largest countries i.e. India and Pakistan, which keeps playing its role even in softer human affairs like sports and cultural activities. For instance, a cricket match between India and Pakistan is taken nothing less than a military encounter, though in non-kinetic form, by many people of two countries.

It is of note that South Asia is home to the world’s oldest surviving UN mission, United Nations Military Observer Group in India and Pakistan (UNMOGIP). The UNMOGIP
dates back to January 1949 and operates on either side of the Ceasefire Line (now the Line of Control) between the two parts of Kashmir; Azad Jammu and Kashmir, and Indian-Occupied Kashmir.\textsuperscript{12}

**India-Centric Regional Disputes**

The region is home to the world’s largest territorial disputes. Important to note is that most of them involve India, thereby instituting an India-centric security paradigm in South Asia. Key ones to name are: India-China Aksai Chin dispute; India-China South Tibet/ Arunachal Pradesh dispute;\textsuperscript{13} India-Pakistan Kashmir dispute; India-Pakistan Sir Creek dispute; India-Pakistan dispute over construction of dams by India in violation of the Indus Water Treaty; Pak-Afghan argument over cross border movement of militants; India-Bangladesh border dispute over 51 Bangladeshi enclaves and 111 Indian enclaves; India-Bangladesh sea boundary dispute over New Moore/ South Talpatty/Purbasha Island in the Bay of Bengal;\textsuperscript{14} India-Bangladesh Farraka Dam dispute; India-Nepal Boundary dispute including 400 squares kilometres on the source of Kalapani River; and India’s argument over militants’ crossing with Bangladesh, Nepal, Burma and Bhutan. Figure-6 illustrates.\textsuperscript{15}
Kashmir, nevertheless, remains the site of the world’s largest and most militarized territorial dispute.\textsuperscript{16} It is often referred to as a nuclear flash point on the globe. Kashmir is not only an unfinished agenda of the partition but also an unresolved dispute of the UN. The UNSC adopted various resolutions in 1948, 1949, 1950 and 1951 to resolve the issue democratically but it has yet to succeed. For instance, in 1951 the UNSC, through a resolution endorsed, “Reminding the governments and authorities concerned of the principle embodied in its resolutions 47 (1948) of 21 April 1948, 51 (1948) of 3 June 1948 and 80 (1950) of 14 March 1950 and the United Nations Commission for India and Pakistan resolutions of 13 August 1948 and 5 January 1949, that the final disposition of the State of Jammu and Kashmir will be made in accordance with the will of the people expressed through democratic method of a free and impartial plebiscite conducted under the auspices of the United Nations...”\textsuperscript{17}
To this end, Pandit Jawaharlal Nehru had articulated: “I should like to make it clear that [the] question of aiding Kashmir in this emergency is not designed in any way to influence the State to accede to India. Our view, which we have repeatedly made public, is that [the] question of accession in any disputed territory or State must be decided in accordance with the wishes of the people and we adhere to this view.”

He further pronounced, “We have declared that the fate of Kashmir is ultimately to be decided by the people. That pledge we have given, and the Maharaja has supported it, not only to the people of Kashmir but to the world. We will not, and cannot back out of it. We are prepared when peace and law and order have been established to have a referendum held under international auspices like the United Nations. We want it to be a fair and just reference to the people, and we shall accept their verdict. I can imagine no fairer and juster [sic] offer.”

The plebiscite could never be held. The issue not only remains unresolved but is even more complicated today. More than the territorial area or geo-strategic interests of the nations, Kashmir is a human security issue for millions of people, some of whom are living in a split family status and many of them as refugee for the last about seven decades. The territorial area of Kashmir is 222,236 square kilometres (total on both sides of the Line of Control). It is only a little less than the United Kingdom’s 243,610 square kilometres and more than the territorial areas of Bangladesh (143,998 square kilometres) and North Korea (120,538 square kilometres), and virtually double the area of Bulgaria (110,879 square kilometres). It is nearly five times larger than the territorial areas of Denmark (43,094 square kilometres) and Netherlands (41,543 square kilometres). These figures have been given to put it in comparative perspective. The South Asian nations also have hosts of non-territorial arguments.

**Interstate Conventional Wars**

The territorial and non-territorial issues have, in the past led to wars between India and Pakistan in 1948, 1965 and
1971, and India and China in 1962. Skirmishes between India and Bangladesh border security forces are also a routine bulletin in the region. Besides, the Line of Control (formerly the Ceasefire Line) in Kashmir is in a virtual state of war since 1947.

**Intrastate Arguments and Insurgencies**

All the eight South Asian nations are home to different types of ethnic arguments, confrontation, insurgencies, violence and militancy. The key ones to note are: Taliban Movement in Afghanistan and Federally Administered Tribal Areas (FATA) of Pakistan; Maoist insurgency in seven out of total 28 states of India (aptly termed as the seven sisters); Naxilite insurgency in India, which Dr Manmohan Singh, the Indian Prime Minister, termed as the single biggest internal security threat (the area affected by Naxilism is popularly termed as the Red Corridor); LTTE in Sri Lanka; the Maoists insurgency in Nepal, which lasted till 2006 and is passing through post-culmination settlement phase; and insurgency in Chittagong Hill Tracts region of Bangladesh.

As a matter of fact, there are hundreds of militant organizations operating in South Asia. Take the case of India; there are virtually 200 armed terrorist organizations / groups – most of them from the majority Hindu community – that have picked up arms against the state and minority communities with one motive or the other. Recently, India’s Union Home Minister Sushil Kumar Shinde stated, “We have got an investigation report that be it the RSS or BJP, their training camps are promoting Hindu terrorism. We are keeping a strict vigil on all this. We will have to think about it seriously and will have to remain alert.” This is too late a confession, indeed. A lot of damage has already been done.

South Asia has now become home to transnational terrorism with streaks of global terrorism, too. Pakistan and Afghanistan are facing the worst kind of terrorism on the globe with international and regional terrorist organizations
operating in the mountainous border region receiving support from other countries.

**Regional Interventions**

Interventional politics is part of the security paradigm in South Asia. While it is true in some other cases too, India, the largest country both in terms of territory and population and with hegemonic desires and designs, has never missed an exploitable opportunity in any country of the region. Indian intervention in Sri Lanka in form of Indian Peace Keeping Force (IPKF) in 1987 was a militaristic expression, still fresh to the memories of the Sri Lankan people. India has always been interfering in Balochistan province of Pakistan during various rounds of militancy there. It is also using its presence in Afghanistan to nurture trouble in Pakistan. To this end, Charles Timothy Chuck Hagel, the 24th US Secretary of Defense, in a speech at Oklahoma’s Cameron University in 2011, articulated without mincing a word: “India for some time has always used Afghanistan as a second front ... India has over the years financed problems for Pakistan on that side of the border.” Earlier, Dr Christine Fair, a senior political scientist at the RAND Corporation, said in 2009: “I think it is unfair to dismiss the notion that Pakistan's apprehensions about Afghanistan stem in part from its security competition with India. Having visited the Indian mission in Zahedan, Iran, I can assure you they are not issuing visas as the main activity. Moreover, India has run operations from its mission in Mazar and is likely doing so from the other consulates it has reopened in Jalalabad and Kandahar along the (Pak-Afghan) border.”

India has expanded and extended its military presence in the region. It is particularly expanding westward. For instance, it has declared diplomatic presence in eight cities of Iran and Afghanistan to include: Iran – Embassy in Tehran and consulates in Bandar Abbas and Zahedan; Afghanistan – Embassy in Kabul and consulates in Mazar-e-Sharif, Herat, Jalalabad and Kandahar. Besides, it has declared non-diplomatic presence both in Iran and Afghanistan. Its largest
project in Iran is revamping of Chahbahar port. India is running 84 different projects in Afghanistan especially in the provinces of Kandahar, Zaranj, Herat, Mazare-e-Sharif, Pul-e-Khumri and Kunar.\textsuperscript{31} There is strong evidence that the Indian intelligence agencies are working as part of all these projects. India has extended its outreach beyond Afghanistan. An Indian Air Force (IAF) fighter squadron of MiG 29 is stationed at Farkhor Airbase, some 130 kilometres southeast of Tajikistan’s capital Dushanbe since 2004-05. Earlier, India had renovated Ayni airbase located 15 kilometres west of Dushanbe at a cost of $70 million.\textsuperscript{32} Later, they changed the plan and stationed the IAF squadron at Farkhor. Certainly, India has stationed these to pursue strategic military objectives and not to carry out humanitarian activities. India has also established a naval listening post in northern Madagascar, off Africa’s east coast, to gather intelligence on foreign navies.\textsuperscript{33} Indian naval presence is also reported around Jaffna and Trincomalee Harbour in Sri Lanka, the Maldives and Strait of Malacca. This is, indeed, a brief picture of India’s military activities beyond its borders aimed at strangulating the countries of the region.

\textbf{Conventional Forces}

South Asian nations are maintaining large-size conventional military forces to clothe the idea of traditional state security. The active duty manpower in the armed forces of six countries is 2,548,000 soldiers. Country-wise manpower is shown in Figure-7.\textsuperscript{34} This does not include the manpower of civil armed forces (CAF), other second line forces and task-specific security forces. The figures of remaining two countries i.e. Bhutan and Maldives have not been included being insignificant. Even the active armed forces manpower of the six countries mentioned herein is more than the individual population of 195 countries and semi-independent entities of the world. It is more than the total population of Australia, New Zealand, Yemen and Ghana (individually). Also, it is more that the population of three South Asian countries to include Sri Lanka, Bhutan and Maldives (individually), a little more than the combined
population of Sri Lanka and Maldives, and more than double the combined population of Bhutan and Maldives.\textsuperscript{35} On the average, South Asia has nearly one active duty soldier to each square kilometre of territory, whether inhabited or uninhabited.

The security environment has led to a unique kind of arms race in the region. Domestic arms production and acquisition of military equipment from abroad continues. Indigenously, India and Pakistan are producing, assembling or overhauling fighter jets, helicopters, tanks, armoured vehicles, warships, submarines, frigates, artillery guns, small arms, mines, grenades and a lot more. On the whole, South Asia’s military expenditures have seen an increase of 41\% from 1999 to 2008.\textsuperscript{36} India became the 10\textsuperscript{th} largest defence spender in the world in 2009\textsuperscript{37} and the 8\textsuperscript{th} largest in 2012. South Asia’s military spending are given in Table 1.1.\textsuperscript{38}
Table 1.1: Military Spending in South Asia 2012 (previous years in some cases)

<table>
<thead>
<tr>
<th>Country</th>
<th>Military Spending (US$ billions)</th>
<th>World Ranking</th>
</tr>
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<tbody>
<tr>
<td>India</td>
<td>46.219</td>
<td>7</td>
</tr>
<tr>
<td>Pakistan</td>
<td>5.16</td>
<td>33</td>
</tr>
<tr>
<td>Sri Lanka</td>
<td>1.280</td>
<td>65</td>
</tr>
<tr>
<td>Bangladesh</td>
<td>1.137</td>
<td>68</td>
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<tr>
<td>Afghanistan</td>
<td>0.250</td>
<td>97</td>
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<tr>
<td>Nepal</td>
<td>0.207</td>
<td>104</td>
</tr>
</tbody>
</table>

Source: SIPRI Yearbook 2013. 39

It may be seen that India is spending at least 7 to 8 times more than the total defence budget of remaining South Asian countries. It is also of note that these are the expenditures declared through annual budgets. Actual outlay is certainly more than that as several military activities remain discreet and unannounced. Such activities include impromptu defence purchases from abroad, expenditures on intelligence agencies/activities, and the expenditures on unconventional forces e.g. nuclear and missile programmes. This consequently eats into the public taxes and national capital which could otherwise be spent on the well-being of the hapless populace.

Nuclearization

This is yet another thread of South Asia’s security paradigm. The Small Nuclear Forces predicted in South Asia in mid-1980s are not as small now. 40 As of today, located in the Eastern Nuclear Cauldron (Figure-8), 41 India and Pakistan have sizeable arsenals of ballistic missiles and nuclear warheads – enough to wage a wide-ranging war even though nukes are being used as weapons of foreign rather than defence policy, and war prevention rather than war fighting. Albeit one nuclear bomb is sufficient to destroy a city of the size of Hiroshima or Nagasaki, or even Delhi or Lahore in case the circumstances lead to nuclear war fighting, however,
reports indicate India and Pakistan to be possessing dozens of warheads. One of the sources puts it at 60 to 80 nuclear warheads in case of India and 70 to 90 possessed by Pakistan.\textsuperscript{42}

\section*{India-China Rivalry}

South Asia’s security environment has numerous extra-regional linkages too. India-China border dispute has the biggest shadow on the security environment of South Asia. India-China rivalry, indeed, goes beyond the disputes over Aksai Chin and South Tibet (Arunachal Pradesh). Both are vying for regional dominance and a pronounced role in global affairs. Consequently, both are pursuing to extend their strategic security parameter. India-China maritime rivalry in the Indian Ocean in order to control the strategic sea routes is a real time issue. They do not share maritime border; yet, they are emerging as rivals to dominate the Indian Ocean and Western Pacific Ocean. The littoral areas are coming up as the new combat zone. For instance, China has built naval facilities, radars and signal-intelligence (SIGINT) posts all along the Myanmar coast and in Coco Islands. On the other hand, India and Myanmar signed Kaladan River transportation agreement in April 2008 that involves India’s upgradation of Myanmar’s Sittwe Port. Likewise both have a competition to control the Strait of Malacca, a choke point between the Indian Ocean and the Pacific Ocean, which is extremely important for China for its strategic supply lines. In 2005, India started conducting naval patrolling with Thailand in the Andaman Sea. Although the patrols were primarily directed against maritime crimes, these also served to restrict Chinese activities in the area.\textsuperscript{43}
Extra-Regional Linkages and Interests of Major Powers

Extra-regional linkages and interest of major powers in the region is yet another and very important dimension of South Asia's security paradigm. India-US and India-Russia nuclear deals have further exacerbated the security environment of the region and paved the way for arms race at the expense of socio-economic development of over 1.57 billion people of the region. Presence of foreign forces in Afghanistan, in Central Asia, over Arabian Peninsula and in the Indian Ocean is but one such manifestation of the issue. Extra-regional intervention like ISAF/NATO in Afghanistan has overshadowed the entire gamut of regional security. Drone attacks in Afghanistan and FATA of Pakistan have added a new dimension to the security landscape of the region. The drone issue has generated an extended debate across the globe, which is likely to lead to some logical end.

Human Insecurity

Human security in South Asia is overshadowed by the primacy of traditional state security. National exchequers, which could otherwise be spent on well-being of over 1.57 billion South Asian people, are rather a source of sustenance for state security mechanism. Human security is not a priority in regional security arena due to longstanding disputes and shared threat perceptions, which instead work towards reinforcing the state security system. The region is home to largest number of adult illiterates, largest number of out-of-school children, largest number of unemployed adults, largest number of households without electricity and tap water, largest number of malnourished individuals and largest number of people suffering from lack of access to basic health facilities in the world. The list goes on and needs an independent study to deal with the subject. In sum, human security is held hostage to the traditional security and cannot be improved till such time that the security paradigm is balanced between traditional and non-traditional security needs.
Conflict Resolution: the Limiting Factors

Conflict prevention, conflict management, conflict settlement and conflict resolution are different facets of statecraft. In case of South Asia, these are neither being desirably debated in academic circles, nor being implemented at policy level in a desired fashion. More often than not, the political leadership of South Asia is found boasting about their efforts on the way of peace. However, “peace” to them often means conflict prevention or management, and certainly not conflict settlement or resolution.

Conflict resolution takes place through political process. Media, intelligentsia, think tanks and civil society facilitate the process by providing platforms for discussions and negotiations, and cultivating the environment for political initiatives. In case of South Asia, the entire process is corroded and complete procedure is flawed. The most critical element in conflict resolution is for the parties to seek resolution. If policy-makers do not believe that they can achieve by unilateral action what they want, they look for alternatives. This is the stage where there is some scope for conflict resolution. Harold Hal Saunders, the United States Assistant Secretary of State for Near East Affairs between 1978 and 1981, noted: “In many cases, developing the commitment to negotiate is the most complex part of the peace process because it involves a series of interrelated judgments. Before leaders will negotiate, they have to judge: (1) whether or not a negotiated solution would be better than continuing the present situation; (2) whether a fair settlement could be fashioned that would be politically manageable; (3) whether leaders on the other side could accept the settlement and survive politically; and, (4) whether the balance of forces would permit an agreement on such a settlement. In more colloquial language, leaders ask themselves: How much longer can this present situation go on? Is there another way and could I live with it politically?”

Certainly, the states are the key parties to the conflicts such as those faced by South Asia. States are represented by their
institutions like the governments and political parties, etc. South Asian leadership does not show political will to settle or resolve the contending issues. Dispute, both territorial and non-territorial are used as political slogans and election cards. In case a given political party shows some leaning to move a mile forward on the way of peacemaking and conflict resolution, the contending political parties pull the process back by a myriad mile by demonizing the political party showing resolve as “being involved” in national “sell-out.” India has a worst history in this regard. Indian think tanks often reverse the political process. They are mostly found involved in research and reflection on conflict rather than peace, terrorism rather than counterterrorism, and state security rather than human security. One cannot name a single research institute or think tank in India, which would go against popular content or conventional wisdom apropos conflict resolution in South Asia albeit India itself is the centre of conflict in the region due to various types of disputes with all countries bordering it.

**Recommended Regional Security Framework**

International experience shows that the regional security paradigm can best grow and sustain under a cooperative, comprehensive and holistic framework facilitated by meaningful conflict-resolution endeavours. The formats of European Union (EU), Organization for Security and Cooperation in Europe (OSCE), the Association of Southeast Asian Nations (ASEAN), the ASEAN Regional Forum (ARF), Shanghai Cooperation Organization (SCO) and African Union (AU) etc bear testimony to the fact. South Asian Association for Regional Cooperation (SAARC), on the other hand, has rather reduced to a *meet, greet and depart* forum. South Asia must also embrace the notion of a comprehensive, cooperative, collaborative, integrative and all-inclusive security paradigm. Recommended framework is as follows:

**Resuscitation and Revitalization of SAARC:** For the purpose of regional approach to conflict-resolution, SAARC should be both resuscitated and revitalized. The SAARC
Charter needs to be expanded and redefined with the regional security as an imperative and the foremost article.

**South Asia Security Dialogue (SASD):** In line with OSCE and ARF, South Asia should institute SASD from the platform of SAARC. SASD should involve all SAARC states as members and US, EU and China as facilitators. SASD should primarily work to resolve the impending territorial and non-territorial disputes in the region. This institution should consist of various working groups (WGs) for each dispute in the region. All issues should be discussed, debated and dialogued at working groups level involving officials, civil society representatives and global enablers. WGs should formulate their recommendations for the policy level. In case of crosscurrents between two or more issues, joint working groups may be formed. The progress is dependent on the political will of the leadership. Hence, if one issue is not resolved, it should not cast back on resolution of the other issues. If SASD functions in line with the spirit of this proposal, it would help resolve the regional disputes in a graduated manner.

**South Asia Nuclear Dialogue (SAND):** SAND should be established as a corollary to the SAARC in line with SASD with same membership and facilitation level. SAND should first help India and Pakistan to work on nuclear risk reduction and nuclear-cum-missile restraint measures. Then, it should work to persuade the two nations on maintenance of *minimum credible deterrence* rather than *maximum possible deterrence*. If SASD succeeds in resolving major disputes in South Asia, especially between India and Pakistan, SAND should work on de-nuclearization of the region.

**Conventional Arms Reduction Dialogue (CARD):** Conventional arsenals of all South Asian countries are swelling with each tick-of-the-click. Likewise, against the global winds of reduction in the size of standing armies, South Asians are moving uphill. Major share of the defence budget is consumed either on manpower related administrative aspects or production and purchase of military hardware. Certainly,
India shares greater burden due to the India-centric disputes and security paradigm in the region. CARD, which should be composed and organized in line with SASD and SAND, should work with the states of the region on reduction of conventional arms as well as manpower. The states would, thus, be able to divert the capital spared by reduction in defence budgets to address the human security issues.

South Asian Parliament (SAP): The case of a South Asian Parliament (SAP) may be considered as an organ of SAARC. It may comprise equal number of members from all eight countries of the region. Ten members from each state is a respectable figure. The membership may be based on ex parliamentarians, intellectuals, media persons, lawyers and experts in different fields. Speakership of SAP should revolve between the member states on biannual basis. This means that the turn of each country would come after four years. The purpose and mandate of SAP should be to provide an interactive forum, serve as a regional forum for exchange of ideas and proffer recommendations to the member states on important issues of mutual interest.

Confidence Building Measures (CBMs): CBMs at the level of state are of utmost importance for the purpose of creating a dialogue-supportive environment based on mutual-trust. CBMs are to be initiated alongside the proceedings of SAARC, SASD, SAND and CARD. A number of measures may be initiated by the states. Key ones are: relaxation of visa requirements for movement of people within the region; visa-free movement of the people of Kashmir on either side; setting free each other’s prisoners as a good will; issuance of friendly rather than inflammatory statements by national leaders; tangible cessation of interference in each other’s affairs and reduction of forces on borders. In case of India-Pakistan relations, India has always talked of CBMs, which would consequently cultivate environment for dialogue on major issues including the core issue of Kashmir. It is considered that talks on the territorial disputes are the biggest leap on the way to confidence building and mere “people-to-people” gestures as often advocated by India can be of no use.
**People-to-People Contacts (PPC):** PPC at the level of societies would help cleanse the stains of historical memories and reduce tension. Inter-parliamentary commissions and dialogues, and forums of interaction between the people from various walks of life e.g. investors, traders, students, media persons, academics and intellectuals will be of the essence in this regard. People will certainly seek to concentrate on human security rather than the traditional state security. Eventually, this would work as a complimentary axis of conflict resolution.

**Multi-Tracking Diplomacy (MTD):** MTD has helped in easing up tension in South Asia in the past. A host of models may be adopted and put into action on the sidelines of other initiatives. It could take the shape as follows: Track-1, state-to-state meets between the diplomats and officials; Track-2, regional diplomatic ventures involving more than one (or all regional) states; Track-3, societal engagement involving the civil society and citizenry; and Track-4, involvement of global enablers in Track-1 or 2 or combination of both.

**Intra-Region Trade:** Intra-region trade in South Asia is abysmally low. South Asian Free Trade Area (SAFTA), which could have been the greatest success of SAARC, is held up due to security moorings of the SAARC members. The states have, heretofore, preferred to work on either bilateral/ preferential trade agreements within the region or are depending on extra-regional trade. SAFTA should not only be signed and ratified by all SAARC members but should also be put into action in keeping with the universal definition of free trade. It should be taken as a comprehensive subject. Trade should not only mean the duty-free flow of goods across the borders but should also involve provision of investment opportunities and free movement of labour.

**Human Security under all Circumstances:** It is imperative for the South Asian leadership to agree to at least one fundamental agenda that the people would remain a priority under all circumstances and that the human security
aspects would not be interfered with even during warlike situations. SAARC should help bring the states and societies closer. The human security spheres in which it can be of use are as follows: inter-state transfer of experience; trade; education and literacy; healthcare including combating epidemics; environmental security and disaster management; food security; river water-sharing treaties and agreements between the states; and resolution of ethnic discords.

**South Asia Literacy Commission (SALC):** Illiteracy is the worst human security challenge faced by South Asia. To combat illiteracy at regional level so as to complement the efforts of the states, it is recommended to institute SALC under the auspices of SAARC. It should be formed as an independent body and should have its membership based on reputed educationists. The governments should only be interacting with SALC for the purpose of funding and facilitation, and should have no role in its proceedings. SALC should be monetarily supported by South Asia Literacy Fund (SALF), a subsidiary established for the purpose, the management of which should fall in the realm of SALC. The Commission should launch a targeted campaign against illiteracy opening area-specific SALC institutions including at least one world class university in each country with teaching staff from all member states but students from the host country. SALC technical institutes should be established in all member states in keeping with the requirements of host state. It should also establish elementary education institutes in the areas with high illiteracy rate. Later, the spheres of its activities may be expanded by establishing more universities and institutes. SALC should also be utilized as a forum for inter-state movement of students for studying in public and private institutions of any SAARC member country.

**South Asia Free Media Association (SAFMA):** SAFMA already exists as an institution of SAARC. Nevertheless, there is a dire need to revitalize it. SAFMA can help create and maintain a dialogue-supportive environment. The institution itself needs to work out a code of conduct for being a collaborator rather than contender, and an institution for
regional integration rather than a mouthpiece of any single state.

**Conclusion**

South Asia is in need of introspection more than ever before. It has remained in a perpetual state of war in traditional and nontraditional forms for the last many decades. Must it reach the mark of a 100-year war? Such a proposition would, certainly, be useless both for South Asian states and societies, and individuals and communities. Hence, there is a need to tilt the mass of regional security paradigm from traditional state security to human security. It is of note that whereas traditional state security is often based on perceptions, human security is a manifestation of shared realities. It must be noted that no state of the region would relegate the traditional state security paradigm due to the nature of conflict. However, the acme of leadership would be to create and maintain balance between state security and human security in a manner that both complement each other.

South Asia has a great potential to progress in the comity of nations on the globe, if it embraces the concept of human security as part of a cooperative and comprehensive security paradigm. Human security of virtually 1.57 billion people would certainly work to complement the state security. For this, the South Asian leadership needs to depart from a tested but failed system of state security and embrace an all-acceptable notion of human security. An adequate level of human security achieved as a consequence would surely ensure the security of states too, thereby re-modeling the security paradigm in a universally accepted fashion.

International community is expected to share some burden by making possible a dialogue for the purpose of conflict-resolution in South Asia. This would have dividends not only for the South Asians but for the entire world. Success of the world community would surely boost up the confidence of the one-fourth of the human race living in South Asia in the global
leadership. This would also help make a concrete case for
denuclearization and arms reduction in the region. In sum,
dividends are countless but need regional as well as global
resolve; the earlier, the better!

Author

The writer is PhD scholar (Peace and Conflict Studies) and

Notes

1 Rob Johnson, A region in turmoil: South Asian conflicts since 1947

2 Map by the writer. UN Map of South Asia also shows Afghanistan as part
of the region. Details may be found at “UN map of South Asia,”
June 29, 2013).

3 Illustration by the writer. Data obtained from CIA – the World Factbook,
https://www.cia.gov/library/publications/the-world-
factbook/rankorder/2119rank.html and
https://www.cia.gov/library/publications/the-world-
factbook/rankorder/2147rank.html?countryName=United%20States%20
Pacific%20Island%20Wildlife%20Refuges&countryCode=um&regionCode
=au&rank=237#um (accessed December 9, 2009).

4 Ibid.

5 Ibid.

6 “Highest Mountain Peaks of the World,” National Geographic Society,
quoted in http://www.abell.org/nal/PDFs/World_Stats/Highest%20Peaks%20in%20

7 Article 53-54 to Chapter VIII of UN Charter.

8 Conceptualized and illustrated by the writer.

9 Ibid.
A part of ISAF may withdraw from Afghanistan in 2014, as announced by the US and NATO. However, presence of foreign forces in and around the region is likely to remain a reality during the decades ahead.

The word military encounter used metaphorically considering the response of emotionally charged (more than passionate) crowd. In some cases it has led to very untoward incidents in matches between India and Pakistan.


The disputed territory is located south of the famous McMahon Line agreed to between the Britain and Tibet as part of the Simla Accord signed in 1914, which China has never endorsed as the Tibetan government was not sovereign and thus did not have the power to conclude treaties with other countries. Indo-China War of 1962 took place over the same dispute.

Interestingly, some common Indians claim the Indian Ocean to be belonging to India. Likewise, common Bangladeshis too lay a complete claim on the Bay of Bengal.

Illustration by the writer.


UNSC Resolution 90 (1951) dated 31 January 1951.


Taliban are one of the fiercest armed group in South Asia and the biggest security challenge facing the prospects of peace in the region.

“Rahi Gaikwad: Manmohan: Naxalism the greatest internal threat” The Hindu, New Delhi, October 12, 2009.

23 Albeit, the LTTE has been overpowered by Sri Lankan Armed Forces in 2009 and the LTTE Chief Vellupillai Prabhakaran was killed, yet, the threat exists in form of the LTTE ideology and many Sri Lankans fear that they might rise head again.

24 The conflict in the Chittagong Hill Tracts (CHT) dates back to pre-Bangladesh times, when it was East Pakistan. CHT saw a fierce insurgency from 1977 to 1997 waged against the government by (United People’s Party of the Chittagong Hill Tracts and its militant wing named the Shanti Bahini). They demanded autonomy for the indigenous people, the Chakma people, who are mainly Buddhists, Hindus, Christians and Animists. The insurgency has officially receded since 1997 but the conflict continues as the roots of conflict exist.

25 There are so many militant groups in South Asia with so long a list of dreadful acts that it needs a separate and all-inclusive study to cover and conclude.


27 For details see, “BJP, RSS conducting ‘terror training’ camps, says Shinde,” The Indian Express, January 21, 2013.

28 Details may be found in a number of topical accounts e.g. Depinder Singh, The IPKF in Sri Lanka (New Delhi: Trishul Publications, 1992).


33 Siddharth Srivastava, “India drops anchor in the Maldives,” World Security Network, September 2, 1009,


41 The term being introduced by this writer herein for the first time considering that there are two nuclear cauldrons in the world: Eastern Nuclear Cauldron comprising China, North Korea, India, Pakistan, Israel, and (nuclear aspirant) Iran; and Western Nuclear Cauldron comprising the US, Russia, the UK, and France. The nuclear weapon states have been so categorized bearing in mind their location and areas of nuclear interest. Russia’s case is a bit different. Considering its location, it falls into the Eastern Nuclear Cauldron but from the point of view of its nuclear interests, it is part of the Western Nuclear Cauldron. At any rate, Russia’s nukes have been, and are still, playing a role in the security paradigm of the West more than the East.


44 As against state security, in which state is the only security referent, individuals and communities are the key referents in case of human security. The concept of human security, though still evolving, was given a normative paradigm in UNDP’s Human Development Report (HDR) – 1994. According to HDR-1994, human security comprises seven subsets to include: political security, economic security, personal security, community security, food security, health security and environmental security. Three more subsets to include women security, children security and education security have been added in the Human Security Framework for Pakistan, which may be applicable to other peer countries, proposed in Ehsan Mehmood Khan, *Human Security in Pakistan* (Islamabad: Narratives, 2013).


ENHANCEMENT OF RUSSIAN INTERESTS IN SOUTH ASIA DURING PUTIN’S ERA

Arshad Mahmood and Umar Baloch

Abstract

Eversince collapse of Soviet Union in the year 1991, the Russians are in search of their lost glory and new role in the world politics. Three types of opinion groups have emerged amongst Russian elites, advocating various ideas regarding their country’s renewed role in the prevailing international arena. Fundamentalist Nationalists – believing in the legacy of strong nationalism – advocate to pursue old Marxism-Leninism trail; Liberal Westernists suggest initiation of a renewed relationship of peace and cooperation with the world in general and the west in particular; Pragmatic Nationalist, however, recommend a balance course of action, aimed at following the liberal approach, while preserving their national pride. Since 1991, Russia has chalked out various Foreign Policy, Security and Military doctrines/concepts which are considered as Russia’s will to participate in the global politics as a key player. In the Russian quest for resurgence, the leadership of Vladimir Putin has played an important role. He has not only taken Russia out of the state of distress but given his nation a new hope and a new identity. His approval of Foreign Policy Concept – 2010 is a step in the same direction. Apart from extending his cooperation toward the West, Putin has also enhanced his interest in South Asia merely to safeguard Russia’s long term interests and counter US influence in the region. In Putin era Pak-Russia relations have also improved to great extent. Both the nations looking for a bright future ahead are committed in writing a new chapter of their bilateral relationship.

Introduction

“I cannot forecast to you the actions of Russia. It is a riddle wrapped in a
mystery inside an enigma. But there may be a key, and that key is Russian national interest”

Winston Churchill

Eversince the Soviet flag lowered from Kremlin, the Russians are in search of their identity and new role in the world politics. The academia and policy making machinery of the country have been indicating various inclinations, suggesting future place of Russia in the comity of nations. Amongst others, three main policy orientations developed in the political elites, who argue as to how best Russia can define its role in the changing international politics and ensure revival of its lost glory.¹ Fundamentalist Nationalists are of the strongest view that nothing less than their legacy of nationalism should form the basis of their image in the world. Liberal Westernists, on the contrary, believe that the new role of Russia in world politics lies in leaving behind the old bequest of anti-West approach in its policies and advocate initiating a renewed relationship of peace and cooperation with the world in general and the West in particular. Pragmatic Nationalists, however, campaign for the most balanced approach, which aims at promoting peace and cooperation, while safeguarding the fundamental principles of their nationalism.

There are clearly a range of interests, forces and actors at work in determination of foreign policy options for Russia, to predict outcome of their struggles is, however, extremely difficult, due to relatively low level of institutionalism in Russian political system.² Basing upon the above trends, the Russian policy makers – mostly the Pragmatic Nationalists – have chalked out certain foreign policy doctrines and concepts since 1993. These include Foreign Policy Concept – originally presented in April 1993 and revised in January 2000, Military Doctrine – first articulated in November 1993 and later revisited in April 2000, and National Security Blueprint – conceived in December 1997 and further deliberated in 2000. The concepts provide a road-map by which one can chalk out
evolution of Russian thinking about the world and Russia’s future place in it. They are, however, still miles away from their real strategic goal of resurgence in international arena.

All the leaders emerged after collapse of Soviet Union have remained committed to chase Russia’s transformed identity and role in international arena. In the post-Soviet Russia, the parallel processes of formulating national identity and developing national security have generated a domestic discussion on two central questions: “What is Russia? And what does Russia do? Both the questions entail a comparison of what Russia had been in the past. The critical analysis of all fundamental documents in the Russian history indicate that Russian leaderships in the post-Cold War era has transverse a long distance in the correct direction – though they are still mile away from where they used to be!

Amongst all, the role of Vladimir Putin is quite significant and pronounced one in reshaping Russian foreign policy and reviving the country’s image in the world. Soon after assuming his office in 2000, President Putin re-examined the existing Russian domestic and foreign policies and upgraded the existing sets of documents, which included;

- National Security Concept-2000,
- Foreign Policy Concept-2000,

The up-gradation of these vital national policy documents later proved to be the strategic signalling to international comity about the new Russian foreign policy directions. These can be summarized as diversification pluralism and multi polarity. This whole phenomena leads to a new academic research and this paper is an effort in same direction. The aim of the research paper is to explore Russia’s new role in the prevailing international system in accordance with the foreign policy goals set by its leadership especially Vladimir Putin since 2000. The study is focused to answer some fundamental questions concerning every student of international relations. These include: one, will Russia be able to regain its lost glory
under the leadership of Vladimir Putin? Two, what are the foreign policy goals set by Russia in its new Foreign Policy Concept and whether are these achievable? Three, what will be the new kind of relationship between Russia and South Asia with special emphasis to Pakistan? And, finally, what are the areas of cooperation between Pakistan and Russia?

This article is based on Waltz’s Structural Realist Theory, (1979) according to which, like other realists, he relies heavily on knowledge of or assumption about the interests and intentions of states. He further emphasizes that states are ‘unitary actors with a single motive – the wish to survive.’ Elaborating Mearsheimer argument – states aim to maximize their relative power position over other states, Waltz claims states seek wealth, advantage and flourishing, peaceful coexistence and prosperity. They want to protect their sovereignty, autonomy and independence.

Evolution of Russian Foreign Policy Concept

Basing on various trends and groups prevailing in Russian society, a number of doctrines and concepts relating to Russia’s foreign policy have been articulated since 1993. The Foreign Policy Concept was first presented in April 1993, and its improved version was again presented in June 2000. Likewise Military Doctrine encompassing various facets of military concepts was first prepared in November 1993 and later deliberated in April 2000. On the similar lines, the National Security Blueprint was initiated in December 1997 and 2000 respectively. All these doctrines and concepts defined Russia’s new role in the changing global relations and aimed at regaining its status in the post-Cold War era.

Cardinal Points of Foreign Policy Concept – 2000

Vladimir Putin assumed the office of President of Russia on 7 May 2000 and focused all his energies on the foreign policy of the country. He accorded approval of Foreign Policy Concept on 28 June 2000 which aimed at the following:
To ensure reliable security of the country.
To preserve and strengthen its sovereignty and territorial integrity.
To achieve firm and prestigious position in the world community.
To influence general world processes with the aim of forming a stable, just and democratic world order.
To create favourable external conditions for steady development of Russia.
To form a good neighbour belt along the perimeters of Russia.
To uphold the rights and interests of Russian citizens abroad.
To promote positive perception of the Russian Federation in the world.

The Clause-II of the concepts deliberates upon the place of Russia in the Modern World Politics by virtue of its resources and potentials. It emphasizes on the need for Russians exerting influence on formation of new world order based upon multi-polar system. In such a system Russian federation, having real potentials, is pursuing its independent and constructive foreign policy.

The concept further emphasizes upon Russia’s interests in a stable international system based on principles of justice, mutual respect and mutually beneficial cooperation where United Nations must remain centre of regulating relations among states.

As regards to strengthening the international security, Russian Foreign Policy calls for further reduction in the role of power factor in international relations. Russia is even prepared for reduction in its nuclear potentials on the basis of bilateral agreement with the US.

Furthermore, Russian Federation regards international peace keeping under United Nations, as an effective instrument in resolving armed conflicts and considers use of force as unlawful. Russian Federation also considers its
important foreign policy task in combating international terrorism, drug trafficking and growth of organized crimes.

The main priority in the foreign policy of the Russian Federation in international economic relations is to promote development of national economy which in conditions of globalization is unthinkable without Russia.

The foreign policy concept also discusses the Russian Federation priority of maintaining good relations with regional countries, Europe and the US.

Analysis in Comparison with the Old Version of 1993

As per the Russian Foreign Policy concept, the priority of their foreign policy is on three pillars: the Protection of the interests of individuals, the Society and the State. Its main emphasis is on defining the significant role of Russia in international politics by virtue of its potentials and resources. It is also pertinent to mention that by making the concept public, Russian Federation has proclaimed its importance in the world affairs. The concept also pronounces that Russia is not for maintaining status quo of accepting the hegemony of the US rather it believes in a multi-polar system of international politics. It also believes in the supremacy of the UN in resolving disputes and conflicts, considering use of force as violation of UN charter. Moreover, Russian influence is not limited to its neighbours rather extends deep to the West, the US and rest of the world. In short Russia considers itself quite capable of resuming its lost status in the international arena.

In comparison with Foreign Policy Concept of 1993, the current Foreign Policy Concept – 2000, is much more proactive and envisages a greater Russian role in the world affairs. In 1993, the Federation of Russia due to fragmentation of Soviet Union was not only fragile but also befuddled on loss of its status. The Foreign Policy Concept of 1993 was just an effort to make their presence visible in the globe. They were, however, not capable of regaining as to what they have lost. In
2000, the situation was quite different. The major difference was the leadership of Putin who gave new direction to its people and hope of a bright future through his visionary leadership. There is still a big question mark on Russian capability – despite its strong will, to challenge the uni-polar hegemony of the US in the prevailing world order.

Conceptual Appraisal of Russian Foreign Policy

**Historic Trends:** Although after the collapse of Soviet Union, its flag at Kremlin was replaced with tri-colour Russian flag, but its leadership still claims to be the legal and legitimate successor of Soviet Union. It is for the same very reason that they take inspiration from their historic legacy in formulation of their foreign policy. Two trends can be prominently traced in the foreign policy of ancient Russia i.e. ideology and expansion. “...... there are the cold warriors who detect in Soviet foreign policy a combination of ideological expansionism and traditional Russian imperialism in a relentless quest for world domination.”

Both of these elements can easily be identified in the foreign policy of former USSR and present Russia. Let’s analyze their ideology first. The careful analysis of former USSR from 1922 to 1991 reveals that the basic character of Soviet foreign policy (Marxism-Leninism) was based upon Vladimir Lenin’s “Decree on Peace” of 1917. It encompasses both proletarian internationalism and peaceful coexistence where the former refers to the common cause of the working classes of all the countries in their struggle to overthrow bourgeoisie governments and establishment of communist regimes, and the later relates to the establishment of peaceful relations with capitalist states. It is, however, pertinent to note that the element of proletarian internationalism diminished gradually and virtually faded away from their foreign policy but the component Marxism-Lenin ideology always remained a dominating factor in their foreign policy. Even in 1986, when the general foreign policy goals were formulized, the emphasis remained on ensuring favourable conducive external environment to building communism in Soviet Union. As regards to the Soviet expansion trends, it is obvious from the
traces of Soviet history that it carries a natural instinct for geographical expansion. The basic difference between China and Russia – if compared for being communist states – is that the former is defensive in nature and possess a history of confinement to periphery (construction of great wall of China speaks of that), whereas the later has an account of progressive expansion of its boundaries. The outward growth of Soviet borders can be well judged from the Map-1 below. Beginning in 1533 the Soviet border stretched to Pacific Ocean in 1689. In 1858, Russia took advantage of the defeated Chinese in the Second Opium War and forcing the Treaty of Aigun upon China, Russia annexed some 300,000 to 400,000 square miles of Chinese land to the Russian Empire. By the end of 19th century the Soviet imprints were found touching the Afghan borders. It was, in fact, Soviet quest for warm water which compelled her to commit the strategic blunder of invading Afghanistan.

**Map-1: History of Expansion of Russian Empire**

**Post Cold War Policy Parameters:** The careful study of the Russian thinking mechanism in the post-Cold war era identifies three major trend groups in their society defining various courses of action in Russian foreign policy. These trend groups can be segregated as Liberal Westernists, Pragmatic Nationalists and Fundamental Nationalists. Liberal Westernists while presenting idealist view of international
relations believe in close relations with the West and advocate free economic liberation and free market economy. Westernists see no external military threat to Russia and favour disarmament efforts. Fundamental Nationalists, however, pose totally opposite vision. They believe in the legacy of their lost national pride and Marxism-Leninism ideology, and strongly disregard Russia’s integration in the world economy. They propose means to create a greater Russia, envisioning a rebirth of Soviet Union. Pragmatic Nationalists, however, follow a balance approach and suggest bridging gap between the East and the West while securing Russia’s interests and identity. Basing on above trends a number of doctrines and concepts relating Russia’s foreign policy have been articulated since 1993. The Foreign Policy Concept was first presented in April 1993, and its improved version was again presented in January 1993. Likewise Military Doctrine encompassing various facets of military concepts was first prepared in November 1993 and later deliberated in April 2000. On the similar lines, the National Security Blueprint was initiated in December 97 and 2000 respectively. All these doctrines and concepts define Russia’s new role in the changing global relations with the aim to regaining its status in the post-Cold War era.

**Russian Strategic Objectives and its Place in the World Politics**

The evaluation of Russians’ thinking process and available studies conducted after the disintegration of the Soviet Union revolve around three significant aspects related to Russia’s foreign policy goals. These include their national identity, economy and security. The enduring goals pursued by Russia throughout in its foreign policy have placed primary emphasis on ensuring national security, promoting the economic well-being of the country and enhancing national prestige. Ever since Vladimir Putin assumed power, Russia set three Foreign Policy Strategic Objectives: (1) to strengthen and control the Russian state and politics; (2) to create economic growth and structure the Russian economy; and (3) to establish Russia as a power and player in international affair. The close study of
these objectives reveals that they are not only closely interlinked but also have significant effect on each other.

**Russia’s Foreign Policy towards South Asia**

In the historic perspective, Russia’s policy toward South Asia revolved around three factors: (1) its quest for reaching warm water port; (2) the China factor; and (3) countering US interests in the region. Russia being a land-locked country had an ages-old quest for warm water ports which had been the major cause of its numerous military conflicts with Turkey, and The Crimean War over control of the Black sea and the Bosporus-Dardanelles passage into the Mediterranean Sea, and the Russian-Japanese conflict in 1903. It was its historic pursuit and the “centuries old quest for warm water” that forced former USSR to invade Afghanistan. There are no warm water ports in Afghanistan, but they were in control of the Khyber Pass (an ancient trade route to China) on the East, and one step closer to Iran and Turkey on the West and Pakistan on the South, all with warm water ports. It would be rather misjudgement on part of any researcher to believe that Russia’s hunt for warm water has died down with its withdrawal from Afghanistan. Today’s Russia needs it even badly for linking its world largest gas reserves to international market.

In pursuit of its long-term objectives in the region, Russian foreign policy both before and after the fall of Soviet Union, has been India centric. The depth of Soviet-Indian strategic partnership can be judged from Indo-Soviet Treaty of 1971 and Soviet support to India in Indo-Pak War-1971. The changing dynamics of today’s geopolitical scenario have, however, brought Pakistan and Russia closer to each other. This partnership will be more meaningful in post-2014 scenario when the U.S. led NATO forces will leave Afghanistan. Acceptance of this reality has provided another opportunity to the leadership of both countries to rewrite the chapter of Pak-Russia bilateral ties.
Reappraisal of Pak-Russia Relations

The Legacy: Pak-Russia relations, viewing from a realist perspective, have not been built upon strong pillars of understanding each other's interests and concerns which are most essential for establishing enduring bilateral ties. The history of Pak-Russia Relation is a tale of misperceptions and lost opportunities. Pak-Russia relations have often been under-rated, despite strong potentials, mainly due to misperceived notion and mindset. The roots of misunderstandings and misperceptions can be traced back in 1947 when Pakistan at the time of its inception decided to join the U.S. block ignoring the next-door superpower, the USSR. One can make a number of arguments in favour or against the decision of then-Pakistani elite but analyzing it from hindsight one can draw a conclusion that the decision was not based upon rationality. Under Max Weber model of rationality, Pakistan’s decision making authorities at the time of its creation did not carry out correct “cost-benefit” analysis and, hence, their decision of preferring the U.S. over USSR cannot be termed as a rational choice.

Ever since, there has been no warmth in relations between both the nations. One will not be incorrect in saying that Pakistan had no independent policy towards Russia – at least till end of the cold war. Pakistan has always seen USSR through the prism of the U.S. or its relations with India. Critically analyzing strategic interests of both the states, one can make out that there is no bilateral issue between them rather certain commonality of interests related to regional and world political paradigm.

The history also provided certain opportunities to both the nations to revisit their bilateral relations and take a fresh start but apart from a few high level visits and undertaking few projects of bilateral/regional level, both failed to seize the moments. Apart from initial miscalculation in 1947, there came at least two significant moments when Pakistan could have achieved political and economical milestone not only in terms of its bilateral relations with the Soviet Union but with
rest of the world community as well. First, after the 1965 war, Pakistan during Tashkent Conference failed to avail the chance of resolving the Kashmir issue. At Tashkent, situation was somewhat in Pakistan’s favour, as India was at a weaker wicket, China was in full support of Pakistan, the U.S. was also interested in resolving the Kashmir issue, and the Soviet Union while chairing the conference would have delighted in taking the credit of resolving the long pending Kashmir issue. This would have also laid the foundation for renewed Pak-USSR relations. Unfortunately, Pakistani leadership did not play its cards well. Later, in 1974, Prime Minister Zulifqar Ali Bhutto visited Moscow and as a result USSR established Steel Mill in Pakistan worth billion dollars. That was the second occasion when Pakistan, could have mustered immense economic gains but the Soviet invasion of Afghanistan totally changed the scenario and Pakistan as the U.S. frontline ally, fought a long proxy war with Soviet Union in Afghanistan. Even after the Cold War there was no breakthrough in Pak-Russia relations due to Pakistan’s support to Taliban regime in Afghanistan. However, since the 9/11 episode the ice has started melting down but there is still no enough cordiality in their ties.

The Question of Perception

In international relations the question of perception about each other’s behaviour is equally important. According to Boulding (1969), friendliness/hostility and strength/weakness constitute the building blocks of image of the other. The history of Pak-Russia relations is an interesting case study of political psychology. The most tragic part of Pak-Russia relations is the lack of rationality. Pakistan, as a matter of fact, had no independent policy about Soviet Union till the end of the Cold War. Furthermore, both the nations have evaluated each other behaviour through the prism of other states’ interests/concerns. Besides others, one major reason of Pakistan’s joining the American camp in 1947 was its security concerns. Since India had already forged good bilateral ties with former Soviet Union, Pakistan in order to maintain balance of power moved closer to western security system.
Due to the strong Indian factor in our foreign policy decision making, Pakistan always considered Russia as friend of India and the enemy of Pakistan. The rationality factor was again found missing when Pakistan joined western security system – Central Treaty Organization (CENTO) and South East Asian Treaty Organization (SEATO), and became frontline state against war on communism. This shows that the decision making elite of Pakistan has never been “objective” in their views towards Russia, rather always took the “subjective” vision of the Soviet face i.e. internalizing communist Russia as an “Evil Empire” as portrayed by the west. Hence, Pakistan always viewed the former Soviet Union, and even now the Russian Federation, through the Western prism, especially American world-view. 17

The prevailing international and regional environment and Pakistan’s own political dynamics have, however, brought both nations at a converging point of their mutual relations. It is, hence, imperative to identify the existing areas of interests and cooperation as well as the possible hurdles which both the nations have to overcome in achieving their common objectives.

**Challenges in Pak-Russia Relations**

The most positive point in the mutual politics of both the state is that they have no direct bilateral issue. There are, however, certain external factors which have been affecting adversely both the nations. These challenges, their implications and possible measures/course of actions to offset these upshots are discussed in the succeeding paragraphs.

**The US Factor in Pakistan’s Foreign Policy**

The U.S. role in the foreign policy of Pakistan is significantly pronounced. The joining of the U.S. camp at the time of independence and subsequently signing the West’s security system (SEATO and CENTO), have never allowed Pakistan’s elite to formulate an independent policy towards Russia. It is also a fact that Pakistan has always viewed Russia
through the U.S. lens and been used as a proxy in fighting the U.S. interests in the region. Pakistan’s role in Afghan war (1979-1989) is the most appropriate example of the same. Not only this, Pakistan’s territory has also been used to meet the U.S. interests – quite some of them were detrimental to Russia’s security concerns. In 1959, Pakistan signed an accord with the U.S. to counter communist intimidation on its western border. In 1962, the Soviets captured a U.S. spy plane on its territory. The pilot revealed that the plane had taken off from the Badaber Airbase, Peshawar in Pakistan. It is related that the furious Soviet leader, Khrushchev, circled Peshawar red on map. The Pak-Soviet relations had deteriorated to its worst.

Pakistan, in fact, following the Western especially the US pleas, always considered the communist USSR as an “Evil Empire” whereas on the other hand, communist China has been historically best friend of Pakistan. The most significant argument for the same is that Pakistan always viewed China through its own prism and been quite successful in maintaining a balance in its relations with China and rest of the world. By following the same policy, Pakistan can also lay the foundation for its relations with Russia.

The Indian Factor

As discussed above, India is a pre-dominant factor in Russia’s foreign policy towards South Asia, especially Pakistan. In this context the role of Pakistan leadership has also been quite non-visionary. As India was able to enjoy cordial relations with both the superpowers, Pakistan’s political leadership failed to do so. However, this Indian-centralism in Pak-Russia relations has a positive aspect too. It can be argued that Pakistan had no bad intentions towards the former Soviet Union (present Russia). Moreover, in the post cold war and 9/11 scenario, there has been significant change in the thinking process of leaders on both the sides. Pakistan due to its geostategic location and its role in international arena is a significant country and cannot be ignored by great...
powers. Hence, the Indian factor in the foreign policy of Russia towards Pakistan is no more conspicuous.

**Afghanistan and Post-2014 Scenario**

The period of Afghan War (1979-1989) was the worst in the history of both nations which ultimately ended on dismemberment of the great superpower. Even after the war, there was no much warmth in their relations due to Taliban factor in Pakistan foreign policy. However, in the post-9/11 epoch, Pak-Russian relations have shown some improvement. As the U.S. led NATO forces are planned to leave Afghanistan in 2014, the role of both Pakistan and Russia will be even meaningful in Afghan security in particular and the whole region in general.

**Encouraging Developments**

After of the Cold War and in the recent past there have been some positive indicators of melting ice in Pak-Russia bilateral ties. The careful analysis of these events helps us in concluding that both the states are serious in reshaping their foreign policy objectives towards each other. Some glimpses of these upbeats are discussed in the succeeding paragraphs.

**Bilateral Visits**

In April, 1999, Pakistan Prime Minister Nawaz Sharif visited Moscow, the first by a Pakistani Prime Minister to Moscow since the late Zulfiquar Ali Bhutto’s visit in 1976. Later in February 2003, President Pervez Musharraf’s visited Russia, again the first by a Pakistani President in 33 years. Both these visits helped in breaking the ice.

Similarly, in April 2007, Russian Premier Mekhail Fredkov reciprocated and became the first Soviet leader visiting Islamabad in almost four decades. Later, a Memorandum of Understanding (MoU) on exploring prospects in collaborating in oil sector was also signed during the visit of Pakistan Petroleum Minister to Russia in November, 2007.
Pakistan in Shanghai Cooperation Organization

In 2005, Pakistan succeeded in getting an Observer’s status at the Shanghai Cooperation Organization (SCO) because Russia had opted not to veto Islamabad’s presence. Pakistan also reciprocated the gesture by helping Russia to attain an Observer’s status at the Organization of Islamic Conference (OIC).

Putin-Gillani Meeting – 2010

Russian Prime Minister Vladimir Putin conveyed his warm feelings to his Pakistani counterpart Syed Yousaf Raza Gilani when the two met on November 25, 2010 on the sidelines of SCO summit in Dushanbe.

Later on November 8, 2011, the Prime Ministers of both the nations again met at the SCO summit in St Petersburg. Prime Minister Putin was quoted as saying, “Pakistan today is not only an important trade and economic partner of Russia, but also the most important Russian partner in South Asia and in the Islamic world.” The paper further commented, “This Russian shift in South Asia policy where India had always been Moscow’s main partner is reflection of apprehensions over New Delhi-Washington relationship turning into a military-political alliance to block Russia and China’s interests in the region.”

Army Chiefs Visits

The Chief of Army Staff, General Ashfaq Pervez Kayani, visited Russia thrice in the past four years i.e. 2009, 2012 and 2013. Reciprocating the gesture, the Russia Army chief visited twice in last two years: Colonel General Alexander Postnikov, Commander-in-Chief Russian Ground Forces in May 2011; and Russian Army Chief Vladimir Chirkin in August 2013. The visits focused on enhancing ties between the armies of the two countries, and matters pertaining to regional security and common interests so as to lay the foundation for a bilateral strategic relationship between both the countries.
Quadripartite Summit August-2010

A four nation summit of Russia, Afghanistan, Pakistan and Tajikistan was held at Sochi in August 2010. Sochi summit was considered as a turning point in rewriting the history of relations between two nations. The summit also gave the green signal for an inaugural meeting of the Russian-Pakistani Inter-Governmental Commission on Trade and Economic and Scientific-Technological Cooperation in Islamabad.

Arms Sales and Supply

The only Russian hiatus or reservation in its relation with Pakistan is related to the sale of weapons. But that too remains an academic argument as its defence technologies have always trickled to Pakistan forces through a third country. In 1990, Ukraine supplied its main battle tank (T-80) to Pakistan which is built on Russian technology. In 2009, Russia also lifted its objections pertaining to supply of Chinese JF-17 fighter planes (powered by Russian RD-93 engines) to Pakistan. Previously, Russia had sold over forty MI-17 transport helicopters to Pakistan. Pakistan is also likely to purchase MI-35 attack helicopters to fight terrorism.

The above developments show that both Islamabad and Moscow have come miles forward during the last decade or so to embrace each other and shun differences.

Important Findings

The case-study of Pak-Russia relations leads us to some vital conclusions essential for formulating our long term foreign policy objectives. Some of the conclusions from Pakistan’s perspective include the following:-

Firstly, ever since the collapse of former Soviet Union, the leadership of Russia considering itself the legitimate successor of the great superpower is committed in defining its role and effecting resurgence of its power in international politics.
Secondly, amongst various trend-groups Pragmatic Nationalists’ views are considered most favoured which illustrate adopting a balanced approach of enhancing Russian interests while keeping their ideological identity and national interests intact.

Thirdly, since 1993, different concepts / doctrines spelling out Russian foreign policy objectives, military strategies and national security blueprints, have been formulated. Evaluation of these concepts and doctrines reveals that Russia, though yet not fully capable, does have a definite will of its resurgence in the international arena.

Fourthly, the history of Pak-Russia relations indicates that both the nations have not built their relations upon strong pillars of a realist perception.

Fifthly, both the countries perceived each other’s behaviour from the prism of external forces and not the internal political dynamics and bilateral ties. Until the end of the Cold War in 1991, Pakistan had no independent policy towards Russia.

Sixthly, evaluating from hindsight, the decision of Pakistani elite of joining the US camp in 1947 does not meet the criteria of rationality and proved historically incorrect keeping in view Pakistan’s long term national interests. Pakistan rather should have followed a balanced approach in maintaining its relations with the USSR, US and rest of the world.

Seventhly, Pakistan and Russia despite having no bilateral issues possess numerous potentials of collaborations. They, however, could not en-cash a number of opportunities of rewriting their history of relations.

Eighthly, although the Russia foreign policy in South Asia has been Indian centric, but the recent international developments especially the post-9/11 scenario has projected Pakistan as a key regional and international player.
Ninthly, the recent high level visits and summits between the two countries and the policy statements indicate that there is an apparent shift in Russia’s South Asia policy towards Pakistan where India had always been Moscow’s main partner.

Lastly, Pakistan and Russia – having convergence on their bilateral, regional and international interests, do possess potentials to collaborate in various fields. Working together in the fields of energy, trade and security, Pakistan and Russia can ensure regional and global peace, harmony and social wellbeing.

**Options and Recommendations**

There is one fundamental factor in the policy making of both Russia and Pakistan that their relations remained below par affability due to number of external forces. Both the nations have convergence of interests in various areas and can contribute significantly in the development, wellbeing and security of their countries as well the region.

The neo-liberalism theory presented by Robert Keohane and Joseph Nye propagates that in international politics there are multiple channels which connect states. Similarly, the scholars like Rosecrance and Mitrany, the leading neo-liberalists, also believe in cooperation among states arguing that mutual benefits arising out of cooperation are possible because states are not always preoccupied with relative gains. They further deliberate that international relations is not a zero sum game as many states feel secure enough to maximize their own gains regardless of what accrues to others.26

Applying these arguments in the case study of Pak-Russia bilateral relation, it can be concluded that both the states can collaborate in various sectors and play significant role in international politics. Some of the relevant fields of convergence of their interests are as recommended in the succeeding paragraphs.
Energy

There could be no two opinions that we require energy both for economic growth and industrialization. Abundant and inexpensive energy serves as bloodline of the modern civilization and is considered as the most important demand of today. In order to meet its domestic requirement Pakistan imports a huge quantity of oil mostly from Gulf countries. Pakistan’s gas reserves are also depleting at a faster pace – making its energy situation even worse. Fortunately, Pakistan is blessed with two energy corridors which link Russia, Centre Asian Republics (CARs) and Iran with international market. All these states/republics are rich in hydrocarbon resources and considered as world future focus of attention. Russia is holding world largest gas reserves whereas Iran is second in the row. Pakistan in order to meet its energy demand and to provide an access to these reserves to world market has initiated two pipeline projects in the region; Iran-Pakistan-India (now only Iran-Pakistan called IP) and Turkmenistan-Afghanistan-Pakistan-India (TAPI) Gas Pipeline Projects. Both the projects being technically feasible and economically viable have been subjected to great powers political interests. IP being most viable both technically and financially has bleak chances of materialization in near future due to Iranian nuclear standoff. TAPI on the other hand enjoys backing of the U.S. and Russia both. Russia on the other hand has also shown interest in financing the project. The materialization of this mega project shall not only help Pakistan in meeting its energy shortfall but shall also provide access to Russia and CARs to the west. Moreover, Pakistan has also sought Russia’s assistance in coal mining and generation of coal power plants. Prime Minister Raja Pervez Ashraf during his meeting with Russian Foreign Minister, Sergey Lavrov on October 3, 2012, said that Pakistan seeks to increase economic relations and benefit from the expertise of Russian Federation, especially in the energy sector where Russia has experience in coal mining and generation of coal power plants.
Pakistan and Russia have great potentials in energy sector and they can boost economies of the both the countries by cooperation in this particular area.

**Trade**

The second area in which the future of both the countries lies is their cooperation in trade. Pakistan and Russia despite having legacy of cool relations have discreetly been engaged in enhancing their bilateral ties in several fields including trade. It is also a fact that the bilateral volume of trade between Russia and Pakistan has surged from a paltry $92 million in 2003 to over $700 million in 2011.\(^{29}\) It is expected that the cooperation in trade sector shall further improve in the years to come which would help in further promoting ties between both the countries.

**Security**

Academically it is believed that Russian sale of arms to Pakistan is inviolable. Whereas, there is already presence of both Russian equipment and technology in Pakistan defence forces in the shape of MI-17 helicopters and T-80 series of Ukrainian battle tanks. They are now looking for a diversified and expanded relationship in this regard. The recent visits of both the army chiefs to each other countries are being rated very high in writing new chapter in question of defence cooperation.

The role of both the nations would be even more varied in post-2014 scenario when the U.S. and NATO troops would leave Afghanistan. It is recommended that Russia and Pakistan should establish greater ties especially in the field of counterterrorism.

**Pro-activism**

Over the past ten years Pakistan and Russia have covered a long distance in trying to come closer to each other. It is recommended this pro-active approach in their bilateral
bondage should be further exploited and regular high level visits be facilitated. There has been a delay in President Putin’s visit to Pakistan which has raised concerns in various quarters. It is recommended that all prior homework should be completed evaluating all possible policy alternatives before any such visit. Postponement of visit of such stature is by no means in the national interest.

SCO

Pakistan and Russia can even built stronger ties utilizing the platform of SCO. In 2005, Pakistan was granted observer status in SCO and in return Pakistan then reciprocated the gesture by helping the Russians get an Observer’s status at OIC.³⁰

It is suggested that these forums should be exploited in building strong pillars of their association.

Conclusion

Pakistan and Russia are not only two important countries of the region but also have great role in international politics. At the time of creation of Pakistan, the decision making mechanism of the country failed to carry out correct cost-benefit analysis and took an irrational decision of ignoring the former Soviet Union. There was, however, requirement of maintaining equally good relations with both the superpowers as India did so very successfully.

Pakistan made just not an initial incorrect decision but also followed a flawed course of action in formulating its foreign policy. The basis of bilateral relationship is always on the principles of trusts and corrects perception. This element too remained missing in Pak-Russia relations. The history of relations between them can truly be termed as a saga of misunderstandings and misperceptions as both the nations perceived each other through a third nation’s perspective.
Amongst all odds what both the states have experienced over the past half century, Pakistan and Russia have now realized each other’s importance. The developments of the last ten years suggest that both of them have covered a distance of hundred miles in rewriting the history of their relations. Viewing various aspects of global and internal dynamics one can conclude that if both the countries work together in the fields of energy, trade and security, they can ensure peace, stability and prosperity of their nations as well as the world.

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**Notes**


6 Ibid.

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CONFLICT AND COOPERATION IN SOUTH ASIA
POST 9/11: IMPLICATIONS FOR PAKISTAN’S SECURITY

Dr. Mavara Inayat

Abstract

This article discusses the nature of conflict and cooperation in South Asia post 9/11 with special emphasis on the US partial exit from Afghanistan in 2014. Within this context, the paper stresses post 2014 scenario in the region and its implications for Pakistan’s security. It argues that the primacy of Pakistan-India-Afghanistan triangular relationship along with the policy of the major powers such as the US, China and Russia have determined and will decide the nature of conflict and cooperation in the region post 2014 as well. The ongoing Indo-US strategic partnership, Pakistan-US informal alliance in the US war on terror post 9/11 and Pakistan-China strategic cooperation would play out in post 2014 Afghanistan, which is the gateway to Central Asia. All these developments would extend the new great game between the US, Russia and China from Central Asia to South Asia. Along with the new great game, Indo-Afghanistan strategic partnership in the regional theatre would have dire implications for Pakistan’s security.

Introduction

Ever since the beginning of the Cold War era, South Asia has been a conflict prone region with modest movement towards cooperation. The region includes larger states such as India, Pakistan and Afghanistan, along with smaller states such as Bangladesh, Bhutan, Maldives, Nepal and Sri Lanka. Instead of regionalism, security relationship between India and Pakistan has defined the nature of the region. Having fought three wars in the past in 1948, 1965 and 1971, India-Pakistan relationship has somewhat stabilized due to both countries’ nuclear explosions in May 1998. Ever since the 9/11 attacks on the Pentagon in Washington and Twin Towers in
New York, the US has been involved in the war on terror in Afghanistan. From 9/11 to present, new alignments have either been forged or are continuing in the region: Pakistan-US informal alliance in the US war on terror to combat Al Qaeda related terrorism on Pak-Afghan border from 2001 to present, Indo-US strategic partnership of 2005, Indo-Afghan strategic partnership of 2011 and Pakistan-China strategic friendship which has endured. In order to understand the nature of conflict and cooperation in the region, it is important to comprehend the nature of the great game in Central Asia and its impact on issues of war and peace in South Asia. In the region, this paper will stress the relationship between India, Pakistan and Afghanistan and examine its effect on Pakistan’s security post 9/11.

The literature on South Asia can be divided into three categories. The first category comprises history and socio-political dimension of South Asia. The second category stresses the security dimension of South Asia. Its emphasis is on India-Pakistan security issues and on the conflict in Afghanistan. Matinuddin’s *The Nuclearization of South Asia*¹, Durrani’s *India and Pakistan: The Cost of Conflict and the Benefits of Peace*², Ganguly and Kapur’s *India, Pakistan and the Bomb: Debating Nuclear Stability in South Asia*³, Sidhyu, Asifand Samili’s *Kashmir: New Voices, New Approaches*⁴, Iqtidar H. Siddiqui’s *Hydro-Politics and Water Wars in South Asia*⁵ and Kapur’s *India and the South Asian Strategic Triangle*⁶ represent India-Pakistan security issues well. Schofield’s *Afghan Frontier: At the Crossroads of Conflict*⁷, Kai Adie’s *Power Struggle over Afghanistan*⁸ and Rasul Bakhsh Rais’ *Recovering the Frontier State: War, Ethnicity and State in Afghanistan*⁹ represent another sub-classification. The third category emphasizes peace, democracy, regionalism, human security and gender issues in South Asia. Dossani and Rowen’s (eds.) *Prospects for Peace in South Asia*¹⁰, Bailes, Goonaratne, Inayat and Ayaz Khan and Singh’s *Regionalism in South Asian Diplomacy*¹¹ and Dr. Mavara Inayat, “Human Security and Civil Society in South Asia”¹² represent this category well.
This paper stresses the new great game in South Asia and its implications for the regional security theatre as well as for Pakistan’s security. Within this context, this paper is divided in the following three sections: 1) The New Great Game in South Asia post 9/11; 2) The Regional Theatre; and 3) Implications for Pakistan’s security.

**The New Great Game in South Asia Post 9/11**

This section discusses the essential nature of the new great game in South Asia post 9/11 with special reference to the major contours which this game may assume post 2014. It argues that the major power rivalry in Central Asia has been extended to South Asia with Indo-US strategic partnership, US-Pakistan informal alliance in the war on terror, Pakistan-China strategic cooperation and Sino-Russian strong cooperation under the banner of Shanghai Cooperation Organization (SCO). This new great game and the US strong support for Indo-Afghanistan strategic partnership at the expense of Pakistan’s security would all have dire implications for matters of war and peace in South Asia.

Balance of power between the US, Russia and China has been combined with the ‘integrationist and cooperative patterns in Asia’.

It is a misnomer, however, to view the 21st century as the Asian century alone, which would inevitably lead to the rise of China along with other Asian states and the decline of the US and western powers. The US foreign and defense policies are already in place to check the undue rise of any substantial power in Asia that may have the potential to confront the US. The superpower has learnt its lessons of ‘divide and rule’ well from the great empires of yesteryears. Within Asia, the US already has its formal and informal alliances with various Asian states in order to contain China in the 21st century. These include ‘US-India strategic partnership’ which began in 2005, US-Japan strong military and economic ties ever since the end of the second world war, US relations with Southeast Asian states since the signing of South East Asia Treaty Organization (SEATO) in 1954 and the creation of ‘ASEAN’ in 1967 (whose membership has
expanded to ten now) along with ‘US-Pakistan relations’ from the 1950s to 2013 albeit with pauses in the 1970s and the 1990s. The US has understood well the division between pro-US South Korea and pro-China North Korea, the Gulf Cooperation Council (GCC) states who can be used against Iran or Iraq depending upon the balance of power equation in the region. Over the years, the US has realized that the fear of China exists in many of the above mentioned quarters. India’s un-negotiated border with China and the memory of 1962 border conflict, India’s willingness to strategically contain China, Japan’s adversarial relationship with China, ASEAN states’ disputes with China over islands in the South China sea, the conflict between two Koreas with China’s support to North Korea and the US support to South Korea. All these developments, however, show that the balance of power is operating in the Asian region with the US, South Korea, Japan, ASEAN states and India on one side; and China, ‘SCO’ members, North Korea, Iran, Myanmar and Pakistan on the other. However, China’s strong economic relationship across the regions, with other major powers and with the US needs to be stressed. Kevin Rudd, the former Prime Minister of Australia in Foreign Affairs wrote that it would be beneficial to develop:

A new framework for cooperation with China that recognizes the reality of the two countries’ strategic competition, defines key areas of shared interests to work and act on, and thereby begins to narrow the yawning trust gap between the two countries. Executed properly, such a strategy would do no harm, run few risks, and deliver real results. It could reduce the regional temperature by several degrees, focus both countries’ national security establishments on common agenda sanctioned at the highest levels, and help reduce the risk of negative strategic drift.

This implies that as long as the strategic competition and economic cooperation would endure between the US and
China, balance of power would continue in South Asia leading to regional stability. Many relationships of South Asian states with the major powers, however, remain ambivalent. India has a strong economic relationship with China but strategic partnership with the US to contain China. Pakistan has strategic partnership with China, while maintaining amicable relations with the US from post 9/11 to present. Pakistan’s relations with the US post 9/11, however, have remained uncertain due to the Indo-US strategic partnership, the US carrot and stick policy towards Pakistan in the war on terror, the ‘US drone strikes’ inside Pakistani territory raising questions of violation of Pakistan’s territory along with Haqqani’s interpretation that the US is unwilling to ‘accept the Pakistani military’s vision of Pakistani preeminence in South Asia or equality with India.’ What Haqqani and the US have got wrong is that it is not only Pakistani military’s vision but it is also the Chinese vision for the region. Moreover, there is a great civil-military unity, which further needs to be strengthened, to protect and practice this vision. To the dismay of both Haqqani and the US strategic equality with India has already been achieved through Pakistan’s nuclear status and Pakistan’s strong strategic partnership with China. It is precisely for this very reason that Pakistan has shown its willingness to cooperate with India in the economic domain and to take the composite dialogue with India forward.

The US, nevertheless has its presence and military bases in place within Asia-Pacific region in order to combat any threat to its. Most importantly, in South Asia, the US has a relationship with three significant states in South Asia: India, Pakistan and Afghanistan. Moreover, the US has a strong presence in the Indian Ocean: South Asia, Middle East, Southeast Asia and Australia. China has initiated moves to have strong economic relations with all the above mentioned regions including Australia. In South Asia, China has a strong strategic partnership with Pakistan which would certainly maintain balance of power in South Asia leading to regional stability.
There has been a strong connection between the clash of US-Chinese-Russian security interests in Central Asia and South Asia which can be viewed within the context of prevailing multiple world orders in Central Asia. Tahir Amin’s idea of simultaneously existing ‘multiple world orders’ in Central Asia has been essential to the understanding of the unfolding nature of politics in the region. The assertion that various world orders co-exist simultaneously does not negate the competition for supremacy between the US, Russian, Chinese and the Islamic world orders.

The fluidity of the international system as witnessed through the historical successes of colonialism, imperialism and globalism rebels against Anaximander’s natural law proving that competition ultimately leads to the supremacy of either one (unipolar world order) or two (bipolar world order) or many (multipolar world order). Which world order will succeed in Central Asia and South Asia and in what measure will be defined through a combination of factors: the sub-conscious of the Central Asians and South Asians which includes their unique religious and historical experience, the strength of competing powers’ alliances with countries which have geographical proximity with Central Asia, technological edge, Machiavellian political strategies based on age old cunning, modesty in success and the blessing of the unforeseen forces. In Sun Tzu’s terms, the winner is the master of the sword who lives in the moment and understands the energy of the moment. He knows how to surprise but is never surprised, remains modest in success, has the support of the crowd and the unforeseen forces. Sun Tzu implies that ultimately, it is the psychological edge which decides the winner. Given this context, the new great game has continued in Central Asia with each power checking the other's excesses and trying its best to attain the support of areas with geographical proximity to Central Asia such as Afghanistan. It is in this very geo-strategic context that South Asia has assumed significance in the current times.

As Central Asia blends into South Asia, it can be strongly asserted that the competition between the major powers and
by extension various world orders have also been evident in South Asia. In the post 9/11 era, there has been a strong contest between the US and Chinese security interests in South Asia. Regional organizations operating in Central Asia and South Asia have also shown the intense competition between the major powers in Central Asia with SCO representing Russian and Chinese interests in Central Asia and Economic Cooperation Organization (ECO) advocating the US and western interests in the region. South Asian Association for Regional Cooperation (SAARC) has included powerful observers such as the US, European Union and China. The major powers have been strongly competing in Central Asia and viewing South Asia as an important geo-strategic prize to be won over.

The Indo-US strategic partnership which was forged to contain the Chinese influence in both South Asia and Central Asia has led both the US and India to check the Chinese influence. India has supported the insurgency in Pakistan (in Balochistan) in order to pressurize Pakistan on Kashmir as well as to contain China in the Arabian Sea and South Asia. The US strong support for Indian influence in Afghanistan along with the US-Pakistan alliance in the war on terror have existed to mute the effects of China-Pakistan strategic cooperation. The US has, nevertheless, preferred India over Pakistan due to the US flawed assumption that Pakistan has been involved in global jihad. According to Bruce Riedel:

> The future of the global jihad will be decided in Pakistan more than anywhere else in the world. As difficult as the mission remains, there is every reason for Pakistanis and Americans to transform what has long been a deadly embrace into a union of minds with a common purpose: to defeat the jihad monster.²²

Due to Pakistan-China strategic partnership and its own strategic competition with China, the US has been awaiting a Sino-Soviet split as witnessed during the Cold War era. The
split would enable the US to exploit Russia against China. For the moment, though, Russia has been aware of the contours of the new great game and has been playing one with China and showing its deep interest in the US and Europe simultaneously. China has been involved in trade with the US, Europe, Russia and South Asia. The new great game is being played on various chess boards. On the economic chessboard, everyone has been pursuing similar ends which appear to be a win-win game. On the political and strategic chessboards, however, a zero sum game is being pursued. It is against this backdrop that conflict and cooperation in South Asia need to be studied.

The Regional Security Theatre

This section argues that the nature of security relationships between three very important actors in South Asia, Pakistan, India and Afghanistan, have defined the regional security theatre post 9/11 and would do so more strongly in post 2014 scenario. Within this context, this section explores Pakistan-India, Pakistan-Afghanistan, India-Afghanistan along with Pakistan-Afghanistan-India triangular relations post 9/11 including a conjecture on matters of peace and conflict in South Asia from post 9/11 to post 2014.

Will India-Pakistan security complex exist beyond 2014 through the continuation of divergence in their national security interests or will the sharing of common development goals break the ice of earlier security interdependence between them? Put in another way, will nuclear deterrence enable them to either resolve or leave Kashmir on the back-burner and proceed with enhanced trade and development goals which have the potential to change the destiny of the two states and the people? Will the post 2014 regional and global environment enable them to break their historical adversarial relationship? What likely shape will the composite dialogue between them assume? Will they believe more in regionalism via the SAARC process? Will the United States and other influential actors such as China, Russia and European states favor divergence and deterrence between the two traditional
advocates or stress development goals which highlight human security? This task is especially difficult because the conjecture on the issue has to be projected on to the future. To be living in 2013 and imagining post 2014 situation is a hard task. However, the contours of the global, inter-regional and regional policies are beginning to appear on the horizon.

**India-Pakistan Relations**

India-Pakistan relations have been complicated due to their geo-historical and strategic relations, both of which are interconnected with each other. Historically, the genesis of the Kashmir question rested in India’s defiance of both the geographical and demographic principals of partition regarding around 562 princely states in the sub-continent. Kashmir, being geographically contiguous to Pakistan as well as demographically being a Muslim majority area was to form a part of Pakistan. Most importantly, all the western rivers to Pakistan flew from Indian held Kashmir. That is why certain scholars such as Robert Wirsing have called the Kashmir dispute ‘Indus Water Dispute’.

The historical Kashmir dispute between the two states has been deeply linked with Indo-Pakistan wars of 1948, 1965, 1971 and with low scale conflicts such as Siachen, Kargil and Indo-Pakistan military stand-off among others. Strategic equality became pronounced between India and Pakistan with first India and then Pakistan’s nuclear explosions in May 1998. Ever since, Pakistan’s strategic competition with India over conventional and non-conventional weapons including missiles has continued due to the persistence of the Kashmir dispute between the two adversaries. Nevertheless, India and Pakistan decided to simultaneously indulge in ‘US facilitated peace process’.

Pakistan-India composite dialogue which emerged in 1999 with Prime Minister Nawaz Sharif in power in Pakistan and Indian Prime Minister Atal Bihari Vajpayee, has had a checkered history. It emphasized that both adversaries should address all issues including the Kashmir dispute through holding a bilateral dialogue. Among others, the areas of the
dialogue included Siachen, Sir Creek, Wullar Barrage, Kashmir, conventional and nuclear confidence building measures (NCBM), combating terrorism and drug trafficking as well as the promotion of CBMs and friendly exchanges. Due to 1999 Kargil conflict and Musharraf’s takeover in October 1999, the peace process suffered a setback. In January 2004, however, at the annual SAARC Summit, the dialogue was revived. From 2004-2013, the peace process has continued albeit with pauses due to certain events such as November 2008 Mumbai blasts. So far, the composite dialogue has been unable to resolve the Kashmir dispute, which has been central for building fruitful cooperation between India and Pakistan. Other issues such as Siachen, Sir Creek, water issues have also remained unsettled. Nevertheless, certain measures regarding military and NCBMs can be appreciated. On the whole, however, the composite dialogue has failed to be the key with which the lock of strategic insecurity of the two states can be opened. In the post 2014 situation, the composite dialogue must address the Kashmir dispute in order to achieve peace and prosperity in the region.

Another forum which offered prospects for peace in South Asia was SAARC. The Association emerged in December 1985 with India, Pakistan, Bangladesh, Nepal, Bhutan, Maldives and Sri Lanka as its members representing the phenomenon of regionalism in South Asia. In early 2007, the membership of SAARC was expanded with Afghanistan as its eighth member further problematizing cooperation in the region. Effective regionalism anywhere has had geographical, historical, sociological and anthropological roots. In the case of South Asia, the success of regionalism rested on the primacy of India-Pakistan security relationship, which was marred by historical dispute of Kashmir as well as by their strategic rivalry which culminated in three wars in 1948, 1965, 1971 and other small scale conflicts over Siachen, Kargil, 2001/2002 India-Pakistan military stand-off and November 2008 Mumbai blasts. Regionalism could not be very fruitful because being post-colonial states, both India and Pakistan guarded cautiously their sovereignty and independent identity.
Further, the complexity of India-Pakistan-Afghanistan triangular security relationship harmed the spirit of regionalism due to the development of India-Afghanistan strong security relationship. SAARC could not rise beyond the limitations which the security relationships of its members imposed upon it. Pakistani decision makers have feared that India and Afghanistan would gang up against Pakistan whether the matter relates to economic, technical or water related issues. Within this very context, the areas in cooperation among SAARC members have largely remained socio-economic and technical in nature. Unlike the ‘European Union’ (EU), fruitful economic cooperation in the shape of free trade, free movement of people, goods and services, the formation of common market, a common customs union and a common currency could not be achieved. Meager developments included South Asian Free Trade Area (SAFTA), which non-tariff barriers, bureaucratic red tapism and the lack of political will largely impaired. Despite the presence of observers in SAARC such as the US, EU, Japan, South Korea and China, SAARC, largely due to its being an inter-governmental organization, believes in gradualism.

Despite the inherent pessimism in regionalism due to adverse India-Pakistan relations, ‘human security introducing the concept of human security requires some explanation and sources would be useful) and civil society’ are important matters which have the potential to bridge the gap in India-Pakistan relations. Both countries have not been able to achieve freedom from fear, freedom from want, freedom from discrimination, freedom of choice and basic human rights for the majority of their populations. With the prevalence of fear of inter-state, intra-state and domestic violence, widespread poverty, unemployment, underemployment, lack of access to education and health facilities, gender-caste-class disparities, both states have ranked low in human development index. These commonalities in human insecurity beg for India-Pakistan cooperation to develop an insight beyond mere strategic concerns and move towards a new era of peace and cooperation where humans are valued above conventional weapons and nuclearization of the region. Civil society, which
emerges as a result of the rise of the middle class in a given society, becomes the advocate of human security. The civil society groups comprising artists, lawyers, judges, students, teachers and others of the two countries can work together for the betterment of their respective societies. India-Pakistan strategic insecurity, however, has dampened cooperation in human security issues and any negative developments post 2014 would prevent civil society institutions from promoting human security together.

**Pakistan-Afghanistan Relations:**

In addition to Pakistan-India relations, Pakistan’s relationship with Afghanistan is another area which has cast a shadow over South Asian rapprochement. Historically, Pakistan and Afghanistan have shared a love-hate relationship without Afghanistan ever physically threatening Pakistan’s territorial integrity.

India-Afghanistan relations became more than amicable with the beginning of the US War on Terror in South Asia post 9/11. With the terrorist attacks on the twin towers in New York and the Pentagon on September 11, 2001, a new era began in Afghanistan-India relations. The US blamed Al-Qaeda chief Osama bin Laden who resided in Afghanistan at the time for the terrorist attacks. The US demanded the handing over of Osama bin Laden from the Afghan Taliban regime which Mullah Omar headed at that time. With the refusal of Mullah Omar, the US with the help of UN and NATO resolutions invaded Afghanistan in November 2001 under Operation Enduring Freedom (OEF) beginning the US War on Terror in South Asia. Ever since, the US and NATO military forces have stationed in Afghanistan in order to combat Al-Qaeda related terrorism. The US presence in Afghanistan gave India a golden opportunity to forge strategic, political, societal and economic relations with Afghanistan. Of these, India-Afghanistan strategic relations are of foremost importance for the stability of the South Asian region.
India’s construction of Farkhor Air Base at Afghan-Tajik border and India-Afghanistan strategic partnership forged in 2011 has been of utmost significance for the prospects of peace and conflict in South Asia. Farkhor Air base is located in Tajikistan, 130 kilometers southeast of Tajikistan’s capital Dushanbe. It was only in 2005 that India openly admitted that it has acquired an air base and that it will be under the joint control of India and the military of Tajikistan. New Delhi has stationed a squadron of MiG 29 aircrafts in the base. The air base is also used to collect information and data through the Indian intelligence agencies. It is possible that the US helped India to retain this airbase to contain China in Central Asia. However, the base has strong implications for Pakistan’s security. In case of India’s conflict with Pakistan, Indian war planes could reach Pakistani air space in a short period of time. Many Pakistani leaders including former President Musharraf have raised the objection with Tajikistan authorities. It is noteworthy that the base provides strategic depth to India vis-à-vis Pakistan. Any serious calculations on conflict in South Asia must account for the presence of this Indian air base on Afghanistan-Tajikistan border as it is going to assume more significance after the withdrawal of NATO and US forces from Afghanistan in 2014. The air base will provide strategic depth to India vis-à-vis Pakistan.

To forge closer ties, Afghanistan’s President Hamid Karzai and Indian Prime Minister Manmohan Singh have signed Agreement on Strategic Partnership (ASP) on 4 October 2011 at New Delhi. Most importantly, according to the agreement, India would provide training to National Security Forces of Afghanistan along with providing all requisite light and heavy equipment to Afghanistan including weapons. During his visit to New Delhi, on 22 May 2013, Karzai stated that ‘We have a [military] wish list that we have put before the government of India’. On India’s part, an Indian government official was shocked that Afghanistan was talking so very openly about the purchase of weapons from India. Kabul also desires to have an air force. This agreement will be in force when the US and NATO forces withdraw from Afghanistan in 2014 changing the
discourse on peace and conflict in South Asia. According to James Cogan:

The agreement is a clear threat that India, in conjunction with the US and its allies, will continue to build its political and economic influence in Afghanistan at Pakistan’s expense. It will also add to the pressure of the government in Islamabad to bow to increasingly strident US demands to take greater action against the Afghan insurgents who operate from Pakistan’s tribal border regions.30

**Pakistan-India-Afghanistan Relations and Regional Security Theatre**

The triangular relationship between Pakistan, Afghanistan and India has been of a highly complex nature. Ever since 9/11, the US presence in Afghanistan, the US deeper ties with the Northern alliance to curtail the Taliban, the US-India strategic partnership forged in 2005 along with the Indo-Afghanistan strategic partnership further complicated Pakistan-Afghanistan-India triangular relationship. The Northern Alliance forged deeper links with the US and India at the expense of Pakistan. In April 2013, however, at a seminar in National Defence University, a high official in Pakistan’s foreign office commented that Pakistan was making inroads with the Northern alliance and indeed meetings had been held between northern alliance members and Pakistan’s foreign office officials at Pakistan’s embassy in Kabul.31 Moreover, being unsuccessful at defeating the Taliban, holding negotiations with the Taliban became more acceptable to the US. With the US assumption of talks with the Taliban, it became easier for the leadership of Pakistan’s political parties such as Pakistan Muslim League (Nawaz), Pakistan Tehrik-i-Insaf and Jamaat-i-Islami to support a dialogue with the Taliban in order to allot them certain space in Pakistan’s political system. Nevertheless, the US support for India to play an influential role in Afghanistan even when the US forces begin to withdraw from Afghanistan would pose a
serious threat to Pakistan’s security. In his May 2013 visit, Karzai admitted that the ‘peace process’ with Taliban would not succeed without Pakistan’s cooperation. He stressed that he was totally committed to the peace process and had kept the Indian side informed. He accepted that India was concerned that the ‘peace process’ might lead to the ‘flourishing of terrorism and radicalism’. He assured India that the peace process would be within the framework of the Afghan Constitution.32

It was basically the US-India strategic partnership coupled with the US influence with the Karzai regime in Afghanistan, which enabled India to forge a strategic partnership with Afghanistan further complicating Pakistan-Afghanistan and Pakistan-India relations. The US-Indian strategic partnership and the US presence in Afghanistan provided India the space to develop a strong strategic relationship with Afghanistan, which strained Indo-Pakistan relations. Sajid Mansoor holds that the opening of Indian consulates in Afghanistan near Pakistan’s border, the presence of Indian intelligence agencies at Pak-Afghan border and India’s support of separatist elements in Balochistan has been an Indian ploy to encircle Pakistan on both its eastern and western borders.33 According to him, Indian military base on Afghan-Tajik border at Ayni would provide ‘a solid opportunity to inject Indian forces towards potential areas of threat and in case of any serious clash with Pakistan, India will be able to use Tajik soil to strike against Pakistan.’34 It remains to be seen, however, whether India’s engagement in Afghanistan along with Indo-US strategic partnership would necessarily amount to a zero-sum game versus Pakistan in the post 2014 situation.

Implications for Pakistan’s Security

This section argues that the new great game in South Asia along with the developments in the regional theatre would have important consequences for Pakistan’s security especially after the US partial exit from Afghanistan in 2014. There are three different yet equally viable scenarios which explain the implications of conflict and cooperation in South Asia for
Pakistan’s security post 2014. The first one is a promising scenario, the second one is an alarming scenario while the third one is a synthesis located between the two extremes.

First, the auspicious scenario for Pakistan’s security after the US partial withdrawal from Afghanistan in 2014 is entrenched firmly in the international relations theories of balance of power and complex interdependence. According to this scenario, the developments in South Asia would benefit equally both India and Pakistan resulting in the stability of Afghanistan post 2014. Both US-Indian strategic partnership and Pakistan-China strategic partnership would bring about balance of power in South Asia resulting in India-Pakistan cooperation in bilateral trade as well as in transit trade to and from Afghanistan through Pakistan which would benefit all the actors involved. In general, an environment would be created in which both India and Pakistan would derive equal advantage from their involvement in Afghanistan. Indo-Afghanistan strategic partnership would not act against Pakistan and a semblance of balance would be maintained between India and Pakistan’s reconstruction activities in Afghanistan. Keeping in mind the role of China as a balancer in South Asia, the US would emphasize equally the influence of both India and Pakistan in Afghanistan, which would discourage Indian hegemony in Afghanistan. Afghanistan would stabilize with a combined US-China-Russia consensus, on the one hand, and among South Asian states themselves especially India, Pakistan and Afghanistan on having a mixed Taliban-northern alliance government in Afghanistan. Indo-Afghan strategic partnership would not be directed against Pakistan. The US and India would help Pakistan build bridges with the northern alliance, while Pakistan would play a role in reconciling the Taliban with India.

The new great game in Central Asia would encourage both India and Pakistan’s access to Central Asian resources along with bringing about cooperation in South Asia through promotion of regionalism, India-Pakistan composite dialogue with increased emphasis on trade along with Pakistan’s strong involvement and influence in Afghanistan. Moreover, the
success of democracy in India, Pakistan and Afghanistan can be an added feature which could strengthen the relationship between the two countries as well as stabilize the South Asian region. This scenario would ensure Pakistan’s security post 2014 by diluting its fear that a hostile India would encircle Pakistan on both its eastern and western borders. In an interview with Pakistani television channel on 29 May 2013, General (Retd) Ihsan-ul-Haq who had once served as Inter-Services Intelligence (ISI) chief commented that Pakistan’s nuclear program is in safe hands and it cannot be rolled back either. Moreover, Pakistan needed to behave like a nuclear state. In the current scenario, according to him, there was no harm in engaging with India on trade. Within the context of Pakistan’s strength as a nuclear state, he agreed with newly elected Prime Minister Nawaz Sharif’s policy of economic engagement with India.

On Sharif’s optimism on India-Pakistan trade, Ashfaq Bokhari in *Dawn* of 27 May 2013 wrote:

> The incoming industrial Prime Minister would tend to be a protectionist and would provide impetus to commodity producing sectors particularly manufacturing to target regional markets. That may create trade surpluses for exports to India. The current exchange rates for the currencies to the two countries work to the advantage of Pakistani exporters. .... Indian buyers and Pakistani exporters would both find it feasible to strike trade deals.

Despite all this optimism regarding trade with India, the real test is whether Pakistan is able to convince India to ‘demolish’ its non-tariff barriers or not. Nevertheless, Sharif is going to award Most Favored Nation (MFN) status to India. All this optimism in trade with India is only possible due to the prevalence of balance of power in the region.

This scenario, therefore, implies that complex interdependence would prevail in the region due to balance of power in the region. Balance of power would, in turn, endure
because of India and Pakistan’s nuclear status and Pakistan’s strategic partnership with China. With such balance of power in South Asia, the situation would not be alarming for Pakistan’s security. This is what Pakistan’s Chief of Army Staff General Ashfaq Pervez Kayani implied in his address at Command and Staff College, Quetta on 31 May 2013, when he stated that there must be a balance between defense and development needs for progress in Pakistan. On the contrary, the prevalence of hardcore realism in South Asia would alarm Pakistan on the regional front.

The second scenario is named ‘nightmare scenario’ post 2014 which is grounded deeply in the international relations theories of hardcore realism as propounded by E.H. Carr and Hans Morgenthau along with neo-realism of Kenneth Waltz. According to realism, instead of morality and interdependence, ‘will to power’ is everything for states reducing the art of statecraft to the pursuit of a zero-sum game with one’s rival state/s. Neo-realism holds that the nature of the international structure imposes arms races and security dilemma upon the rival states. That is precisely why ideologically different states act in the mirror image of each other. The case of the communist Soviet Union and capitalist US during the Cold War era is a case in point. By the same token, the very nature of the international system has imposed security dilemma and security interdependence upon India and Pakistan from which there is ‘no exit’.

Is it possible that there may evolve security dilemma between Pakistan-India-Afghanistan presenting Pakistan with a two front threat situation where the latter encounters India on both its western and eastern borders. With Indo-US strategic partnership, Indo-Afghan strategic collaboration, Indian consulates in Afghanistan, India’s air base on Afghan-Tajik border which stations India’s MiG 29s, along with nine new US bases in Afghanistan, some of which would be located close to Pak-Afghan border, Pakistan’s security at the strategic level would surely be affected adversely. In addition to these factors, if the US decides to create Indian hegemony in Afghanistan, then Pakistan and India could indulge in a proxy
war in Afghanistan which would destabilize the entire South Asian region. Given these circumstances, the corridor to Central Asian resources would be lost to the South Asian states for decades to come.

The third scenario is a synthesis between the optimistic and pessimistic scenarios post 2014. In terms of international relations theory, this scenario is a curious mix of balance of power, complex interdependence, realism and neo-realism and carries varied implications for Pakistan’s security. According to this scenario, there would be both conflict and cooperation in South Asia post 2014. It is possible for rival states to compete and cooperate simultaneously if statesmen are viewed as playing on multiple chessboards at the same time. The ‘multiple chessboards view’ would emphasize that like China and India, India and Pakistan would cooperate on the economic chessboard but would clash on political and strategic chessboards post 2014. In the post 2014 environment, Pakistan, India and Afghanistan would have ample chances to collaborate on economic issues such as trade, while they would clash over strategic and political issues such as Kashmir, maintenance of conventional and unconventional strategic balance along with their desire to gain influence in Afghanistan and Central Asia. They would also compete over their relations with the major powers such as the US and China. The third scenario is more appropriate for the understanding of conflict and cooperation in South Asia in the current times as well as in explaining the implications for Pakistan’s security. Pakistan’s security would probably be ensured due to global and regional reasons.

Conclusion

The world structure is moving towards a loose multipolar world order with the US, China, Russia and Europe emerging as eminent powers in the 21st century. Among them, the US, Russia and China have been in competition in Central Asia, while cooperating in the economic domain. Their mutual competition, which has extended from Central Asia into South Asia through the US war on terror post 9/11, has strengthened
balance of power in the region which would stabilize the region. Balance of power has been maintained through Indo-US strategic partnership on one side, and Pakistan-China strategic partnership on the other side. Moreover, Pakistan’s informal alliance with the US in the war on terror and ongoing US-Pakistan strategic dialogue has somewhat mitigated the brutal force of Indo-US strategic partnership. How far the Indo-US strategic partnership is blunted would depend upon both the nature of Pakistan-US relations after the US partial withdrawal from Afghanistan in 2014 and the evolution of Pakistan-China strategic relationship.

The major powers’ policies along with India and Pakistan’s nuclear status have brought about strategic stability in South Asia. Currently, South Asia has effective balance of power and has been moving towards complex interdependence which augurs well for regional security. Moreover, the US and China have supported India-Pakistan composite dialogue especially bilateral trade between the rivals. Within this context, Pakistan’s newly elected Prime Minister Nawaz Sharif and Indian Prime Minister Manmohan Singh have shown strong willingness to expand trade with each other in May 2013. Additionally, with the success of democracy in India, Pakistan and Afghanistan, the ancient dictum: ‘Democracies never fight democracies’ would hold. Given these circumstances, South Asia could face conflict on the strategic and political chessboards, but there would be cooperation on the economic chessboard post 2014. Given strategic security through balance of power, it will be the right time for Pakistan to ensure its internal security through addressing domestic issues of terrorism and through maximizing its national security at political, societal and economic levels.

Authors

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Notes

13 For integrationist patterns in Asia, See Naveed Ahmad Tahir, *Integrationist and Cooperative Patterns in Europe and Asia*, Jean Monnet Project Papers, Area Study Centre for Europe, University of Karachi; Also See Shahwar Junaid, ‘Patterns of Regional Cooperation: Options for Pakistan’, *Criterion*, July/September 2008, pp. 107-126.
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19 For interpretation of Obama’s speech at NDU, Washington which argued for a scale down in drone usage, See ‘Drone Program has Largely Run its Course: LA Times’, The Spokesman, Islamabad, 26 May 2013.
23 Robert Wirsing read a paper titled ‘Indus Dispute’ at a young leaders seminar held at Qatar in April 2013.
26 European Union,
29 Ibid.
31 Seminar held at NDU, Islamabad in April 2013.
33 Muhammad Sajid Mansoor, A Study of the post 9/11 Indo-Afghan Relations and their Implications for Pakistan (M.Phil Thesis), Department of International Relations, Preston University, Islamabad Campus, 2013, p.64.
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CHINESE ROLE IN THE POST-2014 AFGHANISTAN

Dr. Raja Muhammad Khan

Abstract

The central argument of this research is based upon the postulation that, in the post 2014 scenario, ‘constructive engagement with Afghanistan will be crucial for China’s national interests in Eurasia’. In the academic sphere, the argument is strongly supported by realist school of thought. It directly correlates with China’s own national security; a fragmented, fundamentalist and anarchic Afghanistan post 2014 would stand contrary to China’s interest of maintaining stability and defying the ongoing militancy in its autonomous region, Xinjiang. Whereas security may be the immediate objective, the long-term aim is economic cooperation with Afghanistan which is driven by the liberal paradigm which China finds as the most crucial and enduring. Indeed, pursuing a realist based national security paradigm and a liberalist based idea of economic cooperation with Afghanistan is China’s strategy towards Afghanistan.

Introduction

Ahmed Shah Abdali (Durrans) amalgamated the current Afghan territory in the 18th Century after defeating Mongols and Persians, into a larger, yet unhinged Afghan Empire. The rugged Afghan mountains and narrow valleys have attracted settlers from all around. They include Persians under Darius the Great (522-486 BCE) and Greeks under Alexander the Great (356-323 BCE). There has been a huge impact of Buddhism on the lives of people of this country from 7th century B.C to 1st century CE.¹ Besides, it had the influence of Turks, Arabs, and Mongols.²

Historian Arnold Toynbee has described Afghanistan as the “roundabout of the ancient world.”³ Indeed, this terrain has been a junction of the land routes from China and India to

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the West and a place of convergence for numerous and
dynamic nations and cultures. Afghanistan indeed is a bridge
between the present day South Asia, Central Asia, West Asia
and East Asia. Over the years, the migrants who passed
through this region left behind “a mosaic of ethnic and
linguistic groups.” Thus, Afghanistan is truly a multi-cultural
land.

Owing to the global power play between the major
contenders, Afghanistan underwent foreign invasions and
intrusions more than once, mainly owing to its geopolitical
location. In recent history, following the withdrawal of Soviet
forces in 1989, U.S being the key beneficiary of the covert
campaign left the region in haste. In the absence of any
substantial representative and consensus Government in
Kabul, factional fighting prevailed until the administration
was taken up the by religiously motivated Taliban in the
middle of 1990s. Coldblooded in nature, Taliban neither
succeeded in securing public acceptance at home, nor win the
recognition of international community. The failure was
mutual. In the post 9/11 scenario, the US led NATO action also
could neither subdue the Taliban, nor could they reinstate
stability in the war-ravaged Afghanistan. The US agenda to
occupy Afghanistan was in line with Dr. Brzezinski’s
gostrategic imperative of “managing” Eurasia. It aimed at
gaining accesses to and in turn, greater influence in the
Eurasian Heartland. The strategy hinged upon containment
and not cooperation with China. Dr. Zbigniew Brzezinski
writes in *The Grand Chessboard: American Primacy and Its
Geostrategic Imperatives* "for America, the chief geopolitical
prize is Eurasia...how America manages Eurasia is critical."

How successful the US strategy has been is another debate,
but what is established is that after almost twelve years of
military commove, the US led International Security
Assistance Force (ISAF), has finally decided to pullout
maximum combat forces from Afghanistan by the end of 2014.
While ambiguity about the future US plans still exists, there
are new regional alignments in the making. In this regard,
after a prolonged silence, the People’s Republic of China;
geographically contiguous to Afghanistan implied for the first time in June 2012 that it would play a major role in the stabilization of Afghanistan in the post 2014 scenario. The apparent Chinese role can be inferred from the statement of its former President, Mr. Hu Jintao, who clearly envisioned that, “We will continue to manage regional affairs by ourselves, guarding against shocks from turbulence outside the region, and will play a bigger role in Afghanistan’s peaceful reconstruction.”

China has already made huge financial investments for the development of Afghanistan’s mineral sector. As a rising power and major Afghan neighbour, China has a lot at stake in Afghanistan, including security concerns to its own western autonomous region, Xinjiang. Consequently, restoration of peace and stability in Afghanistan is in the interest of China, besides this being vital for the prosperity of the Afghan masses. Moreover, China has sufficient resources for making long-term investments in Afghanistan. Besides this, the determined Chinese leadership has the strong will to strengthen communication, coordination and collaboration in dealing with major international and regional issues. China is analysing new cooperation models and suggesting ways to identify non-resource sectors as a new priority for economic cooperation in Afghanistan and the region. Apart from its own interest for stabilization and reconstruction of Afghanistan, there is acceptability for China’s increased role in Afghanistan amongst the masses and leadership alike.

It was the geopolitical location of Afghanistan, which attracted global occupying powers from Alexander to former Soviet Union, and now NATO and US. After the longest military engagement, United States and NATO have ultimately reached to the conclusion that, it is not possible to subdue the Afghan masses although it was relatively easier to over through the Taliban Government. Consequently, after a costly war, which seriously undermined US priorities both domestically and internationally, the Trans-Atlantic alliance has decided to pull out maximum of their combat forces by the
end of 2014, leaving behind 10,000-12,000 troops through a Bilateral Security Agreement (BSA).\textsuperscript{11}

**Chronology of Sino-Afghan Relationship**

The history of Sino-Afghan relationship can be traced back to 7\textsuperscript{th} Century, once Chinese Monks used to travel to Afghanistan through Silk Road to Buddha statues in Bamyian province of Afghanistan.\textsuperscript{12} The Afghan land had once been the focus of Buddhism. Under Buddhism, by 500 B.C, Kandahar and Herat provinces (then known Arachosia and Aria) were considered as the jewels of the world. Buddhist rule on Afghanistan remained from 650-321 B.C (the Mauryan Age).\textsuperscript{13} The largest Buddha statue (one thousand meters long, Sleeping Buddha statue) was made in the Bamyian province. There were twelve small and large Buddhist monarchies in Afghanistan; Kingdom of Bactria with its capital at Kandahar as the biggest and most significant.\textsuperscript{14} Indeed, the Buddha statues of Bamyian (destroyed by Taliban in March 2001) had greater attraction for Chinese people, apart from many followers of this religion.\textsuperscript{15}

During the recent digging at the Aynak copper mines, some archaeological sites have been found which are part of Afghanistan’s cultural heritage and also of Chinese interests. Afghan and foreign archaeologists and historians have repeatedly highlighted the cross-border cultural links interspersed throughout this region, and the Buddha’s at Aynak have some cultural significance to China. These sites are also part of China’s history. According to China, “this is China’s neighborhood, and they are committed to making sure it works out well.”\textsuperscript{16}

A robust trade relationship existed between Asia and Europe through the extensive use of the Silk Road. While China used to be the hub of Asian trade, Afghanistan has been the key transit trade, between the two continents; Asia and Europe. The cordial Sino-Afghan relationship has been through ages. After the re-positioning of global power centres, sequel to World War-II, Modern China, People’s Republic of
China and Afghanistan established their bilateral relationship in 1950s.

The diplomatic relationships however, were established between the two neighbours in 1957. During the Cold war era, Chinese Prime Minister, Mr Zhu Enlai visited Afghanistan in 1957. Earlier, President Daud Khan paid a visit to Peking in the same year. These visits strengthened the bilateral relationship between Afghanistan and the People’s Republic of China. The Sino-Afghan Treaty of Friendship and Non-Aggression was signed in August-1960. Thereafter, the Peking Treaty of formal demarcation of boundary between China and Afghanistan was signed in 1963, thus settling the 76 Kilometres long border issues forever.

Being a signatory of 'Good Neighbour' Declaration-2002, China has pledged to respect Afghanistan’s independence and territorial integrity. Indeed, there has never been any dispute between both countries since the beginning of the bilateral relationship in 1950s; something that could perhaps be exceptional in the realm of international relations. In the recent history, Sino-Afghan relations transformed after the downfall of Taliban regime in 2001.

Within the regional context, Afghanistan’s relations with China are likely to figure out much, both during the ongoing transition period and in the post-2014 scenario, as China is the most powerful country in the region with a thriving economy besides having the will to play a positive role in Afghanistan. China, as an economic power and neighbour can play a key role to help Afghanistan overcome the legacy of decades of devastating war. On its part, Afghanistan can offer China the easiest transport route for exploitation of energy and mineral resources within Afghanistan and in its neighbouring region of Central Asia and Caucasus.

On the other hand, today thousands of Afghan citizens acquire visas to travel to China in order to find good opportunities for business and trade. In addition to this, there are hundreds of Chinese citizens living and working in
Afghanistan. The significance of Sino-Afghan relationship is that China has never had any political or ideological conflicts with Afghanistan, providing it with a special opportunity, unavailable to those countries that are apparently struggling to stabilize and democratize Afghanistan for their vested interests. "They are rare among the actors in Afghanistan in that they are not seen as having been too close to any side of the conflict. All sides are happy to see China's expanded role." Indeed, China is distinguished among all other actors in Afghanistan, because it has not taken sides in the Afghan conflict. All sides, both internal and external should be pleased to see China's expanding and stabilizing role. It has a balanced relationship with all Afghan ethnic groups, instead of favouring any particular faction. According to Andrew Small, a US based Chinese expert, "China is the only actor which can foot the level of investment needed in Afghanistan to make it succeed and stick it out."

The geo-economic significance of Afghanistan as well as Chinese huge investments in Afghanistan should be an urge for both countries to further expand relations and economic cooperation. Currently, several Chinese companies are engaged in various economic and construction activities in Afghanistan. As Afghanistan has enormous energy and mineral resources, therefore, it is likely that China would be the largest investor in its economic uplift. The payoff for China could be enormous, despite having provided little aid and no blood over the last decade. In October 2009, Sultan Ahmad Baheen, Afghanistan's ambassador to China stated that, “We believe that Afghanistan should be the ground for cooperation of civilizations, not the competition between the countries. I think there is room for everyone in Afghanistan.” Indeed, China will be the natural beneficiary of a stable Afghanistan.

**Chinese Role in the Economic Development of Afghanistan**

Sino-Afghan political relationship, economic cooperation and trade relations date back to the era of Silk Road. However, this relationship was formalized through the "Treaty of
Economic and Technical Cooperation-1964.’ In the recent years, trade between the two countries has steadily increased and China has emerged to be one of the main exporters to Afghanistan in the past decade. The Sino-Afghan trade has already reached over $700 million. A look at China-Afghan Trade volume highlights certain facts which prove that environment in Afghanistan is conducive for China’s business interests. The Trade volume just between 2002 and 2010 remained considerably high i.e. China’s export volume increased to $ million 704 from $ million 19.91. Whereas there is small but significant increase in China’s import volume increased from $ million 0.08 to $ million 11.70. The Afghan Government and the donor agencies for diverse areas of reconstruction activities are contracting a number of Chinese companies.

Afghanistan has been gifted with rich natural resources, which include extensive deposits of copper, iron, coal, marble, precious metals, lithium, gemstones and above all hydrocarbons, some of which have been discovered and most remain un-explored, owing to the ongoing conflict. According to Afghan and American Geological Surveys, conducted between 2007-2009, deposits of copper, mercury, rare-earth elements, sulfur, chromites, asbestos, potash, graphite, and sand and gravel were found in over 20 mineralized areas. The survey reveals that, “The most significant known metal deposits are of copper and iron. The total copper resource in Afghanistan is nearly 60 million metric tons of which the sediment-hosted copper deposits at Aynak are estimated to contain nearly 30 million metric tons copper. Resources in undiscovered porphyry copper and skarn deposits are estimated to be about 28.5 million metric tons of copper, with additional molybdenum, gold, and silver resources. Sedimentary iron deposits are abundant, and the Haji Gak and surrounding deposits are estimated to contain about 2,260 million metric tons of iron ore with grades higher than 62 weight percent iron. Additional resources in similar deposits are likely.”
During the first decade of 21st Century, trade between China and Afghanistan has steadily increased and China has emerged as one of the main exporters to Afghanistan. China is making substantive contributions in terms of developing the natural resources and infrastructure of Afghanistan. In 2007, Metallurgical Corporation of China (MCC) and Jiangxi Copper Corporation (JCCL) agreed to make the single largest foreign investment of $3.5 billion in Afghanistan by winning a tender to develop what geologists believe is the world’s second largest undeveloped copper deposit at Aynak in Logar Province, 35 kilometers southeast of Kabul. These copper deposits are estimated to be worth $1-$3 trillion.

Indeed, China became the first foreign country in decades to sign an oil exploration deal with Afghanistan, which will make possible for the latter to earn $7 billion over next 25 years. In 2011, China National Petroleum Corporation (CNPC) and its Afghan partner, Watan Oil & Gas, secured the rights to three oil blocks in the provinces of Sari-i-Pul and Faryab in northwestern Afghanistan. China National Petroleum Corporation (CNPC) and its Afghan partner are exploring crude oil from Amu Darya River Basin oil deposits in northern Afghan region. Amu Darya River Baisn deposits are of more than 87 million barrels of crude oil reserves. Besides this, Northern Afghanistan region is believed to contain more than 1.6 billion barrels of crude oil, 16 trillion cubic feet of natural gas, and 500 million barrels of natural liquids gas. China has initially invested $400 million for the oil exploration in these oilfields in Afghanistan.

The general perception is that the Chinese provide economic assistance in the form of part and parcel of the bid which makes it uncompetitive for anyone else to bid against Chinese companies. On the other hand, China has offered to build a power plant and a railroad to service the mine, which could nearly multiply the investment and will be beneficial for the population with civic facilities. It is interesting to note that while U.S. troops risk their lives in Afghanistan, it is Chinese companies that reap the economic benefits.
Wakhan Corridor and New Eurasian Land Bridge

Afghanistan desires that China construct a direct road link to open the narrow Afghan-China border through Wakhan Corridor across the remote 47-mile border between the two countries. Even US once desired opening of the Wakhan Corridor as an alternate logistics route for troops and supplies moving into Afghanistan. Indeed, what China is looking at, through land route via Wakhan corridor, is to link Afghanistan to Central Asia and then to Europe and warm waters of Gulf which will be a move towards China’s New Eurasian Land Bridge. According to Afghan Ambassador to China, Afghan Government has asked Beijing to open the narrow Afghan-China border. “If we have this link, for sure the Afghan people will benefit from this way. So this is why we proposed to the Chinese to build a road, even a railroad from this Wakhan Corridor to Afghanistan.”

The West has spoken a great deal about a “regional strategy” as the key to Afghanistan’s future. However, China is the one that is actually implementing such an approach, suggesting that in the future Beijing will have much impact on the region than Washington. “The deal is a way of getting a foot inside the door. China is looking towards much bigger scale of investment. This could involve projects in infrastructure, including high-speed rail in times to come.”
In the discussion of a New Silk Road by former US Secretary of State, Hillary Clinton, hearkens back to historic East-West links and suggests a long-term investment in the region, China’s new Eurasian land bridge that is under construction. Linking Afghanistan to Central Asia—by developing direct land links between China, Europe and warm waters in the Gulf using a mesh of rail and road links—shows China is a serious, capable and long-term player in the region.

**Security and Sino-Afghan Strategic Relationship**

In June 2012, China and Afghanistan decided to form a framework for strategic cooperation between the two countries both sides agreeing to bring about the strategic cooperation based on the UN charter and historic friendship. The strategic cooperation would guard national interests of both the countries, strengthen efforts for maintaining historic friendship between the two sides and develop support in political, financial, cultural and security sectors. Both countries decided to support mutual issues of national integrity, unity and protection of land and not to let their soil to be used against the other side.

President Karzai, during his meeting with former Chinese President Mr Hu in Beijing, agreed to step up cooperation in security and the fight against terrorism, as well as increase intelligence sharing. China is trying to ensure that a Muslim separatist group: East Turkestan Islamic Movement (ETIM) in a western Chinese Xinjiang region does not benefit from the Taliban when Western forces withdraw from Afghanistan. Despite being competitors of US in global politics, China is not interested to play any substantial security role inside Afghanistan; a decision consistent with its non-interference policies abroad. Despite Chinese refusal to play a direct security role in Afghanistan, it has offered to train a small number of Afghan police, particularly in anti-terrorism techniques.

The strategy of China has been that, it supports the international community in its efforts in Afghanistan, but
stays away from direct military involvement. China’s main concern is about how post-2014 Afghanistan will affect China’s internal security. “China’s first concern is national security and to make sure the Uighurs don’t get more strength.” Despite an uncertain security situation in Afghanistan, China is making heavy investment which is indicator of its optimism and desire for a stable Afghanistan based on mutual respect and non-interference. As agreed in 2012, during the visit of China’s domestic security chief, Mr Zhou Yongkang; the most senior Chinese official to visit Afghanistan in last 50 years, China will help train the Afghan police force. Under the new agreements, around 300 Afghan police officers will be sent to China for training over the next four years.

The Regional Scenario: Soundings from Shanghai Cooperation Organisation (SCO)

In June 2012, China clearly expressed its desire to play a greater role for the stabilization of Afghanistan alongside Russia. President Hu said, “We will continue to manage regional affairs by ourselves, guarding against shocks from turbulence outside the region, and will play a bigger role in Afghanistan’s peaceful reconstruction.” China emphasized strengthening of communication, coordination and cooperation in dealing with major international and regional issues and is looking for new and fresh cooperation models and proposed ways to identify non-resource sectors as a new priority for economic cooperation.

According to Mr Zhang Deguang, Chairman of China Foundation of International Studies (CFIS), “SCO can and will play a bigger role in Afghanistan after the NATO withdrawal.” It would like SCO to play a part in the stabilization of Afghanistan. Since most of the SCO countries are geographically contiguous with Afghanistan, thus making themselves vulnerable to spill over effects of terrorism and Afghan-originated drug trafficking. Owing to these facts, they have an interest to stabilize this country. As presumed by scholars, the biggest test of the SCO would be its
developmental role in Afghanistan post 2014. He added that China would provide $10 billion for undertaking projects in the SCO countries.

Afghanistan has been given observer status of SCO. China is looking for the reconstruction of Afghanistan, following the pull out of the NATO and US forces. Chinese President Mr Hu assured President Karazai for a continued support. He said that, “China will continue actively participating in international and regional cooperation concerning Afghanistan.”

In a statement, Chinese Foreign Minister Yang Jiechi said that member states should boost security collaboration to safeguard regional stability, including stepping up the fight against terrorism, autonomy and extremism, optimizing the model for cooperation in ensuring security for major international events, and carrying on joint anti-terrorism exercises. Yang also called for better links among the SCO member states, boosting infrastructural construction, further facilitating trade and investment and expanding cooperation in sectors such as finance, transport, energy, telecommunication and agriculture amid the economic slump.

During 12th Summit of SCO, surprisingly, India also backed Chinese call for the SCO’s role in Afghanistan. Indian External Affairs Minister S.M Krishna; heading the Indian delegate said that SCO was a promising and alternative regional platform for the discussion on the rapidly changing situation in Afghanistan. For the stabilization of the region, Uzbek President Islam Karimov, emphasized for a political and economic cooperation and stepping up anti-terrorism efforts among the SCO countries.

Being a rising power and major Afghan neighbour, China has lot of stakes in Afghanistan including security concerns to its own western autonomous region, Xinjiang. Therefore, restoration of peace and stability in Afghanistan is in the interest of China, besides this being essential for the Afghan
masses. Apart from its own interest for stabilization and reconstruction of Afghanistan, there is acceptability for China among Afghan masses and leadership alike.

**Contemporary Debate on Sino-Afghan Relationship**

Despite the fact that China has made massive investments in Afghan mineral sector, yet there is a huge non-clarity in its strategic and economic outlook in Afghanistan. Until this time, China has invested $4.4 billion through its two state-owned companies i.e. Metallurgical Corporation of China (MCC) and Jiangxi Copper Corporation (JCCL) at Mes Aynak, one of the world’s largest copper mines. As per US Geological Survey (USGS), “Afghanistan may be sitting on mineral wealth worth around $1 trillion.” Besides, it has huge lithium deposits, which could turn the country into, ‘Saudi Arabia of lithium’. Estimates of its iron ores are of some $421 billion’s worth and there may be copper of worth $273 billion. Apart, in the north, “Afghanistan sits atop the lower end of the hydrocarbon rich Amu Darya basin.”

There are two opinions about this imprecision in the Chinese policy on Afghanistan. First, on the issues of its security, China is benefitting from the NATO and US presence in Afghanistan, thus, would not like to involve itself deep into Afghan security affairs, which may invite US annoyance. Chinese security planners feel that, had there been no foreign troops in Afghanistan, the Taliban and Al-Qaeda operatives would have enlarged their sway of militancy into its already disturbed autonomous region, Xinjiang, where Uyghur population is hostile to the Chinese rule. Since Afghan Taliban and Al-Qaeda have been fighting against the NATO and US troops, therefore, China got a leeway for improving the security apparatus in this unstable region. However, there have been widespread demonstrations and violence in this region, mainly undertaken by East Turkistan Islamic Movement (ETIM). Occasionally China blames foreign troops and their spying agencies for fueling this violence. However, it is perceived that China has been an indirect beneficiary of this foreign presence in Afghanistan. The blurriness in the Chinese
policy on Afghanistan can be attributed to this particular beneficial aspect.

The second opinion is that China is only interested in the economic benefits of the region; Central Asia and Afghanistan, thus, where felt secured, made economic investments; Mes Ayank and Amu Darya are the prominent examples. Proponents of this opinion also argue that China waits for the right time for its future strategy in Afghanistan for its intimate involvement. This opinion strengthened the ground realities and statement of the former Chinese President, Mr Hu, who for the first time in June 2012, said that China would play a major role for the stabilization of the Afghanistan in the post 2014 scenario. There is a strong feeling in the United States and Western academic circles and think tanks besides their policy makers that, whereas, NATO and US forces fought the Taliban, al-Qaeda and other militants in Afghanistan, China garnered the fruits of their sacrifices, thus remained the true beneficiary. According to Raffaello Pantucci, a senior research fellow at RUSI, “Beijing correctly assumed that NATO’s presence in Afghanistan would mean regional terrorist networks would remain focused on attacking Alliance forces rather than stirring up trouble in neighboring countries like China.”

Chinese new leadership is zealous for improving its ties with its neighbors. In this regard, President Xi Jinping visualizes those good neighborly relations will help China's own development and the goals of achieving a prosperous, stable and a modern country. On Oct 24, 2013, while addressing the party's central committee's political bureau on ‘Diplomatic work on neighboring countries’ President Xi said in his major policy statement that, dealings with neighboring countries "should have a three-dimensional, multi-element perspective, beyond time and space." Owing to geopolitics and geo-economics’ significance of the region, President Xi sought common grounds and converging interests of China and other regional countries. The new leadership is striving to promote friendship among its neighbors and other regional countries, on all issues; political, security and economics. Mr Xi said
There can be no second opinion about the intent of the Chinese leadership for promoting good relationship with neighbors, but, exclusively on Afghanistan, Chinese strategy remains indistinct. During the visit of Central Asian region, President Xi did discuss the post 2014 Afghan scenario with the regional leadership, however, it has not come out with a clear strategy as how to deal with the post 2014 Afghanistan. After negotiation of Bilateral Security Agreement (BSA) between US and Afghanistan, the situation would not be the one Chinese might have appreciated the complete pull out of NATO and US troops from its neighborhood by December 2014. The scenario is changed now and US would like to keep 10,000-12,000 troops on its well defended and strategically located military bases. Besides, taking care of security aspects of Afghanistan, where primarily, the Afghan National Army would be responsible for its security, these bases would pursue the US strategic interests in the region. Surely, a rising China and resurgent Russia stand out in the future radar of the United States, and the super power may not like any obstruction in the exercise of its sole power status at the global level.

Notwithstanding these ground realities, China has its strategic and economic interests in Afghanistan and Central Asia. Since Afghanistan has yet to come out from a foreign invasion, thus it is still indecisive to take a clear line of action about its future correlation. The change of Afghan leadership in April 2014 is yet another factor the Chinese may be waiting for. The Central Asian states however are apprehensive that growing Chinese influence may affect the regional affairs in two aspects. Firstly, it will invite other international competitors like United States and Russia to enlarge their sway or else to counter the Chinese influence in Central Asia. Already the major powers seem at loggerheads over their economic interests in the region. Secondly, the enhanced Chinese influence may convert the region as vassal states of the former. These republics are not ready to repeat the history
through subordination of another major power after experiencing the despotic policies of former Soviet Union. Besides, the region is already aligned with multiple regional organizations; Commonwealth of Independent States (CIS), Shanghai Cooperation Organization (SCO) and security setup like Collective Security Treaty Organization (CSTO). Being the hub of hydrocarbon reserves and Eurasian in character, Europe and US would like the region to be aligned with them. Certainly, the Chinese soft power image and economic incentives are rewarding aspect for the Central Asian Republics in the continuation of their economic relationship with China.

Owing to the chaotic situation in Afghanistan, which is likely to persist beyond 2014, China appears unsure of its future role. Even its companies involved in Aynak copper mines are seeking re-negotiation of the terms of deal, as besides the difficult terrain, security is a biggest challenge for them to move ahead freely. Whereas majority of Afghans desire Chinese economic investment in their country, there may be some people who view the Chinese move just self-beneficial for the Chinese to advance its economic interests, instead of being beneficial for Afghanistan and its masses. Together with economic investments, Chinese firms have to provide employment opportunities to the locals. Raffaello Pantucci, a scholar at RUSI, conducted a field survey in some parts of Afghanistan and found that, “Kabul – China’s optics in Afghanistan are not good. After a week of travelling around talking to Afghans and others in Kabul, the general consensus is that China is doing little to contribute on the ground. In fact, the perception remains that China is trying to draw profit from Afghanistan’s abundant natural resources while giving little in return.”

It is also perceived in Afghanistan that, unlike NATO and US, China has contributed little in terms of reconstruction of the country and provision of facilities to its masses. Even India has developed a lot in communication infrastructure and contributed in reconstruction of educational institutions, health services, transport services and training of the Afghan
military personnel, its bureaucracy and intelligence agency (NDS). India also provides thousands of educational scholarships to Afghan students every year. China may be found more wanting in provisioning most of these facilities, which is extremely essential to win the hearts and mind of a common Afghan.

The Future Prospects

According to Davood Moradiyan of Afghan Institute for Strategic Studies, Kabul, “The Chinese are ambiguous. They don’t want the Taliban to return to power and are concerned about a vacuum after 2014 that the Taliban could fill, but they also don’t like having U.S. troops in their neighbourhood.”49

Definitely, China is not going to jump into Afghanistan after US pulls out. However, it is likely that it would have a new and a renewed approach towards its immediate neighbourhood. Being the second largest economy, China needs Afghanistan. Indeed, “If you are able to see a more or less stable situation in Afghanistan, if it becomes another relatively normal Central Asian state, China will be the natural beneficiary.”50

According to Andrew Small, a China expert at The German Marshall Fund of the United States, an American research institute. “If you look across Central Asia that is what has already happened. ... China is the only actor which can foot the level of investment needed in Afghanistan to make it succeed and stick it out.”51 A stable Afghanistan is of vital importance to China for its reaching over to Eurasia; nevertheless it cannot afford to stand aside following the U.S. troop withdrawal and in the process of political transition. The strategic partnership Agreement signed between China and Afghanistan in 2012 signifies Chinese interests in Post 2014 Afghanistan. China fears that if Taliban come to power, it will have a great impact on the “separatist group, the East Turkestan Islamic Movement (ETIM).”52 China has a greater role in Afghanistan in any case, for this purpose China has already drawn many benefits from the pre-Soviet era agreements with Afghanistan.
As far as Chinese policies towards Afghanistan are concerned, it goes beyond saying that China would like stability in Afghanistan. The Central Asian gas pipeline is only the most vivacious illustration of China's rising stakes (and its new vulnerabilities) in that country. Meanwhile, there are also indications that China is re-evaluating and reconsidering its responsibility as far as Central Asia is concerned, against the conditions of the renewed thrust by Moscow on Eurasian integration (with apathetic fallouts until now) and the departure of Western forces from Afghanistan and the ebb of US concern in the region that may proceed. Afghanistan pledges to be a “stage” where China can work with the US on regional security issues. Though having conflicts over few issues with US, China carries the geopolitical influence that can build all the disparities to the victory of the US regional policy.

In the post 2014, China will stride carefully in assuming any major responsibility in order to bring harmony in Afghanistan, yet it intends to keep at bay from the wreckage of the war, security vacuity and show a low-esteem to a long-term US troop presence in Afghanistan that is too close to its borders with the Central Asian region. The point is, while China would give humbug to envisage a key role for the Shanghai Cooperation Organization in stabilizing post-2014 Afghanistan, its actual enunciation remains to be on the bilateral proposals. From the US perspective, this has repercussions for the great-power enmity in Central Asia. China is ever more restructuring Central Asia to turn into its backyard rather than Russia’s, and this will carry certain regional responsibilities that China has not yet figured out how to address and for that very reason China will have to construct an appropriate strategy for Central Asia, besides Afghanistan.

**Enhanced Role of Regional Powers**

In the post-2014 state of affairs, the regional countries will have a chance to play better role in Afghanistan. Shanghai Cooperation Organization (SCO) has recognized Afghanistan
as its observer member which has proved itself tangential as yet, now it is preparing itself to presume a larger task in Afghanistan. As foreign interest remains focused on Afghanistan following the exit of foreign troops, China has signed a series of agreements with Afghanistan and anticipates to maintain its policy of resource mobilization through “investment in mining and communications”, and guarantees to “facilitate, instruct, support and equip Afghan police.” However, the question of security remains the overriding issue. The SCO countries do not have the capital in order to utilize in Afghanistan, nevertheless they can present support for capacity building. There exists likelihood that Afghanistan will develop good relations with Central Asia in the post-2014 phase, as there is least probability that Afghanistan might come out as a “Transit Nucleus” between the Indian Sub-Continent and Central Asia. Apart from Turkmenistan-Afghanistan-Pakistan-India (TAPI) gas pipeline, it can yield considerable profits from ‘overland trade’.

Conclusion

To promote stability in Afghanistan, there is a pressing need for regional countries to play a vital but neural role in Afghanistan through a regional co-operation mechanism. This all has to be done, while respecting the territorial veracity and sovereignty of Afghanistan viz-a-viz its neighbors. The geo-economic significance of Afghanistan as well as massive Chinese investments in that country indicates a desire by both countries to upgrade their relations and uphold economic cooperation. By means of regional co-operation order, the Afghan imbroglio, uncertain security situation, fragile economy and divided society can be brought back to normalcy, whereby Afghanistan can establish friendly relations with the rest of world. For this very purpose, China should clearly enunciate its post 2014 policy for the stabilization of Afghanistan through its economic investment and reconstruction. It should also contribute in provision of facilities like communication network, educational and health services and impart training to Afghan National Army and
Afghan National Police on the lines of US and many other regional and international countries. Surely, compared to the West’s increasingly discomfort in last decade, China can set itself up to guarantee a peaceful, secure and stable Afghanistan and consequently a peaceful, secure and stable South Asia in the Asian century. In fact, the rising power of China cannot afford a confrontational approach on its neighborhood and particularly in Afghanistan, where NATO and U.S still maintain their ascendancy. However, China considers constructive engagement with Afghanistan and Central Asia for its subsequent influence and economic cum political gains beyond the region through Eurasia.

Author

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Notes


7 Ibid., 5


9 Ibid.


13 Hamid Wahed Alikuzai, a Concise History of Afghanistan in 25 Volumes, 57.

14 Ibid., 58


16 Ibid., 821


18 Ibid.

19 It is pertinent to state that being advance country China still needs to make better relations and excellent market opportunities by making cooperation and transfer of technology as well. For this purpose, China has to create a demand market as well. In addition, for market access to other states Afghanistan is a better choice for China.
Chinese Role in Post-2014 Afghanistan


23 Zhao Huasheng, “China and Afghanistan China’s Interests, Stances, and Perspectives”, Centre for Strategic and International Studies, March 2012, 7

24 Ibid.


28 Erica S. Downs, China Buys into Afghanistan, February 21, 2013, SAIS Review, Volume XXXII, No. 2 (Summer-Fall 2012), 65-84

29 Ibid.

30 Ibid.


In this regard it is pertinent to mention that China also took the East Turkistan movement in very important manner, and tried to resolve it and contain involvement of Pakistani extremist elements. For this purpose Pakistan had to show a greater level interest, and even besides General Musharraf, Qazi Hussain Ahmed the then Amir of Jamaat E Islami paid visits to China. Thus it makes sense that how important this region is for China-Afghan relations.


50 Ibid.


Dr. Ishtiaq Ahmed Chaudhry & Tasawar Hussain

Abstract

This article focuses on the largely ignored ideational factors and identity politics in foreign policy analysis while accepting the ideational-material complicity in political analysis. It explains the roots of American political culture and its discursive making over time and factors involved in the process. More precisely, it illustrates the ways political values or political culture serve as a power-base to explain the American foreign policy employing skillful use of political and media discourses.

Introduction

America has never been united by blood or birth or soil. We are bound by ideals that move us beyond our backgrounds, lift us above our interests and teach us what it means to be citizens.

President George W. Bush, Jan 20, 2001

Material factors have been focal point in the dominant state-oriented realists’ literature of international studies and specifically in foreign policy analysis. Due to this predominance, material interpretations have got enormous space over ideational and consequently, well explained by the intellectuals of the discipline. This article tends to focus on the largely ignored ideational factors and identity politics in foreign policy analysis while accepting the ideational-material complicity in political analysis. It explains the roots of American political culture and its discursive making over time and factors involved in the process. More precisely, it illustrates the ways political values or political culture serve as a power-base to explain the American foreign policy employing skillful use of political and media discourses.
This article tends to answer three inter-related questions; first, to what extent American values and beliefs influence its political culture and complex social cognition and how this societal analogy of political values and beliefs has helped the government to build on and to materialize its foreign policy goals? Second, to what extent values and political culture work as power-base to promote the US interests abroad by providing moral legitimacy for foreign policy actions? Third, how the US media plays its role to transmit and reiterate hegemonic political discourse under the umbrella of liberal political values, beliefs and preferences to construct favorable public opinion in the matters pertaining to foreign policy?

This article follows post-structuralists' approach in international relations to make sense of the role of ideational factors in foreign policy politics of the United States. As far as case study is concerned, it contextualizes the post 9/11 US invasion of Iraq by President Bush Jr. under the American political ideals, national identity and moral analogy to explain how the War on Iraq was justified on moral and ideational basis at domestic and international level by employing various discursive encounters. Focus of the study remains on language of the US Constitution, hegemonic political and moral discourses, and media strategies employed by the US government to reiterate and disseminate the hegemonic reality with identity as nub of political rhetoric at public-sphere. This study tends to restrict itself at theoretical level and answers 'how' question only.

Identity Discourse: Moral Rhetoric and Historical Analogy

American society is weaved by liberal-democratic political ideals that also shape its political culture. The American nation is unique in a sense that it has inculcated an amalgam of high-sounding political ideals as its formation principles. Liberal political tradition is evolved through the set of ideational factors and skillful use of language over time. Likewise, the US foreign policy engagements are explained
through these political values or liberal tradition by speech acts that prevail at mass level in the United States of America. The political culture of the United States defines the basic political values, cognition, ideas and ideals of American nation about their society and politics. As Huntington maintains the Myrdal’s analogy of American Creed by referring to ‘certain basic political values and ideas that are supported by most elements in American society with no or little change since late eighteenth century which continues to play a central role in shaping American political identity’. These core political values are taken from Roman ideas of natural law, medieval ideas of fundamental law, seventeenth century Protestantism, eighteenth century Lockean thoughts and finally enlightenment ideas of natural right. These values are also enshrined in the Declaration of Independence in these words:

We hold these truths to be self-evident that all men are created equal; that they are endowed by their Creator with certain inalienable rights; that among these are life, liberty and pursuit of happiness; that to secure these rights, governments are instituted among men, deriving their just powers from the consent of the governed.

In nutshell, the core political values in the American society are; liberty, equality individualism, capitalist democracy and rule of law under constitution. These values are widely shared and deep seated which, overtime; have constructed the American political culture. Since most Americans are socialized by the same cultural influences, these values have become essential domestic source or power-base of American foreign policy. Social construction of these values has clearly drawn an imagined line of opposition between "us and otherness" which consequently provided the idea of opposition, forming unique, superior, manifested and exceptional national self-image. The political leadership in the US no matter whether republican or democrat, interprets American interests abroad by employing liberal cultural analogy. President George W. Bush Jr. in his State of the
Union address maintains the US political values in his campaign against Saddam regime in Iraq:

Our enemies send other people's children on missions of suicide and murder. They embrace tyranny and death as a cause and a creed. We stand for a different choice, made long ago, on the day of our founding. We affirm it again today. We choose freedom and the dignity of every life.\(^3\)

Post-positivist tradition in international studies helps to understand the role of ideas and their social construction of political realities through intelligent use of language. Post-structuralism posits the humans need to perceive the social world through language, which is not a neutral medium. Post-structuralism focuses mainly on the role of identity and securitization discourse as well as knowledge and power relationship in the study of politics and foreign relations.

Post-structuralists approach in International Relations assumes that states do not have an objective, independent existence but their "existence is performative which simply means that discourses constitute the objects of which they speak".\(^4\) Campbell articulates post-structural assertions about political identity and foreign policy in a very persuasive fashion:

Conceptualized in this way, foreign policy comes to be seen as a political practice that makes ‘foreign’ certain events and actors on the basis of discursive “other”. Put differently, foreign policy, according to Post-structuralism; is a specific sort of boundary producing political performance.\(^5\)

Beach refers to Anderson’s 1990 book *Imagined Communities* to argue that; “from space we can see no borders... Instead borders should be understood as social constructions (performances) that play a role in defining the
‘Self’ from the ‘Other’. This assertion follows that there is no such ‘objective’ thing like ‘national identity’ but ‘imagined communities or “fictional national myths” that were created in the 19th century. Hence, “the national identity of the US, is a social construction created through the US foreign policy by defining the ‘self’ in terms of demarcation from what is ‘foreign’. For example US national identity is seen as constructed to the relations to “Other” or the rest of the world, resulting in a national identity that emphasizes American Exceptionalism.

Post-positivist scholars have explored the politics of identity in their search for the origin of interests. According to post-positivist approach, when we aim at explaining a certain policy, the question is not whether an interest-based or an identity-based explanation is the better position. "The question is how a certain identity causes a set of interests and subsequently, how these interests are translated into policy". For example, according to Campbell, of particular importance for the creation and continuation of national identity is the national discourse of danger: “during the Cold War, the Soviet threat played a crucial role in producing and reproducing US national identity”. Campbell suggests that "the US would search for a new external danger that could be used to reproduce the US national identity".

Lockean liberalism has become the social power-base of American foreign policy working to mobilize public support for the US engagements abroad under the cloak of liberal and moral values, and exceptional American experience as oppose to ‘otherness’. President Bush reiterated these liberal values to explain and contextualize the terrorist act on September 11, 2001 in these words:

Today, our fellow citizens, our way of life, our very freedom came under attack in a series of deliberate and deadly terrorist acts...America was targeted for attack because we're the brightest beacon for freedom and opportunity
in the world. And no one will keep that light from shining.\textsuperscript{10}

Americans are asking, why do they hate us? They hate what we see right here in this Chamber, a democratically elected government. Their leaders are self-appointed. They hate our freedoms - our freedom of religion, our freedom of speech, our freedom to vote and assemble and disagree with each other.\textsuperscript{11}

American leaders have often employed Lockean liberal ideals and ideas of free enterprise, self-determination, freedom, liberty, constitutional democracy and democratic capitalism to promote and justify their foreign policy actions. As President Ronald Reagan (1983) has rightly put that; “our democracy encompasses many freedoms...these are rights that should be shared by all mankind. President Bush endorses Reagan’s point in his speech to the joint session of congress:

This is not, however, just America's fight, and what is at stake is not just America's freedom. This is the world's fight. This is civilization's fight. This is the fight of all who believe in progress and pluralism, tolerance and freedom.\textsuperscript{12}

The American way of war is also rooted in the liberal tradition, for example; freedom, liberty, self-determination, national self-image of Exceptionalism and Manifest Destiny are taken from the American political culture or liberal tradition prevailing in the American Society. In addition to liberal tradition, American society is overwhelmingly churchgoing Christian society and profess that religion is an important part of their life. Therefore, in every war America’s side is God’s side.\textsuperscript{13}

Religion has contributed in American social and political life as an important consolidating agent within political ideational milieu. Americans have often thought of themselves
collectively as a people whose endeavors are favored by God. In 1630, Puritan leader John Winthrop said, “We shall be as a city on a hill; the eyes of all people are upon us”. Puritanism holds that the United States was a chosen mechanism, divinely appointed by to introduce a government and society on the American continent.

Early Puritan settlers like Winthrop and others widely believed that they are especially chosen for the Divine work on the earth. It is said that; "by the eighteenth century the role of New England had become the role of America: God had led this people to establish a new social order, a light to the nations...under the auspices of Divine Providence". In his First Inaugural Address, George Washington saw an 'invisible hand' directing the people of the United States. “Every step they have taken seems to have been distinguished by some token of providential agency”. The presence of God in the American foreign policy was self-evidence when at the time of annexation of the Philippines, President McKinley was reported very confused about annexation or not, it was divine revelation to McKinley when God ordered him to educate and civilize Filipinos.

The presence of ethical and religious ideals was also there to justify the American foreign policy behavior in throughout the 20th century as well. Abraham Lincoln in his various speeches called Americans as “God’s almost chosen people.” In 1936, Franklin Roosevelt told American generation of his time that they had “rendezvous with destiny.” John F. Kennedy proclaimed that “God’s work must truly be our own”. Martin Luther King’s dream was identified with the God-given promises of America. Ronald Reagan rephrased Winthrop’s city on a hill into “shining city on a hill”. All of the Cold War presidents in America gave socially acceptable biblical colors to the American-Soviet rivalry; a tussle between "forces of virtue and forces of evil".

In 1979, during his speech, US Secretary of State Cyrus Vance reasserted two of the themes America holds for foreign affairs: “the American society believe in progress and
beneficial change,’ and its related conviction that the American democracy has “a mission” to transform the nature of the international political system. Puritan influence can be regarded as one of the important sources in US self-perception of mission. Puritanism contributed the US nationalism with the belief that the United States was chosen instrument of God, divinely appointed to introduce a government and society on the American continent, and to spread it everywhere. Puritans believed that Americans are an elect people, more immediate to God than others.  

The Puritan tradition regarded the United States as involved in a test case which would determine whether men could live on Earth according to the will of God. Hence, US perceived its moral obligation to spread all those goodness God has gifted to her. Geographical isolation or physical fact of separation from the Old World (European World) was the second important factor that played a vital role in US self-perception of mission. After 9/11 events and subsequent declaration of the global war on terror, the US President George W. Bush Jr. successfully employed the foregoing political and religious ideals and ideas to interpret the September 11 catastrophe and to justify his foreign policy actions in Afghanistan and Iraq.

**Operationalization of Identity and Moral Discourse before Invasion in Iraq**

Before launching preventive war in Iraq President Bush employed not only national security frame and pre-existing liberal ideals but also the missionary role of America in his State of the Union address to justify his decision to invade Iraq to bring liberty to Iraqi people, to prevent Saddam from human rights violation, and spreading WMDs:

> Americans are a free people, who know that freedom is the right of every person and the future of every nation. The liberty we prize is not America’s gift to the world; it is God’s gift to humanity... We Americans have faith in
ourselves, but not in ourselves alone. We do not claim to know all the ways of Providence, yet we can trust in them, placing our confidence in the loving God behind all of life and all of history. May He guide us now, and may God continue to bless the United States of America.\textsuperscript{21}

Moralism is considered as indispensable part of political culture in the American society. George Lakoff (2002) impressively constructs the concept of moral authority and American public support for war by metaphorically linking conceptual frames of President Bush’s political rhetoric of war on terror in terms of threat to the US national security and values, Manichaeism, US benevolent hegemony, and, consequent social legitimating to US response after 9/11—the global war on terror\textsuperscript{22}. Theory of conceptual metaphor by Lakoff (2002) holds metaphor as an analogy or figure of speech in which an implied comparison is made between two unlike terms that leads to common conclusion. Fairclough (2010) and Dijk (2008) called it cognitive ‘contextualization’ of social events.\textsuperscript{23}

According to Lakoff (1981, 2002), the idea we learn over and over again, finally, becomes part of our conceptual system, prevails in our brain and hence; in our thoughts and actions. This logic holds that metaphor works to produce abstract thinking, increases the effects of our words and carries out actions. Metaphor also helps to formulate completely different actions alike by using identical jargon that rests in our cognitive annals. For example, once a ‘value system of good versus bad’ is successfully injected in human brain (by reiteration) then different actions may be defined/explained under the moral genre using intelligent correspondence. Therefore, metaphor is a kind of analogy which achieves its effect through mere symbolic association.\textsuperscript{24} Lakoff (2002) relates moral family values and role of father in implementation of moral values at the level of state. For example, after 9/11, President Bush established the metaphoric link of evil and perpetrators of 9/11 i.e. Al-Qaeda, Osama bin Laden and Saddam Hussain. Bush repeatedly
stressed in his speeches on ‘bad guys’ inculcating message of moral responsibility on the US—moral authority to punish evil doers. President Bush declared shortly after the 9/11 attacks “we will rid the world of evil doers” in “this crusade, this war on terrorism”.25

Norris, Kern and Just summarize the Bush administration’s terrorism frame:

The use of terrorism frame serves the several functions both cognitive, by linking together disparate facts, events and leaders, and also evaluative, by naming perpetrators, identifying victims, and attributing blame. It allows political leaders to communicate a coherent, simple message to the public, while also reshaping perceptions of ‘friends’ and ‘enemies’.26

The ‘moving’ part in post 9/11 Bush political rhetoric held that traditional war was not the permanent solution to eradicate the menace of global terror but to promote the values the US is divinely blessed with. After deep analysis, intellectuals in Bush administration and think-tanks in the US found out the real cause and its solution—the cause happened to be religious nationalism, closed societies and tyrannical regimes and solution was “regime change and the promotion of US values abroad”27. Immediately after ousting the Taliban regime in Afghanistan in October 2001, Bush administration was committed to promote the US values and regime change for ‘safe, better and prosperous world under the benevolent US leadership’.

Recontextualization of New Foreign Policy Rhetoric beneath Historical

Soon after September 11, President Bush Jr. started to recontextualize ‘evil metaphor’ of “9/11 terrorism” and socially prevailing cognitive frames in the American society for example; ‘Manifest Destiny’28, ‘Manichaeism’ (see for
example, American foreign policy doctrines of Cold War; Truman 1947; Eisenhower 1957; Kennedy 1961; Johnson 1965; Carter 1980; and Reagan 1980s), ‘Benevolent Hegemony’, and the ‘American national political ideals’ (Alexis de Tocqueville 1835) to metaphorically connect public mind in favor of the US-led 'ethical war' on Iraq.

The demonization campaign of the tyrannical regime in Iraq sold well by the Bush Administration when American public metaphorically inculcated the philosophy of regime-change in order to solve emerging global ‘evil’ and America’s (morally) global responsibility in that regard. The following excerpts may illustrate the discursive making of the war on terror political rhetoric of Bush administration before invading into Iraq in March 2003:

The great struggles of the twentieth century between liberty and totalitarianism ended with a decisive victory for the forces of freedom—and a single sustainable model for national success: freedom, democracy, and free enterprise...we will extend the peace by encouraging free and open societies on every continent.29

The current Iraqi regime has shown the power of tyranny to spread discord and violence in the Middle East. A liberated Iraq can show the power of freedom to transform that vital region by bringing hope and progress into the lives of millions.30

In the war against global terrorism, we will never forget that we are ultimately fighting for [our] democratic values and way of life. Freedom and fear are at war; and there will be no quick or easy end to this conflict.31

One of the greatest dangers we face is that weapons of mass destruction might be passed
to terrorists, who would not hesitate to use those weapons. Saddam Hussain has longstanding, direct, and continuing ties to terrorist networks...Iraq has sent bomb-making and document forgery experts to work with Al Qaeda. Iraq has also provided Al Qaeda with chemical and biological weapons training.\footnote{32}

Above excerpts illustrates the way political rhetoric in the speeches of President Bush metaphorically links and helps to re-contextualize the Al Qaeda metaphor that he previously linked to explain the September 11 terrorists’ attacks on the United States. Moral and political rhetoric used in ‘war on terror’ metaphorically follows as: terrorism is an act of evil, 9/11 was an act of terror, Al Qaeda, bin Laden, Taliban and—Saddam Hussain staged this act of terror; therefore, “he is evil too”, all these bad guys must be punished.

Above contextualization follows that; to fight against the evil is moral responsibility of the US being ‘moral and benevolent hegemonic state’ of the world and after 9/11 events, its responsibility increases manifold because Al Qaeda wants to spread evil of terrorism all over the globe, therefore, the US public must support Bush administration to exercise ‘moral authority’ to ‘punish evil doers’ in its fight of global war on terror to save the American citizens, American values and the whole world in general.

**Dissemination and Reiteration of Presidential Political Rhetoric**

American democracy is also about pluralism which intrinsically means that opinions are not monolithic but varied which implies that; dissent gets representation in public sphere. It implies that public can be divided into distinct categories with different perspectives on given political issue or foreign policy matter. For Example, historically, the US public has been divided on the question whether American should behave as an ‘internationalist’ or
‘isolationist’ state which entails the active US role in world politics or vice versa.

Historically, one of the sharpest distinctions between American public opinion occurs between isolationists and liberal internationalists. Rooted Kantian ideas, the intellectual and political tradition of democratic peace promotes the liberal internationalists thesis. It asserts that the promotion of liberal capitalist democratic system will help to transform the world from conflict to cooperation. The proponents of liberal world order are mostly elites not the masses who tend to employ all possible means including the military one to advance the world welfare agenda.

In the postwar period and particularly in the post Cold War era, "the United States of America has been keen to pursue a strategy of liberal internationalism". Liberal internationalists favor the promotion of “Americanized” world order, characterized by "the spread of democratic governments and open markets as well as American backed multilateral global institutions to create friendly and democratic world order".

Liberal internationalists favor the promotion of democracy and human right, worldwide. They do not see violation of human rights as internal matter of states rather they "suggest the United States to put pressure on allies, adversaries, great powers and small ones alike to stop violation of human rights and spread liberal democratic values".

The divergent foreign policy opinion(s) are not marked by the American political culture but dissidence prevails in terms of nature of practice. Divided into isolationism and internationalism as well as multilateralism and unilateralism in foreign policy behavior; the nation enjoys freedom of expression for foreign policy preferences but stands firm on basic creed or ethos as a nation. The political language of President Bush explains this assertion very well:

The qualities of courage and compassion that we strive for in America also determine our conduct abroad. The American flag stands for
more than our power and our interests. Our founders dedicated this country to the cause of human dignity, the rights of every person and the possibilities of every life.

This conviction leads us into the world to help the afflicted, and defend the peace, and confound the designs of evil men... In Afghanistan, we helped to liberate an oppressed people, and we will continue helping them secure their country, rebuild their society and educate all their children, boys and girls.33

Although practice-side denotes the shift in public thinking or belief system about foreign policy practices i.e. Munich generation versus Vietnam generation, however, political values remain constant determinant. It implies that whatever variations in external environment take place may change public attitude towards foreign policy practice i.e. internationalists, isolationists, hardliners and accommodationists, but the underlying socio-politico ideological set of belief remains intact and constant i.e. firm belief on liberal principles. Hence, at the stage of its politico-cultural values America stands unique as well as exceptional. According to Jonathan Monten:

The US national political identity is expressed in foreign policy primarily through the idea of “Exceptionalism”. Historically, this doctrine has referred to the perception that the United States differs qualitatively from other developed nations, because of its unique origin, national credo, historical evolution, and distinctive political and religious institutions.34

These divisions among public on the basis of ‘pluralism’ and nature of ‘practice’ also provide loophole this contributes in the gap between ideals and practices in the US. Moreover, the US foreign policy has historically witnessed that decision making elites been dominant in the sphere of foreign policy
matters due to wide divide among public on the basis of socio-political debate of isolationism and internationalism which led then intellectual of 1950s on the consensus which suggested the need to shun out any possible role of emotional and ill-informed public in highly rational foreign policy spectrum. Under this scenario, a question arises; whether public opinion matters in foreign policy? Answer rests on 'slippery slope' that is; 'yes and no both'.

Yes, democratic governments are supposed to practice public opinion in their domestic and international affairs and they do so by involving public and entertaining their consent in these matters. No, democratic governments do entertain public opinion but after 'successful management of the process which shapes public opinion' through official political discourse, PR campaigns, and media discourse favoring the 'official side'. The role political language and media plays in the foreign policy crisis situation becomes very critical and needs to be understood well to make sense of public opinion-foreign policy dyad. Next section of the article unfolds the theoretical 'sides' of media-public opinion-foreign policy Pandora's Box.

The foreign policy crisis situations like September 11 gives great leverage to the decision-making elites to; first take decisions and then keep on providing rationale that justifies their actions in later stages, which again construct public opinion in favor of the decision already taken through political discourses like presidential speeches and intelligent usage of political-communication.

As given in foreign policy literature, prominent scholars of 1950s and 1970s (Almond 1990; Lippmann 1955; Morgenthau 1960) believed that state leaders would follow the national interest by ignoring irrational public opinion. Role of public opinion and media came on the theoretical surface of foreign policy studies after the public opposition and consequent pressure on the US government in the event of Vietnam War which also purposed the re-assessment of Almond-Lippmann thesis. Surprisingly, most popular president of mid-twentieth
century America, John F. Kennedy placed the public opinion in foreign policy as:

Public opinion is often erratic, inconsistent, arbitrary and unreasonable—with a compulsion to make mistakes...it really considers the needs of the next generation or the history of the last...it is frequently hampered by the myths and manifestation, by stereotypes and shibboleths, and by an innate resistance to innovation.36

However, Rosenau (1961) suggested that “elected leaders would incur substantial political costs if they diverge too far from the boundaries set by public opinion” which was self-evident in the Vietnam War when the US Presidents Harry Truman and Lyndon Johnson faced serious political damage in the wake of widespread public protests against the war after watching casualties of US soldiers by media. Vietnam War helped to make sense that media and public opinion can damage the foreign policy goals set by the administration in a “pluralistic society” like United States of America.37

Although, public opinion in foreign policy issues is still an understudied area in International Relations, however, one broad consensus has drawn its impact in the US. Historically, on one hand, public opinion has worked as a constraint on foreign policy innovation i.e. US Vietnam policy in 1965, and on the other hand, public opinion become a stimulus to foreign policy innovation. For example, American policy toward Mainland China’s admission to the United Nations in 1950s was although favored by the American public but opposed by the influential segments of policy making community. By 1969 more than the half of the American population supported China’s admission as well the diplomatic recognition of China in early 1970s which led US policy makers to endorse public opinion in its foreign policy towards China.
Interestingly, public opinion also works as an advantage or powerful resource when the US policy makers and diplomats deal with other states. Especially on the bargaining table, the American side may enhance their ability to get their demands hold tightly by claiming that “the American people will never tolerate this” which consequently serve as gain or bargaining leverage.\textsuperscript{38}

In most of the foreign engagement cases, public tend to support administration when persuade by referring to ‘liberal values’. Public support, once acquired as legitimate source for foreign policy adventure, decision makers in the White House have to present the results of policy to satisfy the public otherwise they have to face the consequence. For that matter, administration has to manage the media through its ‘public relations establishment as well as skillful and timely usage of mass media.

The American public demonstrates its real power at the time of election in which among other factors foreign policy issues contribute in presidential campaigns; leading public to make up their minds for the right man in the Oval Office. In addition, it is also perceived as the right time for public to reward or punish a presidential candidate and especially ‘second-term candidate’ where it appreciates his domestic and foreign visions and plans.

For example, note the campaign US and UK governments launched at the highest political levels, for instance, Bush and Blair on the issue of weapons of mass destruction in Iraq and the subsequent military intervention in March 2003. Apparently successful, but highly controversial campaign led the US and UK forces to invade in Iraq with arguably partial public support for war and massive demonstration against the invasion which consequently ended up into potential political loss in terms of popularity of leadership on both sides; UK and the US.

Finally, there is one troublesome question that remains unanswered: do public preferences lead American foreign
policy or is it policy first and opinion second kind of relationship? The democratic system in America provides multiple access points to public for successful maneuvering of their decision making elites and vice versa. These include mass media, interest groups and the electoral process. The next section examines the role of media in transmission of American values and framing public opinion in foreign policy decision making.

**Political Discourse, the US Media, and Mediated Public Opinion**

In politics, media performs the mediating role between two or more actors. The US media has enormous capacity to transmit American values, beliefs and preferences into the foreign policy process by employing its power of mass communication structures. One can learn the role of media in American society and politics by examining the relationship between the mass media and the public as well as the relationship between the mass media and policy makers. Mass media plays two pivotal roles; first, it constructs public attitude about a foreign policy issue by providing specific information and second, it tends to influence policy makers by its power of news framing but this power of influence does not place media at policy determining position.

The way Media transmits the image of the world out there may consequently broaden or limit the policy scope for policy makers by shaping public attitude or choices about the policy issue. There are two contrasting alternatives to explain the role of media in foreign policy making; first, “the media either takes foreign policy out of hands of the elite or open the process to an ill-informed public or they are indentured servants of the foreign policy elites.39

The US Media claims to reflect public opinion. Media has enormous power to disseminate political information that shapes and reshapes public opinion about domestic as well as international politics through editing, analyzing and farming techniques. The very challenging question in media studies
has been how to comprehend the varied nature and effects of media-public and media-state relations in foreign policy matters.

Media works as primary institution that claims to provide American public with political information from within policy circles about the US and the world around with great sophistication. The United States is a society-dominant system which also influences its foreign policy behavior outside of the US. American society is arguably most informed society in terms of sources of information and their desirability for it. Wittkopf and Kegley help us to figure out the media access and demand in the US:

Over ninety-eight percent of all American households own at least one television and... they view it an average of seven hours a day... there are over 14,000 daily newspapers in the United States, with total daily circulation exceeding 55 million. The three major weekly news magazines also claim nearly 10 million readers. This extra ordinary establishment has the ability to determine “what the news is,” to define behaviors as important actions, and thereby to make them into... noteworthy is that nearly forty percent of Americans report that the media is their source of information about important international problems.40

The American public depends largely upon few ‘authentic’ sources for foreign news, sometimes called as ‘prestigious press’ which is also considered as newspapers of record. Among these are the New York Times, the Washington Post and the Los Angeles Times, two wire services; the Associated Press and United Press and finally four national television networks; ABC, CBS, CNN, AND NBC.

The American press media generally follows the prestigious press in their news reporting. Although overwhelming majority of national press and media focuses on
domestic affairs due to public inattention to foreign affair in ‘normal situation’ but they follow the prestige press during any catastrophe like 9/11 event. For example, the *New York Time* covers over forty percent of its national and international coverage to foreign news, provides news to other newspapers which follow its lead as well as framing (deciding what news is and how it should be interpreted) about foreign affairs.

The best news framing is the one wrapped into American values for which public quickly get exposed in terms of their foreign policy attitude by favoring or opposing the (presented) foreign affairs story when touching their very social cognition or political values. Prestige press usually tend to reinforce mainstream social values by giving a story or issue tag or cloak of legitimate or illegitimate under mass political culture. The ‘lead’ ensures one thing among many others; thematic and stylistic similarity in news accounts in national print as well as in electronic media.

CNN, the twenty-four hours Cable News Network was considered as revolution in political communication also known as CNN Effect. With its global news gathering network, coverage, access and live phenomenon, CNN had occupied the position of new ‘reference’ in foreign news. The phrase acquired popularity when CNN led news coverage of humanitarian crisis forced Bush administration to intervene in Somalia for “humanitarian cause” to save people from media reported large scale starvation and death. Many critics of that time coined the phrase to describe as ‘a loss of policy control on the part of policy makers because of the power of media, however, later research discredited the CNN effect thesis.

The real question here is not about the myth or reality of CNN effect but the real pressing points which arguably forced the Bush administration to intervene in Somalia or elsewhere for ‘humanitarian cause’. What media did was to connect the very socio-political ideals of American public with that of human rights violation which produced the ‘humanitarian’
demands to their government to rescue the Somalian peoples being 'human'.

In addition, research grounded in social psychology posits the term ‘selective perception’ to explain the human tendency for information that fits with preexisting beliefs which consequently lead them to divorce or screen out information with which they disagree, this phenomenon is also called as selection bias or cognitive bias. Likewise the newspaper readers or television audience arguably tend to follow the media person, program or news outlet that reinforce interpretations consistent with their preconceptions, and very few would intentionally seek out information that challenges them.

As mentioned in foregoing paragraphs, public opinion is slightly untouched area in foreign policy studies, but few scholars have put serious endeavors to develop models and analytical tools to evaluate the role of media in foreign policy. These models and assertions might not be very substantial intellectually, but surely, they can serve for orientation to media-foreign policy debate if we look into the literature which makes some sense about the role and function of media in a democracy.

One of the crucial role media play in policy making is its ability to define and debate what is important called Agenda-Setting and Framing. Agenda-setting is the most important stage of the policy making process because media decide what will be a policy issue is crucial to the policy making process which was also discussed explicitly during and after the Vietnam War. President Nixon famously wrote:

More than ever before, television showed the terrible human suffering and sacrifice of war...the result was a serious demoralization of the home front, raising the question whether America would ever again be able to fight an enemy abroad with unity and strength of purpose at home.42
Agenda-setting theory asserts that; “what people identify as issues depends in large part on what the media include as news or entertainment”. Therefore, media identifies issues and setting the agenda for policy makers. Moreover, media also influence attitudes and values towards policy issues which finally change the behavior of the decision makers.

Once used as strategic term “propaganda” is largely replaced by the term ‘framing’ in media discourse. As explained by Norris, Kern and Just (2003), framing is about the journalistic practice for the selection of information and the procedures involved into it. It also involves editing, analyzing, and tuning the information to make it ‘newsworthy’. Framing is like engineering of words, symbols, and images through multiple techniques and rhetorical strategies. Framing involves usage of rhetoric in very skillful ways.\textsuperscript{43}

Scheufele (1999) proposes insightful theory of media framing titled \textit{framing as theory of media effects}. Scheufele develops a process model of framing by decomposing media-framing into inputs, processes and outcomes which construct an impressive cycle of framing to understand media effects. This theory deals with four important steps in framing processes; frame building, frame setting, and link between individual frames.\textsuperscript{44}

In frame building, Cobb and Elder (1972) Gans (1979), Shoemaker and Resse’e (1996) have put plausible set of arguments to make sense of frame building which include; organizational restraints and routines, individual characteristics of journalists such as ideology, norms, attitude and finally external sources like political actors, interest groups, societal norms etc. Frame setting is second step of Scheufele’s theory that is concerned with salience of issues attributes.\textsuperscript{45}

McCombs, Llamas, Shaw and Weaver, (1997) have endorsed Scheufele’s argument by suggesting two levels of agenda setting; first, transmission of object salience and second, transmission of attribute salience. In nutshell, frames
influence opinions by stressing specific ‘values and facts’ by making them completely relevant to the issue in hand. Salience of frames depends on accessibility as pointed out by Tversky and Kahneman (1973) “how people think about an issue is influenced by the accessibility of frames”. This step further leads to individual level frame; “the frames that are most accessible are the one that are most easily available.46

There is intrinsic link between public opinion and media or we can say that media has impact on public opinion in terms of ‘framing effects’. Citizens are usually unable to gain direct information about foreign policies, making them dependent either on the few dissident voices (dissidence over the US strategy in Afghanistan by general in charge of the US-led war, Stanley McChrystal) or upon the media as a source of information which ultimately shape or frame the public opinion and preference about the US goals abroad.

The best example of framing effect of media can be seen in the form of War on Terror and the US invasion in Iraq which was mainly framed by the media either as independent or intervening variable. According to Merolla and Zechmeister (2009), Gadarian (2010), the threatening information and images do actually increases the public’s support for hawkish foreign policies, implying that framing matters.47

**Hegemonic Discourse(s) and Foreign Policy**

What this implies for our study of media-public opinion and social construction of foreign policy? On the one hand state has got enormous structure to disseminate its version of reality in the form of multiple channels using huge budget for PR campaigns, offering concessions for media giants as well as showing media regulation teeth to them in case of disobedience and finally, by giving lucrative amounts in the form of advertisements and chances of more news networks for media conglomerates if they show cooperation with administration according to the best ‘public interest’. Bernard Cohen (1961) asserts that,
The *New York Times* is read by virtually everyone in the government ... it is often said that Foreign Service Officers get to their desk early in the morning to read the *New York Times*, so they can brief their bosses what is going on...The *Times* is uniformly regarded as the authoritative press in the foreign policy field ...you can’t work in the State Department without the *New York Times*

Policy makers also ascribe special importance to television news accounts. To monitor the development in international crisis situation White House Situation Room continuously feed information it gets from news channels into the crisis nerve center.\(^48\)

Conversely, media is also vulnerable to government’s manipulation or ‘management’, which arguably means that media also reflect the vision of policy makers and their definitions of friends and foes which keeps on changing with the official policy lines i.e. from global communism in past to global terrorism in present. In the matters pertaining to foreign policy and decision making, media remains dependent on the viewpoints of president and the executive branch hence it has to keep or reflect the official narrative as baseline of it story. Draper (1968) narrates the government media relationship in these words:

First the officials handout privileged information to favored journalists...then these journalists pass out the same information, with or without attribution, to their readers. Finally, pro-administration congressmen fill pages of congressional record with the same articles to prove that the officials were right.\(^49\)

The foregoing assertions about media and policy-makers collusion sounds plausible due to multiple reasons; media’s dependence on governments’ news releases as well as it
inability to obtain classified information, the key officials or ‘high government source’ use of ‘privileged’ briefing or ‘leak’ on foreign policy matters to limited media persons under ‘confidentiality ethics’. Policy makers sometimes use these tactics before setting new directions in given foreign policy matter as ‘trial balloon’ to get public response or gauge any possible outcome and then employ it to reshape policy language according to the public pulse and to protect their political backsides.

Media persons usually offer such confidentiality or protection to policy elites in order to be assured of receiving future ‘breaking news stories’. Finally, it makes sense to argue that what is reported as breaking news in foreign policy depends on what is ‘leaked’ which might be well managed act by key officials in White House or executive branch instead of actual occurrence.

The media spokes persons of White House are specialists of political communication and public relations that are well aware of the art of spin. In addition, government censors the news by managing it behind closed doors especially during periods of crisis and peril. For this purpose, key government officials decide how to manage media case by case which gets hype in the events of foreign military engagements—‘when the nation’s vital interests or security are believed to be at stake’. In this regard, few examples are noted where government reportedly censored or managed the war reporting from media or public access. As noted by Wittkopf and Kegley:

Reagan administration denied reporters permission to observe the Grenada assault force in 1983, journalists covering the 1989 invasion of Panama also complained that the military deliberately kept them away from the action, the pool arrangement used during the Persian Gulf War had a constraining impact where only limited numbers of reports were allowed to accompany military units where their reports
Finally, the Iraq War 2003 set the unprecedented precedent where embedded journalists reported the war after signing agreement with military authorities about what to report. Such censorship or screening was defended by the government as being necessary to ensure that news reports would not endanger the mission of US forces and matter of national security in the region. Although with marginal dissidence majority of media outlets tend to agree on the administration’s vision which they themselves believe as part of their duty being part of American mission abroad to promote American liberal values. Such a practice gets more worthy due to media’s dependence on the government to get the news, perpetuates a symbiotic relationship between opinion making elites and policy elites.

The cultural aspect or liberal values are the most interesting part of American society with its impact on Americans’ life, whatever and wherever they are; they must hold their political values. The promotion of liberal values being ‘city upon a hill’ in the words of Winthrop has social imprints on almost every American citizen; be he an ordinary citizen, a soldier, a journalist, or a diplomat.

It would be imprudent to suggest media performance in war as ‘subjective’; perhaps more profound course would be to incorporate the segment of political cultural in our analysis to explain how things really work out in the US society. Liberal values as American political culture has become political belief system for American which provides the government a concrete power-base to fire their foreign policy agenda abroad and to justify their actions at domestic front cloaked into the language of ‘promoting American values abroad as part of their divine mission’.

What we can draw from above leads to conclude that, the ‘war on terror’ frame provides the US government and news media with a template to make people understand global
events and the US response accordingly under the umbrella of US ideals and values. In addition, it provides it media and administration a powerful rhetorical tool to justify an interventionist agenda more aggressively. According to Robinson (2008), it has already been seen during the build-up to and war against Iraq as part of the ‘war on terror’. Ultimately, there arises a big question; does liberal media means free media or media with liberal bias?

Renowned critic and linguist Noam Chomsky and Herman (1988) proposed ‘propaganda model’ to understand the nature of media and ruling elite relationship. Herman and Chomsky claim that media manufacture consent and work as a tool for those in power to influence public mind. Both writers introduce ‘five filters’, media use to convert information into news namely; corporate ownership, advertising, sources of news, flack (negative feedback) and ideological or ethical filter (good versus evil) where ‘good’ stands with ‘we’ and evil with ‘they’. Chomsky maintains that the mainstream US media is controlled either by government or by corporate elites to inculcate and defend the economic, social and political agenda of privileged groups.

In the post Cold War era, some scholars have put serious efforts to establish theoretical links between media and foreign policy (media-state relations) in the form of CNN effect (Feist 2001; Schorr 1998; Freedman 2002) but it was strongly rejected by the liberal-media response. The CNN effect simply stands for the rise of 24-hour news channels, such as the US-based Cable News Network (CNN), ‘which widened the exposure of international events, thereby increasing the pressure on policy makers to respond to issues raised by journalists.

To make sense of ‘elite-media’ proponents’ (Hallin 1986; Herman and Chomsky 1988; Bennett 1990) viewpoints, two examples are noteworthy; during the post Cold War period the news media in the US especially CNN facilitated the humanitarian intervention in war-torn Somalia and Bosnia which led the foreign policy elites in the US to intervene in
these countries. In the second episode, Iyengar and Simon (1994) demonstrated ‘how media focus on Gulf crisis led to public defining the crisis as the most important political issue at that time by setting the agenda and directed the public as to what was the most important issue to think about’. Iyengar and Simon (1994) have argued that:

Media focused upon military matters, such as military technology and the progress of the war and downplayed the coverage that dealt with broader diplomatic issues and matters related to the rationale and justification of war.55

Finally, few prominent intellectuals have made powerful statements on the role of media because it has long been considered as symbol of social power and continuity of the link between power and discourse. For Noam Chomsky, it is the intelligent way to thought control (Chomsky, 1989); for others it is channel of mind control (Dijk, 1991, 2000); for Gramsci (1971), it is one of the ways the powerful group integrates its hegemony; Dijk borrows the CDA argument that; “if we are able to influence people’s minds, e.g. their knowledge or opinions, we indirectly may control some of their actions, as we know from persuasion and manipulations”; hence, those who control public discourse also have greater chances to control the minds and actions of others.

Conclusion

Undoubtedly, language plays an important role in political and media discourses and there is great role of political power too in reiterating political discourse through media which consequently becomes hegemonic discourse. Many discursive factors are substantiated in the foregoing parts of this article including the emergence, contextualization, operationalization and recontextualization of political discourse, using discursive construction of political discourse through socio-cognitive processes in which metaphorical socialization and values system play a vital role in individual’s behavior and so on.
In addition, beyond values and socio-cognitive construction by policy makers and media, there are corporate or economic interests at work too. Media lives on news and policy makers and decision making elites in government and military industrial complex have stakes in foreign economic and military engagements and for that matter they need public support for their adventures abroad.56

Nevertheless, the role of media in domestic and international politics sometimes has been remarkable, arguably, during Watergate scandal, Vietnam War, humanitarian conflicts like in Chechnya, Kosovo, Somalia, and Rwanda. Therefore, agenda-setting is not always to serve the powerful elites class but also to force government to deal with issues of less importance. Media does not serve only for intervention and war but also to encourage governments for withdrawal i.e. Vietnam War. Rooted in liberal political thoughts, foreign policy of a liberal democratic state must reflect the public opinion; manifested by opinion polls, direct elections and representation of public concerns via media. These are acclaimed values of liberal democratic political system evolved in liberal tradition.

The study of ideational and discursive factors in American political system and its foreign policy politics demonstrates that the material factors have been the passing phenomenon. The real power of American society rests with political ideals or belief system which has consequently made them successful model of modern democratic nation-state on the one hand, and, very vulnerable for political deception by their decision-making elites and media conglomerates on the other hand as it was widely noticed after the US invasion of Iraq 2003. American political culture and its behavior abroad remain puzzling for many because it has been paradoxical in terms of theory versus practice but its real appreciation comes when looking into its evolution and they way it has successfully survived over time.

The political ideals of American society are enshrined in its liberal political tradition, national political identity and in its
‘living document’; its foreign policy behavior abroad is interpreted through these too, which is challenged by its contradictory practice due to imperialist tendencies. The way American government synthesizes ideational and material factors in its domestic politics and international engagements still provides a paradoxical model for many but at the same time, ideal for many subscribers of ‘real politick’. The nub of this analogy keeps it promise that; material ends of the US foreign policy are operationalized precisely through ideational/moral routes as well as successful employment of hegemonic political discourse through presidential political rhetoric and its reiteration by media discourse which was self-evident in the case of US War on Iraq.

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PAKISTAN-US MISTRUST AND REGIONAL SECURITY CHALLENGES IN SOUTH ASIA:
A PROLONGED INDECISIVE, FUTILE WAR SEEKS END

Dr. Musarat Amin and Dr. Rizwan Naseer

Abstract

United States stumbled in Afghanistan because of Pakistan-US mistrust. Expansion of American war in Pakistani areas (drone strikes, covert operations) has caused serious turbulence in Pakistan. If Pakistan goes unstable, then there is a fear of domino effect in the whole region. Pakistan’s stability ensures regional stability. Pakistan and United States have divergent foreign policies and national interests even when their mutual interests substantially overlapped. If this mutual mistrust persists then chances to win the war on terror seem bleak and there is a fear of Taliban and Al-Qaeda’s resurgence. To deal with this complex situation a fundamentally new approach is required that would value Pakistan as a partner rather than surrogate.

Introduction

Joseph S. Nye Jr. dropped few lines about anti-Americanism that this phenomenon has increased in recent years. Consequently, United States’ ability to attract other nations by the legitimacy of its policies and values has sharply dwindled down. A Euro-barometer poll has found that even Europeans are not satisfied with the efforts of the U.S to address global challenges. Europeans believe that United States has created hindrance in the way of fighting global poverty, protection of environment and maintenance of peace. Nye further elaborated that without the cooperation of other countries, it is hard for the US to fight against terrorism. There is no doubt that the other nations would cooperate with America by protecting their interest as well but the level of cooperation depends on the attractiveness on United States.¹
American war against terrorism which American started in 2001 against Afghanistan turned out to be uncontrolled, counterproductive and costly in terms of finance and human toll. Expansion of that war to Iraq, then Pakistani areas, US-backed interventions in other Islamic states like Libya, Egypt, Syria and Mali is giving clear reflection that only Islamic states have become target of US and its Western allies. Widespread violence and political chaos in those countries not only endangers the states but their adjoining areas as well. At least before US invasion or intervention in these countries, conditions for human security and state governance were better than now. Unfortunately, United States chose the wrong strategy to address the problems of extremism and terrorism. Extremism and terrorism are not the things that can be managed with arms or force. Peaceful solution to these problems in any society would generate better and long lasting solution. If United States and its allies are serious to hammer out some peaceful solutions to this complex problem in above mentioned Muslim countries, then violence or use of force must be abandoned and some diplomatic solution must be pursued. Techniques of conflict resolution and diplomacy have evolved to the level where almost every conflict at international level can be resolved through peaceful measures.

Connie Peck in her book titled “Sustainable Peace, the Role of UN and regional Organizations in Preventing Conflict” talks about a holistic understanding of the conflict and she puts forward two practicable conceptions in the field of conflict resolution. The first is the notion of ‘Human Security’ which works as a base for addressing basic human needs and ultimately increases state security by empowering government. State sovereignty and populace are crucial for government to achieve human security for all of the citizens. The second concept that has gained more prominence is articulation of relationship between democracy, human rights and development by Boutros Boutros-Ghali in an Agenda for democratization (1996), and agenda for development (1994), and building peace and democracy (1994). In-short human needs can best be fulfilled by practicing good governance and respecting human rights. Good governance in turn, fosters
peace and development.\(^2\) If Afghanistan and Iraq were issues of governance and democracy then why US invaded and exacerbated the situation. There is no doubt about the efficacy of democracy but forcing some undemocratic country to embrace this notion even causes more commotion and chaos. Transition to democracy is not an easy task especially when the culture of democracy is fragile and almost non-existent. If the transition is not managed effectively, it would bring more serious consequences.\(^3\) United States’ bellicose behavior might be unacceptable for other countries because of US obsessive war policies even Americans do not support US unilateralism that is the temptation for war with other inimical states. According to Kathleen based on poll-survey United States public opinion found that they prefer multipolarity over unipolarity and bipolarity (desiring balance of power). They want United States to play an active role in world politics in collaboration with other international organizations through multilateral means.\(^4\)

Christopher Perble writes in *National Interest* about Secretary Panetta’s statement about America’s withdrawal of troops that indicates America may not engage in nation-building in Afghanistan. Secretary Panetta said that combat mission in Afghanistan would come to an end in mid-2013 which sounded positive step but this had been stated intermittently and leaves left many question unaddressed. Washington should end this combat operation and withdraw all troops by 2014 to reach some conclusion successfully. Further narrowing down of objective would make this war winnable for Washington. But the small segment critiques are pressing for nation-building missions in Afghanistan. Staying in Afghanistan furthermore and hunt down those remaining would-be terrorist coupled with a massive operation of nation-building in Afghanistan does not promote American interest.\(^5\) Now this job is not possible irrespective of whatever energy and efforts America put but a complete support of regional actors especially Pakistan is required to take this issue seriously and jointly; contribute for the peace and development of Afghanistan. Unstable Afghanistan may spread its effects to whole region but until now Pakistan has
been the most affected state by Afghanistan instability. Anti-Americanism in Pakistan is so intense that America's war against terrorism could not seek legitimacy. Without support of locals, no breakthrough is possible. Washington needs to exercise soft power rather than hard power. Winning hearts and minds could bring sustainable peace in the region.

Challenges for Regional Actors

One undesirable event in the region may engulf whole regional actors. Like one incident of 9/11 affected the whole world. If we take stock of events historically, we find that revolution in Iran, Soviet invasion of Afghanistan, Iran-Iraq war (1988) affected the whole South-West Asia. All of these incidents were not limited to those countries but also affected Pakistan. Pakistan's security came under direct threat by war in Afghanistan. Because of these troubles Pakistan never enjoyed amicable relationship with Afghanistan. But Pakistan is still playing its possible role to bring Afghanistan to normalcy. McClatchy Jonathan Landay writes; that Afghanistan government is seeking a peace agreement with Taliban in which Pakistan would play a key role to arrange direct talks for setting up a coalition government in Kabul. According to that peace initiative Afghanistan would cede control of east and south Afghanistan to Taliban coupled with positions in the government. Power dynamics are quite apparent in this 'Peace Process Roadmap to 2015'. But there are other various factors that may impede this progress towards peace. Washington misjudged that it may control conflict in Afghanistan without any help from Pakistan but now situation has changed. Pakistan’s military and intelligence machinery did not control Taliban insurgency so vigorously because they view it as not in favor of their strategic interest. Another factor in achieving peaceful end in the Afghanistan has been because policy makers in Washington lack the ability to address regions’ most serious geopolitical challenges. Malou Innocent suggests that for establishing a national government in Afghanistan help should be gotten from Islamabad. Afghanistan is culturally and politically tied to its neighbors and it is pretty hard to cobble a government in
Kabul which enjoys support of all neighbors. But the imitative that includes participation of Pakistan for development of peace talks between all stake holders in Afghanistan can bring internal strife of Afghanistan to an end.

South Asia is the most volatile region where India and Pakistan are two nuclear rivals. Afghanistan is in state of war with America and that war has encroached some areas of Pakistan. Sri Lanka has seriously dealt with Tamil Tigers’ problem, Bangladesh is in state of internal crisis, and Nepal is not a stable state either. American and NATO troops are still operating in Afghanistan. There are chances that after American withdrawal, situation may go worse. Ahmad Rashid a renowned journalist on Afghanistan-Pakistan writes that NATO troops cannot withdraw from Afghanistan safely until the civil war in Afghanistan is going on. Pentagon’s anticipation about withdrawal of US and allied troops from Afghanistan after handing over command and control to Afghanistan Armed Forces which Pentagon called as ‘smooth and doable transition’ is fraught with huge problem that may arise or even may pose serious threat to whole region. Now what measures United States should take in Afghanistan that they must engage Taliban into dialogue and bring that combat to a halt by inking ceasefire with Taliban. A structure of power sharing in which Taliban can be included may bring that civil war to an end. Unfortunately, the role of international community is not up to the mark. All these serious challenges are not under consideration by international community. Some international troops would be withdrawing before others for example, it has been reported that Australian and French troops would be leaving the region earlier than other troops. There is an obligation for international community that they must continue their support for Afghanistan financially at least for 10 years even after the troops withdraw. But unfortunately, chances are bleak that they would continue support later on. There has to be much more commitment from heads of the states for reconstruction and rehabilitation of that Afghan inhabitants. But there are no such plans underway.
America wants 10,000 to 20,000 troops to stay in Afghanistan in post-withdrawal period. But there are some other factors that can obstruct their work in Afghanistan. Six neighbors of Afghanistan are against prolonged presence of American troops in Afghanistan and they would definitely not allow smooth functioning of those remaining troops. Not only this, anti-Americanism has mounted in the whole region because of brutal practices of American soldiers. Afghan President Hamid Karzai called for greater care and circumspection by US military but operational philosophy of US forces is overwhelmingly full of force. Similarly America planned to station 20,000 troops in Iraq but Iraqi people did not tolerate that and demanded immediate expulsion of US troops and they had to leave under those circumstances. President Obama, to allay these challenges came up with a regional strategy which includes all six neighbors of Afghanistan including India, Russia and Saudi Arabia with some kind of understanding that there shall not be any interference in Afghanistan. The main reason of Afghanistan’s instability has been the external interference. Current situation is more complex than in 2008 but there was a hope when Richard Holbrook was appointed as US special envoy to both Afghanistan and Pakistan. Dialogue between neighbors started but broke down because of mistrust and incompatibility of preferences. Other regional actors like China and Russia are also against prolonged presence of US troops in Afghanistan. But there is only one country that favors American troops to stay for long time that is India. But Pakistan has serious reservations about India. Pakistan does not want Indian involvement in Afghanistan affairs while Indians strongly advocate US presence and Indian joint efforts in Afghanistan’s reconstruction. There is incompatibility between Pakistan and United States over President Obama’s new strategy on how to fight militants. Scholars point out that the main reason of these differences is drone strikes in Pakistan and India’s role in Afghanistan. American scholars also believe that Indian role in Afghanistan and Baluchistan is causing serious troubles for Pakistan. Pakistan’s interests in Afghanistan are because of Pakistan’s India-centric foreign policy. Pakistan’s fears are that if India and Afghanistan
collaborate then India may seek strategic depth in Pakistan. That policy of strategic depth is bit successful because of the reason that the territory on the other side of Afghan border is still unknown to the whole world.\textsuperscript{12}

**A Comprehensive Af-Pak Strategy**

Engagement is a pillar and guiding principle of president Obama’s Foreign policy. When Obama assumed office, America was undergoing huge anti-American feelings because of the unpopular war in Iraq and controversial war against terrorism even divided US allies and stigmatized its image abroad. Barack Obama pledged to fix the relationship with outside world and vowed to work with other nations based on shared global challenges.\textsuperscript{13} But when it comes to Pakistan-United States relationship all the stated goals and principles of American policy seem bleak. Pakistan is different from Afghanistan in terms of power and capability. International community has failed to reform civilian sector Pakistan has all elements of power (manpower and infrastructure) to survive but this is only possible if international community supports Pakistan. A strong, stable and prospering Pakistan is in the best interest of international community.

Pakistan’s rapid downward trajectory does not augur well for regional actors as well. Some of the experts really think that Pakistan is on the brink of failure."\textsuperscript{14} An important development that took place for the first time in the history of regional ties was China, Pakistan and Afghanistan trilateral dialogue (held on 28-29 February, 2012) for chalking out a regional response to American withdrawal and Indian increased interference in Afghanistan. Chinese foreign minister Yang Jiechi appreciated success of this trilateral dialogue. This event has opened up new platform for enhancement of regional cooperation, security and unity. This is termed as success because of the historic Kabul Declaration (2002). The purpose of that mutual understanding was the good neighborly relations with other regional states on the bases of mutual respects, territorial integrity and non-interference in internal affairs of other states. All three
countries expressed their support for the role of international organization (United Nations) and Regional organizations (Shanghai Cooperation Organization) to promote cooperation. Afghan National Security Advisor to President Karzai Rangin Dadfar invoked China’s mediation in addressing misunderstandings between Afghanistan and Pakistan and urged China to invest more and more in Afghanistan. China and Pakistan are long-standing friends and China may invest in Afghanistan reconstruction. The stability of neighboring countries is good not only for China but for all regional states. Now Iran in collaboration with Pakistan has also stepped up to ensure regional stability. In a trilateral Summit held in Islamabad on February 17, 2012 the three Presidents Mahmoud Ahmadinejad (Iran), Hamid Karzai (Afghanistan) and Asif Ali Zardari (Pakistan) pledged to enhance cooperation among these countries realizing shared aspiration of their people for peace, security, stability and economic prosperity of the region. Three sides reached consensus on many issues but most important of them were as follows:

- Ensure respect for Sovereignty, independence and territorial integrity as enshrined in UN charter.
- To proceed further on the basis of shared interests, mutual respects, on interference and non-intervention in the internal affairs of other states.
- Not to allow any threat emanating from their respective territories against each other.
- Contribute to the development and reconstruction process in Afghanistan.
- The three countries agreed to cooperate for the safe, voluntary and early return of Afghan refugees to their homeland with honor and dignity.
- Trilateral summit also mandated the security secretaries to devise a trilateral framework for cooperation in areas of counterterrorism, counternarcotics and border management within the time of six months. Pakistan and Iran pledged to extend full support to any initiative that can bring peace to Afghanistan including peace process and reconciliation.
the region that is why they share more responsibility to bring peace and order in the region.

**Fear of Domino Effect**

Pakistan’s current position is very alarming regarding economic and political stability. War against terror in collaboration with American has left Pakistan with nothing but mere aggravated instability. There are multiple reasons of this plight but the main reason is US unmanaged, uncontrolled, indecisive and unsuccessful war against terror and its deep impact on Pakistan’s all walks of life. Infiltration of terrorists in Pakistani areas has increased extremism and violence in Pakistan. Admiral Mike Mullen Chairman of the Joint Chiefs of the Staff told independent media observers and acknowledged that Al-Qaida has penetrated in Pakistan which has caused increase in violence and bombings in Pakistan. American intelligence reports say that for past eight years all the terrorist attacks have been planned by Al-Qaida operatives based in Pakistan. According to a declassified document Obama has plan to send more CIA spies in Pakistan to expand their operations for hunting down Al-Qaida and its associates. There are fears in Pakistan that American network of espionage has dramatically increased in Pakistan and American drones are killing many innocent citizens on suspicion of terrorists. American cover operation in Pakistan has not only challenged Pakistan’s sovereignty but also poses a threat to Pakistan’s strategic assets. Pakistan’s border areas have been declared epicenter of militants. There are other reports that American and European powers are spreading instability in Pakistan. European Embassies have taken permission from Pakistani government to install anti-gunship in their embassy and some vehicles of Embassies have been intercepted with illegal firearms which show that these embassies are involved in destabilizing Pakistan. There are concerns among Pakistani people that if America continues these clandestine activities to destabilize Pakistan then other countries would also be affected by Pakistan’s instability. US State Department reported in 2000 that South Asia had replaced Middle east as locus of terrorism. But if we compare
the current situation with that time we find that now the situation is much worse than that era. If this situation persists or increases this would surely leave a domino effect on the stability of other adjoining countries.

America and NATO should support Afghanistan and Pakistan to cope with this hydra. If America leaves the region in 2014 then should not abandon support to establish democratic government and financial support for Afghanistan and Pakistan. Some advocates of domino theory say that losing in Afghanistan would result in further failures in adjoining areas of South and central Asian region. Another perspective of “Domino effects” is that if Taliban revive and gain support from Pakistan then their victory in Pakistan would encourage them to gain victory in other Islamic states of Central Asia. The prevailing fear is that governments of Central Asian Republics and Pakistan are too weak to defy Taliban. Therefore, such a situation leads to the similar circumstances of forty years ago that only United States can defend the region against extremism. In such a situation loss of faith in America would be net gain for pan-Islamist movements in zero-sum global competition for power. Here falling dominos as a metaphor for predicted consequences of American military pull out reflects profound inability to re-envision America’s place in contemporary global political structure. Another serious concern is that Taliban may revive their support from Pakistan. Another major fear is that they may try to seize the control of Pakistan’s nuclear arsenal. Beyond Pakistan advocates of domino theory point to the Taliban’s links to the Islamic Movement of Uzbekistan and the Islamic Jihad Union and make a prediction that Taliban’s triumph in Afghanistan would boost the other similar radical Islamist movements in neighboring Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan.19

To overcome the deteriorating situation in Afghanistan president Karzai said “Islamabad has an important role to play in Kabul’s proposed reconciliation talks with Afghan insurgent groups. He admitted that without Pakistan’s cooperation Afghanistan cannot be stable and Peaceful.” One thing that
Afghan president told the media that Afghanistan does not want to become a battle ground between major, regional and world powers. Afghan President seemed serious to end this devastating situation in Afghanistan while he stated. Afghanistan does not want any proxy wars on its territory. It does not want to initiate a proxy war between India and Pakistan over Afghanistan. Neither, it wants a proxy war between Iran and United States on Afghanistan. It does not want any other country to engage into conflict against another country in Afghanistan.20

‘Biting the Bullet’ of Pakistan-US Mistrust

Diego Gambetta defines trust in the following words, “when we say we trust someone or that someone is trustworthy, we implicitly mean that the probability that he will perform an action that is beneficial of at least not detrimental to us is high enough for us to consider engaging in cooperation with other.”21 Touqir Hussein (a former diplomat) identifies Pakistan-US trust deficit as symptomatic of deeper problem rather than problem itself. Pakistan and United States have divergent foreign policies and national interests even when their mutual interests substantially overlapped. Both the countries maneuvered to achieve their short term objectives at the expense of broader strategic goals.22

Over the last 60 years, there has nothing been permanent in Pakistan-US relations but the mistrust and because of that mistrust there came serious hiccups between Pakistan and United States. Both countries have been working together and would continue to do so but in such circumstances cooperation becomes counterproductive especially in the fight against extremism and security challenges. Majority of Pakistanis view United States as untrustworthy because of no support of America during Pakistan-India conflicts and opposition to Pakistan’s nuclear assets by cancelling all sorts of aid to Pakistan. The sharp drop-off in US engagement with Pakistan following Soviet Withdrawal from Afghanistan in 1989, United States’ lack of support to those elements who support democracy and human rights in Pakistan, United
States’ empowerment of military establishment of Pakistan and violating human rights, violation of Pakistan’s Sovereignty and the conviction of many religious elements that United States policies are anti-Islam, are the main causes of mistrusting America and these causes further inflame abhorrence for America. Even still Pakistan’s majority of people think that United States is trying to destabilize Pakistan. If Pakistan is destabilized then the biggest concern for America and international community would be Pakistan’s Weapons of Mass Destruction (WMDs) and the security of those weapons to keep them safe. This way America may establish a plea to intervene in Pakistan with the active help of international community. Pakistan’s nuclear weapons are not acceptable for Israel and America in the eyes of Pakistan’s populace. United States is not trustworthy in the eyes of other countries as well. After Iraq war a survey conducted by Pew research centre for the people and press asked respondents, As a consequence of war do you have more confidence or less confidence that United States is trustworthy. An overwhelming majority expressed their less confidence that United States is trustworthy. See the following table.

Is US More or Less Trustworthy after War?

<table>
<thead>
<tr>
<th></th>
<th>More</th>
<th>Less</th>
<th>Same</th>
<th>Don’t Know</th>
</tr>
</thead>
<tbody>
<tr>
<td>US</td>
<td>58%</td>
<td>29%</td>
<td>6%</td>
<td>7%</td>
</tr>
<tr>
<td>UK</td>
<td>24%</td>
<td>58%</td>
<td>12%</td>
<td>6%</td>
</tr>
<tr>
<td>France</td>
<td>14%</td>
<td>78%</td>
<td>6%</td>
<td>2%</td>
</tr>
<tr>
<td>Germany</td>
<td>10%</td>
<td>82%</td>
<td>6%</td>
<td>3%</td>
</tr>
<tr>
<td>Russia</td>
<td>8%</td>
<td>63%</td>
<td>21%</td>
<td>8%</td>
</tr>
<tr>
<td>Turkey</td>
<td>8%</td>
<td>74%</td>
<td>11%</td>
<td>7%</td>
</tr>
<tr>
<td>Pakistan</td>
<td>5%</td>
<td>64%</td>
<td>7%</td>
<td>24%</td>
</tr>
<tr>
<td>Jordon</td>
<td>4%</td>
<td>50%</td>
<td>38%</td>
<td>8%</td>
</tr>
<tr>
<td>Morocco</td>
<td>12%</td>
<td>72%</td>
<td>7%</td>
<td>9%</td>
</tr>
</tbody>
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This table helps to understand that Pakistan is the country that expresses lowest percentage of confidence in America. American mistrust on Pakistan is based on the American suspicion that Pakistan army and ISI provide covert support
to Taliban and other militant organization to fight against America. Another survey helps to understand sharp opposition to US actions in the name of war against terrorism.

The above presented data has been obtained from Pew Research Global Attitude Project and can be accessed at (http://www.pewglobal.org/2011/07/13/chapter-2-views-of-the-u-s-and-american-foreign-policy/)

Not only in Pakistan even other Muslim states and with Muslim majority express strong unfavourableness to US actions in Afghanistan and Iraq. From 2002 to 2011 Pakistan favour for US-led efforts to fight terrorism has decreased and is now at its lowest ebb. Turkey despite being NATO ally experiences unfavorable opinion (in 2002, 30% to 2011, 14%) about US-led efforts to fight terrorism. Majority of the Muslim states are undergoing similar change in their favorable
opinion towards America after 2001 US-led war against terrorism.

Mutual mistrust between Pakistan and America had widened over the years despite their cooperation in war against terrorism. Mistrust is evidenced by allegations and counter-allegations between the so-called allies. Nobody takes the responsibility of failure in controlling attacks of militants. American strikes against militants in Pakistani areas without prior information to Pakistan security forces show that America does not trust Pakistan and vice versa. On the other side Pakistan’s current concerns are America would leave the region after winding up war on terror campaign and Pakistan would be placed in the list of states responsible for sponsoring terrorism. Moreover, America would leave the region without clearing their mess as a consequence Pakistan would face political, economic and social problems once again. Pakistan’s current challenges have implications for the United States simultaneously. Because of those challenges Pakistan’s relationship with America is gone more complex and awry. Pakistanis an ally against extremism and at the same time target of extremism. To deal with this complex situation a fundamentally new approach is required that would value Pakistan as a partner rather than surrogate. To improve this highly crucial partnership United States must understand the point that Pakistan has its own respective national interest. Now the time has gone when United States could deal Pakistan as a client state. Now the case is different, people of Pakistan are more nationalists and defenders of their national interests than before. Ultimately there has to be a grand bargain which can only be materialized with the support of United States. An invigorated Pakistan with renewed passion against militancy, with normal relations with India and moderate society is less likely to go anti-American. That is the kind of mutual relationship which both sides are trying to evolve.
Operation Neptune Spear

There is less doubt about that the role of military force changed dramatically with the end of cold war. There has happened a shift in the balance between military and non-military instruments of power. Use of force is actually an instrument among many for achieving strategic goals. One more thing changed in post-cold war era and that is ‘unilateral use of force’ which became exception rather than rule. But it has been used by United States most of the times. United States is the only country that can afford practicing unilateralism politically and militarily outside its homeland. US unilateralism may invoke unilateral action by other states as well. American action deep inside Pakistani areas to hunt down Bin Laden put both the estranged partners at a course of confrontation.

Pakistan is aiding America since 2001 to combat militancy, extremism and terrorism, additionally Pakistan’s secret service has helped capturing high value targets in and border areas to Pakistan. Pakistan’s efforts are undoubtedly appreciable. But United States could not evolve trust despite intensive efforts by Pakistan and its forces. The Operation, code-named ‘Operation Neptune Spear’ was launched by US Army Special Operation Command’s 160th Special Operations Aviation Regiment with support of CIA personnel. This operation was designed to hunt down Osama Bin Laden in Pakistan’s city of Abbottabad. America had already gathered credible information about Bin Laden’s presence in Pakistan’s city of Abbottabad but did not share with Pakistan. She conducted operation without Pakistan’s consent deep inside Pakistan not much away from Islamabad. American unilateral action to hunt down Bin Laden left Pakistan into deep agony as people of Pakistan including military junta were raising uproar that United States violated Pakistan’s Sovereignty. Secondly Pakistan’s military was much embarrassed in the eyes of its own nation. Pakistan’s Chief of Army staff Gen. Ashfaq Pervez Kayanimade it clear that any repetition of violating our sovereignty would not be tolerated and Pakistan may break up with America if it happens again. This act of
United States left Pakistan in a state of dilemma where every nation doubted Pakistan for providing safe haven to Osama Bin Laden. If US could have taken Pakistan into confidence before the raid, Pakistan’s image in international community could reach as positive and success of Osama’s hunting could be shared with Pakistan but America did not do that. International community and most of the countries around the world cheered Bin Laden’s death. Especially United States, NATO members, European Union and many other countries but at the same time Bin Laden’s killing in Pakistan was condemned by Fidel Castro of Cuba, Hammas leadership and Pakistan’s Taliban outfit Tehrik-i-Taliban Pakistan. These hardcore supporters of Bin Laden’s ideology vowed to avenge Bin Laden’s death by launching more and more attacks on American soldiers and military outposts. Intensive diplomatic pressure on Pakistan could be witnessed when international community was suspecting Pakistan of sheltering Osama Bin Laden. Pakistan government in its defense denied all charges of sheltering Bin Laden and gave a clarification that Pakistan had already shared information with CIA and other intelligence agencies about the suspected compound. ‘Wikileaks’ further deformed image of Pakistan by disclosing American diplomats’ standpoint against Pakistan that Pakistan always provided information to bin Laden until CIA hunted him down. Another serious allegation surfaced that Pakistan exported Al-Qaida’s associates to Afghanistan in to trouble NATO troops. After operation Neptune Spear anti-Americanism rose to the highest level in Pakistan not only among masses even parliamentarians and military-men. The entire nation stood against America and diplomatic relations touched their lowest ebb. Pakistan army chief’s warning that repetition of such an attack inside Pakistan’s territorial jurisdiction would not be tolerated again and punitive action would be necessary to stop American blatant breach of Pakistan’s sovereignty.

Anti-American Wave and Fear of Resurgence

Pakistan’s current situation is very alarming because of blowback from its war against terrorism in collaboration with
United States. Pakistan’s stability and security is under serious threat from armed men of various groups including American secret agents and Indian secret agencies operating in Pakistan. Bruce Riedel declares Pakistan as the most dangerous country in the world on the basis of following reasons. Nuclear state with record of nuclear proliferation, drug trafficking inside and outside country, continual military dictatorships and intermittent democratic governments and most importantly international terrorism. Riedel says Pakistan is major victim and sponsor of terrorism simultaneously. But the point to understand is Pakistan before the initiation of Afghan-Soviet War (1979) was neither a victim nor a sponsor of terrorist acts. Afghan-Soviet war created a huge unmanageable mess especially after the cold war was over. United States left the region without any reconstruction of the region and addressing major socio-economic problems of the region. Afghanistan’s Jihadists penetrated into some parts of Pakistan and spread religious extremism and violence. Some of those elements felt betrayed that US had used them as pawns and after accomplishing their objective of defeating Soviet Union they did not address country’s problems. They turned against America and started plotting attacks against America.

The Next phase starts with September 11, 2001 attacks on American soil when America came to destroy Al-Qaeda network and even included Taliban in the war. America dragged Pakistan into war which caused a serious damage to Pakistan economically and politically. After more than decade long war when America failed to achieve its objectives in the region then devised a plan to withdraw forces in a dignified manner. All the things have already been planned for American troops to leave Afghanistan. But there is a major concern in Pakistan and Afghanistan that if America leaves the region and even withdraws support to fix the problem that war on terror has incurred then there are chances that those deprived groups who were main target of US and allied forces’ and lost the lives of their fellowmen, kinsmen and even beloved ones may reunite to take revenge from America and even Pakistan army. They may regroup themselves and strike
again against Pakistan and America and other regional countries. There is a careful strategy required to deal with this problem which may not be chalked out without the joint effort of all regional and global actors.

Jonathan Fox pens about the increased prominence of religious doctrine in contemporary political and social phenomena. International relations tended to deal with the factors that did not include religious doctrines. Paradigms like realism, liberalism and globalism focused their emphasis on military and economic factors as well as rational calculations, all of which left a little room for religion. But if seen through the prism of religion there is a considerable convergence between Huntington’s concept of civilizations and religion. Theory development at the beginning of 21st century posits that religion is a crucial factor in modern era. There are contending theories that rebuff religion’s role and put forward theories of religious demise. But series of incidents have strongly refuted theories of religion’s demise which include Osama bin Laden’s Al-Qaida network, terrorist attacks on September 11, 2001, Iranian Islamic revolution, the worldwide rise of religious fundamentalism, religious movements throughout the Islamic world not limited to Egypt, Algeria and Afghanistan, religio-political movements in Latin America and ethno-religious conflicts like those in Chechnya, East Timor, Tibet, Sudan, and Sri Lanka highlight the role of religion in contemporary politics. The crux of the theory stipulates that religion occupies a significant position in modern political and social phenomena.30

Alvin Z. Rubinstein and Donald E. Smith mention various four types of Anti-Americanism which helps to understand the several strands of Anti-Americanism in third world countries and especially in Islamic world. ‘Issue-Oriented Anti-Americanism’ which includes the intense opposition to United States’ policies and actions with which third world countries disagree. Second sort of Anti-Americanism is based on "ideology" in this category the countries perceive America as source of all troubles, roots of this can easily be traced in nationalism, Marxism and Islamic fundamentalism. Third
kind of Anti-Americanism is called “instrumental anti-Americanism” in which governments blame other states or search for a scapegoat to justify their failure, the purpose of this strategy is amass public support. Lastly, “Revolutionary anti-Americanism” seeks to overthrow pro-US regimes and establishes a new system or government based on ideology. Based on the culture and religion Anti-Americanism is abundantly found in Islamic states and especially in Pakistan. All of the above mentioned types of Anti-Americanism can be combined in case of Pakistan. Ideological anti-Americanism is stronger force in Pakistan than others (revolutionary Anti-Americanism and Instrumental Anti-Americanism), People perceive America as source of all troubles.

Ideological Clash intensifies when Europe or America see Islam as a threat to their system and values. Matthew A. Gentzkow and Jess M. Shapiro write that “America has an image problem. Only 1 percent of people surveyed in June 2003 in Jordan or Palestinian Authority expressed favorable opinion of the United States. Favorability ratings elsewhere in the Middle East were almost all below 30 percent. Osama Bin Laden was among the top three leaders most often trusted to “do the right things” by survey respondents in Indonesia, Jordan, Morocco, Pakistan and Palestinian Authority (Pew research centre 2003). Response to similar question by Americans reveal that the feeling is mutual, in recent poll only 24 percent Americans expressed favorable views of Muslim countries overall.” Differences between Islamic countries and united States have grow more deeper and dangerous after one decade of American war against Afghanistan, Iraq, Pakistan and American intervention in Libya and Syria. American sanctions against Iran and most importantly maligning Islam as a terrorist religion, has brought these antagonistic actors to the brink of clash. Gentzkow and Shapiro quote Walter Lippman (1922), “When full allowance has been made for deliberate fraud, political science has still to account for such facts as two nations attacking one another, each convinced that it is in self defense .....They live, we are likely to say, in different worlds. More accurately, they live in the same world but they think and feel in the different ones.”
Giacommo Chiozza states that “hatred, envy or prejudice are, in that view the driving forces behind Anti-American sentiments in the writings of such authors Charles Krauthammer (2003), Jean-Francois Revel (2003), and Dinesh D'Souza (2002), opposition to America is the disposition of people who embrace anti-democratic, anti-market, and anti-modern ideologies; it is the psychological refuge of societies who eschew any responsibilities for their shortcomings, or their failures; it is an all-encompassing cultural trait embodying values and beliefs inconsistent with the “American way of life.” Such sentiments of opposition and rejection are allegedly rife, more than ever, in Islamic countries: “More than anything else,”34

Confrontational posture of American policies towards Islamic countries has generated fear of clash that Huntington has hypothesized. If America continues its bellicose policies to deal with Islamic world then there are huge chances of clash. Giacommo Chiozza writes about Huntington’s idea and quotes his hypothesis that “Huntington depicts a history of bloody confrontations and fleeting truces that cannot be accounted for exclusively in terms of power and interests. It is a value, normative, conflict that shapes the interactions between the countries of Muslim religion and the countries of the West. In clear words, Huntington (1996, 217) writes: “The underlying problem for the West is not Islamic fundamentalism. It is Islam, a different civilization whose people are convinced of the superiority of their culture and are obsessed with the inferiority of their power.” Thus, from Huntington's Clash of Civilizations logic, we derive the prediction that Muslim publics would be wary of the Western norms of individualism, pluralism, and relativism, and would be opposed to all America is and does, as America is the most pristine incarnation of the ideals of freedom, democracy, and opportunity.”35

Conclusion

Washington has realized that without Pakistan’s partnership this indecisive and futile war cannot be won. But
Pakistan-US mistrust is a great impediment to achieve this goal. US should responsibly deal with Pakistan and stop maligning Pakistan’s image as promoter of terrorism especially after operation Neptune Spear. Secondly, Washington should learn from past bungle that leaving region without addressing serious issues of governance, reconstruction and rehabilitation withdrawal of American troops would allow Taliban and Al-Qaida operatives to regroup and plot again America and its allies. A comprehensive Af-pak strategy is needed to deal with future challenges. All these plans to bring peace and stability in the region require Pakistan-US mutual trust and maneuverability. Without Pakistan’s active involvement in Afghanistan affairs, it’s impossible to bring peace in there.

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Pakistan-US Mistrust and Regional Security Challenges in South Asia:
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THE MAKING AND COMING OF THE SECOND COLD WAR – US FOREIGN POLICY TOWARDS CHINA

Dr. Mansur Umar Khan

Abstract

Given the USA’s hegemonic status in world politics, it is generally held by both experts and laypersons alike that the only nation that could both challenge and replace the USA in term of its hierarchical position is China, because of this the War Against Terror is likely to be relegated in terms of US priorities. While it will, very likely, remain a major topic in the globalized mass media, in strategic terms, it will be subdued by a New Cold War for strategic resources, in which the USA will try to dominate and secure precious resources in order to remain the only superpower in the world. This is partially evident by the fact that the US has withdrawn officially from Iraq and is bound to do the same in Afghanistan in 2014. Since the US is a highly militarized society, its elites feel that there is a compulsion to project conflict, weapons, and war globally; how else could they enrich themselves and simultaneously maintain its gigantic permanent military economy? And since the Soviet Union is long gone, US focus has shifted to the Pacific region, namely China, where it hopes to implement a rehash of its old containment policy that was successfully used against the S.U. Such a hegemonial policy could not only lead to a (military) conflict between the USA and China, it could also worsen the arms race between the two economic giants, which is something that the US elite favors as its military-industrial complex depends on it. However, the chances of success for the US policy towards China, in terms of containment and dominance, are likely to be slim, due to several factors discussed in this article.

Introduction

Although it may seem unlikely, the War on Terror is soon bound to wind down and play a much less prominent role in
world politics. The reason for such a dramatic change in US foreign policy has everything to do with economics, seen as a zero sum game by the U.S. American elite. In an era of both scarcity of strategic resources (such as oil & gas) and globalization the main reasons for competition, conflict, and war are going to be what has been called “Energy wars”. The Cold War, which was basically ideological, as it was economic and political, is over but a New Cold War is looming and impending. This New Cold War is about resources, and is non-ideological in nature. Its primary rivals are and will be the USA & China.

Ever since the demise of the Soviet Union, the USA has become a solitary hegemonic superpower. For some 10 years after the demise of the Soviet Union, the world witnessed a severe economic decline by Russia, as China has been on a permanent dynamic rise. So much, as a matter of fact, that knowledgeable observer has claimed that by the year 2035 (some say even sooner [2016]) China’s economy will overtake the USA, and thus become the world’s biggest economy. The point is that ever since the demise of the S.U., the USA as a sole superpower has one primary economic competitor and that is China. While it could be claimed that the E.U. is economically still bigger in terms of GDP & population, not just than China but even more than the USA; it doesn’t speak with one voice when it comes to foreign policy making, and is, thus, not united but rather divided into some 27 nations. This leaves only China as the main economic competitor to the USA, even though Russia has made a significant comeback ever since the Putin years began in 2000. In this New Cold War economic issues have been dividing the main powers: the USA, China, Russia, and the E.U. The race for scarce resources between them has been on since the demise of the Soviet Union, when the USA, in neo-imperial fashion, attacked Iraq over Kuwait in 1991. What was really a crisis between Iraq and Kuwait, and could have been solved between them and other Arab nations, was deliberately turned into a world crisis because the US elite realized that the Soviets would no longer oppose the USA in world affairs, and could, hence, defeat Iraq militarily and then control the huge oil wealth of that country.
along with its geo-strategic position. It was known that at the time that only Iraq and Iran were in general opposed to the USA’s domination of the region.

This was the first real and blatant Energy War of the ending 20th century, which was based on specious humanitarian pretexts. It clearly set the tone for US dominance in world politics, for the new unipolar world, and indicated that the US elite was prepared to use military power ruthlessly, in order to gain more economical power for itself, as the Clinton years were clearly waged under the banner of globalization in world affairs. Thus word had gotten out that ideological and political conflict and competition were out, and economic-financial were in, after the demise of Soviet communism.

While Russia failed, at first, to reinvigorate its economy via capitalism, the Chinese showed the world how a successful transition from a former socialist economy to a capitalist, should look like. Already during the Clinton years, members of the political establishment endorsed the view that China is a new threat to the USA. Jacob Heilbrunn even published an article in the New Republic entitled “The Next Cold War” in 1995, in which China was seen as replacing the Soviets as the new threat. In 1999, these fears of a nefarious China came close to hysteria, when the Republican leadership in Congress launched a furious campaign alleging that China had stolen crucial nuclear secrets from US labs. The reason why China did not become the new threat to the USA then, has among other things, to do with the fact that in 1993 a group of Islamic radicals set off a bomb in the basement of the World Trade Center, and afterwards US installations, like embassies, military bases, and even a warship (Cole) were frequently attacked by Islamic radicals. This, along with extensive media coverage (especially in the USA) of such events, led the public to believe that radical Islam was a new threat to the USA in particular and Western societies in general. September 11th 2001 was then the alleged proof that Islamic radicalism was the new threat to the USA & the whole world.
Now that more than 10 years have passed since Bush’s War on Terror, and the Obama Administration is announcing its withdrawal of troops from Iraq (now officially completed) and in 2014 from Afghanistan, a new outlook is captivating the power elite in the USA. This audacious policy is in favor of reducing the war burden of the War on Terror, and instead looking toward China as a threat to US security, especially in economic terms.

**China as a New Threat to the USA**

As energy and security expert Michael T. Klare has written in his article “Energy Wars 2012”: “... a single incident at an energy ‘chokepoint’ could set a region aflame, provoking bloody encounters, boosting oil prices, and putting the global economy at risk. With energy demand on the rise and sources of supply dwindling, we are, in fact, entering a new epoch --- the Geo-Energy Era, -- in which disputes over vital resources will dominate world affairs.”

Klare has recently written about President Obama’s 17th November 2011 speech, given at the Australian parliament, which reflects this new sentiment in US strategic thinking. There Obama himself revealed that the wars against both Afghanistan and Iraq have been very costly for the US in economic terms, by asserting: ‘After a decade in which we fought two wars that cost us dearly,’ ... ‘the United States is turning our attention to the vast potential of the Asia-Pacific region.’ Secretary of State Hillary Clinton reiterated what the President said by writing in Foreign Policy: ‘Over the last 10 years,’ ... ‘we have allocated immense resources to [Iraq and Afghanistan].” In The Militarization of America - At What Cost we can also read that: “In 2010, the United States will spend more on the war in Afghanistan than any other country in the world spends in total on the military.” And that the US has spent alone on the Afghan war $101 billion in 2010, while China, being the next largest military spender only spent $77.9 billion on its defense.
Summarizing the comments by Obama & Clinton an astute observer stated: “President Obama ... announced with remarkable bluntness, a new US strategy aimed at confronting Chinese power in Asia and the Pacific, by declaring ‘As we plan and budget for the future,’ ... ‘we will allocate the resources necessary to maintain our strong military presence in this region.’” At the heart of this lies establishing “maritime security” in the already volatile South China Sea. In Australia, the American President, thus, announced to the US government, the American people and the world at large a reversal of America’s geo-strategic foreign policy. The essence of Obama’s speech was that the US has to follow a new geo-political vision, in which it will focus and concentrate its power projection into Asia and the Pacific, instead of the Greater Middle East.

By doing so Obama followed the advice of his mentor Brzezinski, who already in 1997 made Asia the central theme of his book The Grand Chessboard. At the Australian parliament the US President stated: ‘My guidance is clear,’. ‘As we plan and budget for the future, we will allocate the resources necessary to maintain our strong military presence in this region.’ As Professor Klare, a shrewd observer of US foreign policy, summed it up: “While administration officials insisted that this new policy is not aimed specifically at China, the implication is clear enough: from now on, the primary focus of American military strategy will not be counterterrorism, but the containment of that economically booming land – at whatever risk or cost.”

**Washington’s New Cold War with China**

This also means that a new Cold War is in the making, since the US elite has decided that China is its true rival, whether in economic, geo-strategic military, or political terms. US officials adamantly concur with their President: the new emphasis on Asia and the containment of China “is necessary because the Asia-Pacific region now constitutes the ‘center of gravity’ of world economic activity.” Seen in this perspective, China has had the leeway it needed to expand its influence in
the region, because the USA was bogged down in Iraq and Afghanistan. And for the first time since the Second World War, the USA is no longer a dominant economic actor in this now vital Asia-Pacific region.

Washington’s reasoning is, thus, very simple: It must restore its primacy there and roll back Chinese influence. This, it is claimed, will be the most important foreign policy task of the USA. It hardly needs to be said that the Chinese elite will not stand by idle, as Washington tries to restore its hegemony, in what China considers its sphere of influence.

The new Cold War Anti-China policy has already been implemented by what some call “the Manila Declaration,” a pledge of closer US military ties with the Philippines. Simultaneously, the US has announced the sale of 24 F-16 fighter jets to Indonesia, while Hillary Clinton has visited Burma, a longstanding solid Chinese ally, and spoken of increased diplomatic and military ties with Singapore, Thailand, and Vietnam. These are all countries surrounding China or overlooking key trade routes that China relies on for importing raw material and exporting manufactured goods. As explained by US officials, these are all moves that are supposed to maximize America’s diplomatic and military advantages at a time when China dominates the region economically. President Obama, while in Australia, also announced the establishment of a new US base at Darwin at this nation’s northern coast, as well as expanding military ties with Indonesia and the Philippines. More importantly, in January 2012, Obama was at the Pentagon to discuss putting special emphasis on projecting US power into pacific by changing US military posture in the world. This corresponded flawlessly with the new extensive Defense Strategic Guidance document, titled “Sustaining US Global Leadership” that Obama and Secretary of Defense Leon Panetta revealed, on January 5th 2012, at the Pentagon. While calling for a smaller Army and Marine Corps, it demands an increased emphasis on air and naval capabilities, especially those important to the protection or control of international energy and trade networks. As expected it ‘tepidly’ reaffirmed historic US ties to
Europe and the Middle East; however, it placed ‘overwhelming emphasis’ on bolstering US power in ‘the arc extending from the Western Pacific and East Asia into the Indian Ocean and South Asia.’

To show its muscle and intensions, the USA has also conducted a series of striking military exercises in the strategic South China Sea, which includes joint maneuvers with ships from Vietnam and the Philippines. China has replied with naval exercises of its own, which led one scholar to conclude: “It’s a perfect formula for future ‘incidents’ at sea.”

Beyond naval power Washington also aims to increase its air power over China. An article published by David Axe, titled “Future War with China”?: New US Bomber Aimed at China?, states that General Gary North, commander of the US Pacific Air Force has hinted of the roles the new US bombers might play in any future war with China. North said that the key to defeating the new J-20 Fighter would be to prevent it from ever taking off from its mainland bases, meaning that US bombers might be used to attack Chinese airfields in the early hours of a conflict. The article goes on to assert:

$3.7 billion that’s how much the US Air Force proposes to spend over the next five years developing a new, stealthy, long-range, manned bomber likely specifically to penetrate Chinese air defences. The plan, included in the Obama administration’s 2012 budget, could lead to the production of around 100 new bombers by the mid-2020s—and could significantly tip the Pacific balance of power. ...

Last week’s bomber announcement marked the continued escalation of the arms race between the United States and China. Since early 2010, China has debuted a new stealth fighter prototype (the Chengdu J-20), brought ballistic anti-ship missiles into service and at least temporarily matched the
US in sheer number of satellite launches (15). Meanwhile, the United States has deployed long-range spy drones to Guam, test-flown a new carrier-launched drone fighter and begun development of new supersonic anti-ship missiles—all in addition to the new bomber programme. ... The new missiles and planes will be “decades ahead” of what other countries might possess, ...²¹

The author of the article then explains the current bomber situation between the USA and China:

The United States’ current force of some 160 B-1, B-2, and B-52 bombers, armed with guided bombs and missiles, already factors heavily into US Pacific war plans. But of these bombers, only the 20 B-2s have any ability to evade Chinese radars; the B-1s and B-52s could be vulnerable to Chinese fighters and surface-to-air-missiles. The new bomber would likely displace some of the B-1s and B-52s and result in a more survivable long-range force.

The US Air Force base on Guam already hosts a rotating detachment of B-52s and B-2s. As the new bomber nears service, the Air Force might install new “hardened” hangers—either buried or armoured—to protect the valuable planes from Chinese ballistic missiles, according to Gen. Gary North, commander of the US Pacific Air Force.²²

Secretary of State Clinton also warned that an economically weakened US can no longer hope to prevail in multiple regions simultaneously. “It must choose its battlefields carefully and deploy its limited assets – most of them of a military nature – to maximum advantage.” In Foreign Policy she admonishes: ‘In the next 10 years, we need to be smart and systematic about where we invest time and energy, so that we put ourselves in the best position to sustain our leadership [and] secure our interests. ... One of the most important tasks of American statecraft over the next decade
will therefore be to lock in a substantially increased investment – diplomatic, economic, strategic, and otherwise in the Asia-Pacific region.”

This leads Klare to conclude:

“Given Asia’s strategic centrality to global power, this means concentrating resources there.” ... Such thinking, with its distinctly military focus, appears dangerously provocative. The steps entail an increased military presence in waters bordering China and enhanced military ties with that country’s neighbours – moves certain to arouse alarm in Beijing and strengthen the hand of those in the ruling circle (especially the Chinese military leadership) who favour a more activist, militarized response to US incursions.”

Whatever forms that takes, one thing is certain: the leadership of the globe’s number two economic power is not going to let itself appear weakened indecisive in the face of an American build-up on the periphery of its country. This, in turn, means that we may be sowing the seeds of a new Cold War in Asia in 2011.

At the heart of the new geo-strategic struggle between the USA and China lies the aforementioned South China Sea. This vital area is a focal point for 4 continents, by being a primary avenue for commercial shipping between East Asia and Europe, the Middle East and Africa. Moreover, due to oil and natural gas discoveries, it has become important as a potential source of energy, as large reserves of oil and gas are now believed to lie in subsea areas surrounding the Parcels and Spratlys islands. It is thus not surprising that the area has been claimed by half a dozen surrounding nations. As clarified by Klare: “With the discovery of oil and gas deposits, the South China Sea has been transformed into a cockpit of international friction. At least some islands in this energy-rich area are claimed by every one of the surrounding countries, including China – which claims them all, and has demonstrated a willingness to use military force to assert
dominance in the region. Not surprisingly, this has put it in conflict with the other claimants, including several with close military ties to the United States.” Notable lately the conflict has been with Japan, which is still the 3rd largest economy and a nation that the USA has a defense treaty with from 1960 that stipulates if Japan is attack it would be the duty of the USA to defend it.

While the USA was previously busy with Iraq and Afghanistan (which also possess tremendous resources), it has now entered the struggle on the side of the ASEAN nations, opposing Chinese dominance of the South China Sea. The US has given full vocal support to these nations in order to negotiate en masse with China. This means that the USA is trying to deny China this crucial geo-strategic area, while simultaneously endeavoring to gain access to it. When two of the world’s largest economies (USA & China’s) are competing for such a geo-strategic piece of real estate, in an era of globalization where vital resources have become scarce, it only takes a spark to set off an international crisis between them. And the spheres of influence have already been drawn by either power in opposition to each other, as the Chinese Foreign Minister Yang Jiechi promptly warned the USA not to interfere in this region. His statement that any interference by the USA ‘will only make matters worse and the resolution more difficult,’ led directly to a “war of words” between Beijing and Washington. In July 2011, the Chairman of the Joint Chiefs of Staff Admiral Mike Mullen visited China and delivered a “barely concealed threat” by saying when it comes to possible future military action,; ‘The worry, among others that I have,’ .... ‘is that the ongoing incidents could spark a miscalculation, and an outbreak that no one anticipated.’

The Newly Enforced Energy Strategy of the USA

Washington’s new containment strategy against China is based on China’s rapidly growing energy needs, most of all in the form of oil – the world’s most precious resource. It was in early 2001, before 9/11, that Vice-President Cheney argued that the US needs to secure new oil resources from regions
besides the Middle East, which was seen as being rather unstable, and thus problematic for America's oil requirements. Cheney emphasized, above all Central Asia, as the new US domain for both oil and gas. It is not surprising that 9/11 finally delivered the near ideal pretext for the neo-cons, like Cheney, to invade this oil and gas rich region of the world. The invasions of both Afghanistan and Iraq are in turn geo-strategic moves of paramount significance, since it means that the USA has secured its oil and gas needs at a fabulous long term cost to its rivals. These rivals are obviously China, the E.U. nations, Japan, and Russia, including to a lesser degree the emerging economies of India and Brazil, who will also need increased supplies of oil and gas. By invading and then controlling the immense oil reserves of Iraq (seen as the largest in the world next to Russia's, and being the most high grade in quality) and invading Afghanistan, which has at least $1 trillion in precious metals, the US elite accomplished an imperial goal of classical geo-strategic dimensions.

With this coup in mind, the US elite decided that the time has come to confront China, over what they perceive to be China’s oil weakness. Some basic statistics will suffice to explain this new strategic thinking. In 2001, China only consumed 5 million barrels per day, and with a domestic output of 3.3 million barrels needed to import only 1.7 million barrels. But as China’s booming economy keeps growing at rapid rates things have changed drastically in terms of China’s energy needs. With the emergence of a sizable as well as growing middle class, the country’s oil consumption is exploding. In 2008, it was running at about 7.8 million barrels per day, and according to recent projections by the US Department of Energy it will reach 13.6 million barrels in 2020, and 16.9 million in 2035. While domestic oil production is only expected to grow meagerly from 4 million barrels per day in 2008 to 5.3 million in 2035. This means that in order to keep up the rapid industrialization and modernization of China and its economy Chinese imports are going to take off from 3.8 million barrels per day in 2008 to a projected 11.6 million in 2035 – at which time they will surpass those of the USA.
As already stated the USA, in stark contrast, can be much more relaxed about its energy needs. Not only has it controlled, via war, the tremendous oil resources of Iraq, but it also can look toward an increased exploitation of its own oil fields. In so-called “tough oil” areas such as the Arctic seas off Alaska, the deep waters of the Gulf of Mexico and shale formations in Montana, North Dakota, and Texas; future imports are expected to decline, even as energy consumption rises. Furthermore, more oil is likely to be available from the Western Hemisphere rather than the Middle East or Africa. This is again be done via the “tough oil” areas including the Athabasca tar sands of Canada, Brazilian oil fields in the deep Atlantic, and increasingly pacified energy-rich regions of previously war-torn Colombia. And while almost all areas of the world will be experiencing a decline in oil production, the US Department of Energy forecasts that for the USA, Canada, and Brazil combined oil production is going to climb to 10.6 million barrels per day between 2009 and 2035, which constitutes an enormous jump.\footnote{32}

But even leaving all other (foreign) nations aside, the undeniable fact is that: "At current consumption rates, the United States has enough oil to last into the 23rd century without ever importing a single drop of oil from another country. ... Goldman Sachs is predicting that the United States will be the number one oil producing country in the world by the year 2017."\footnote{33} Ever since the days of Jimmy Carter there has been suppressed evidence that the USA has huge oil resources but keeps them hidden\footnote{34} for future use, when other nations will have depleted theirs to a large extent.\footnote{35}

All of this has emboldened the White House to take a long term step toward “containing” China; much like the former Soviet Union was contained during the Cold War. One cannot fail to notice how the new energy enforcement strategy against China is reminiscent of Washington’s Cold War energy strategy against Japan. At the start of the Cold War, US scholars like George F. Kennan came up with the plan to let Japan develop its economy while keeping a veto power in US hands by making sure that Japan, as a nation without
domestic oil, could always be brought to its knees by the US navy, if it blocked Japan’s oil supply routes with its huge navy. Japan was then even more dependent on imported oil than China is today.

Seen from a global perspective, this means that the US elite will be able to envisage a gradual loosening of its military and political ties to the Middle East, which has dominated its foreign policy for so long and led to those costly and destructive wars. The Arab Spring, which is primarily initiated by the US elite, will do the rest, it is hoped in Washington to install more pliable rulers and to give the Arab masses the confused democratic system that has failed throughout the world. It is, thus, indeed as President Obama said in Australia that the US is now in a position to refocus its military capabilities elsewhere. And by elsewhere he clearly mentioned the Asia-Pacific region, which is a euphemism for China, or the region that is dominated by China.

For China this means potential trouble to at least some extent. Although some of Chinese imported oil will travel overland via pipelines from Kazakhstan and Russia, the overwhelming majority of it will still come by tankers from the Middle East, Africa, and Latin America over sea lanes patrolled by the US Navy. Even worse for China, “almost every tanker bringing oil to China travels across the South China Sea, a body of water the Obama administration is now seeking to place under effective naval control.” As Klare so succinctly outlined: “by securing naval dominance of the South China Sea and adjacent waters, the Obama administration evidently aims to acquire the 21st-century energy equivalent of 20th-century nuclear blackmail. Push us too far, the policy implies, and we’ll bring your economy to its knees by blocking your flow of vital energy supplies.”

There is mounting evidence that this is deeply worrying the Chinese leadership, for instance by the fact that the Chinese government has undertaken frantic efforts to build remarkably expensive pipelines across the entire expanse of Asia to the Caspian Sea basin. There should be no doubt that
the Chinese leaders will respond to the US plans by taking steps to ensure the safety of China’s energy lifelines. Some of these responses will be economic and diplomatic, however; others will be military ones. Thus a significant military build-up of the Chinese navy seem all but inevitable, especially when compared to the US navy it must still be considered small and backward. Likewise closer military ties between China and Russia, as well as with Central Asian member states of the Shanghai Cooperation Organization seem now unavoidable. A clear danger would be that US provocations of this kind could provoke a genuine Cold War like arms-race between the USA and China. Especially in such present recessionary times, it needs hardly be mentioned that neither country could really afford such an arms-race.

Fact of the matter is simply, if the US leaders go ahead with their “containment” energy enforcement policy towards China, then all that is needed to set off a New Cold War would be a rather insignificant incident, such as the one in the past, when in 2001 a US spy plane was damaged by a near total collision with a Chinese fighter jet. This resulted in a heated diplomatic row between the two governments, until both decided to bury the incident. However, with regard to the new US strategy the Chinese leadership will hardly be in a position to forget and forgive such violations of what they consider to be their territorial sovereignty. Giving in to the USA would then be hardly conceivable for any top Chinese politician, and seen as weakness in the face of US aggressions and provocations. This is a scenario ripe for potential escalations on both sides, as likewise US politicians are known for their quick response to patriotism, especially in the face of any foreign threat. Why the New US ‘Containment’ Strategy is bound to fail

There are certain, very likely, reasons why the new US ‘Containment’ strategy is bound to fail. First of all, China is not the former Soviet Union, which was effectively contained most of all by its own ideological and economic system of
It wasn’t just the fact that US containment policy blocked the Soviets into their sphere of interest; it was above all Soviet policy not to integrate into the capitalistic world system, which was dominated by their "arch rival" the USA. (While, thus, containment worked after some 45 years of being practiced, the situation today with China is entirely different). Despite the fact that China’s oil needs are going to increase in the future, China is clearly not blocked into its own sphere of influence, as it was during the Mao years, during the Cold War. Far from that being the case, China has been integrated into the capitalist world economy since Deng Xiaoping decided to change China’s foreign policy and economic development back in 1978.

Second of all: Today China is one of the key countries upon which the world economy relies. Due to this fact, China has often been referred to as the world’s factory. There is hardly any doubt that without it supplying vast amounts of goods relatively cheaply the world economy would face an even more severe recession, than is already the case. Therefore, US ‘containment’ policy of China is likely to hurt the US almost as much as it is China, if it were successful. Since it is a well known fact that the US is importing vast amounts of goods from China every year, without these cheap goods being supplied by China the US public and economy could hardly go on living beyond their means, as they have done so ever since the US went from being the greatest lender nation to the greatest debtor nation in 1984 – during the middle of the Reagan years.

The idea that by limiting and controlling the oil flow to China will somehow give the USA a veto power over China’s industrialization and modernization is then a short sighted one. For who is going to replace the very efficient “world factory”, once it is no longer able to keep up its industrialization efforts? The USA cannot hope that simply looking for other supplier countries will ever compensate for the huge amount of goods that it receives from China, because there is no single country or even a combination of countries that can replace China as the world’s number one
manufacturer of goods. Not only is China able to virtually out perform any other competitor pricewise, but it is also the only country capable of manufacturing such huge amounts of goods, that is unsurpassed by anyone else. Thus any ‘containment’ of China would automatically backfire at the USA’s economy. Thirdly, it is also well known that China is by far the number one country buying US treasury bills thereby keeping the US economy afloat. No other nation can even remotely match the amount of treasure bills that China has been buying in the past decade, for the simple reason that China more than a $ 3 trillion surplus cash reserve at its disposal. Even nations like Germany and Japan, whose economies have been great export success stories, cannot match such gigantic cash reserves. This is another reason why the US strategic thinking is faulty: Even if the US could cut oil supplies going to China, China could retaliate by simply refusing to buy anymore US treasury bills or even dumping them. This would have devastating consequences for the US economy and most, of all, the Dollar. The US economy has become dependent on a few nations and investors world-wide that continue to buy US treasury bills, with which the US borrows money from those nations and investors. Without this happening on a continual basis the US economy would be broke for all practical purposes. At present the US is borrowing at least $ 2 billion Dollars a day from abroad, in order to stay financially afloat. Even more ominous is that China holds over $1.3 trillion in US Treasury notes. Without this money coming in from foreigners the US economy would face very serious consequences, as the only other way of generating it would be to go even further into debt, by simply printing more dollars. But this would mean not only increased inflation but also that the trust in the Dollar world-wide would start to decline even further. And this is clearly a situation that the US elite is trying to avoid, virtually at all cost.

Fourthly, there is another reason why the USA’s containment policy towards China is bound to fail. And this one has to do with so-called rare earth minerals, which China has plenty of (over 90% of the world's) and in the past had
been willing to export, especially to the USA. These rare earth minerals are essential for any industrialization efforts, and are thus indispensable for any modern economy. But recently China has been reducing its exports of rare earth minerals, such as copper and zinc so that the US will feel the difference.\textsuperscript{41}

Another reason has to do with alternative energies and technologies, such as solar, wind, geo-thermal, electromagnetic, and wave energies. These are renewable energies and China has invested heavily into them so that it becomes far more energy independent than the USA. As the authors of \textit{Red Alert} have written in 2011: "A large part of the country’s 4 billion yuan (\$585 billion, or, more accurately, \$ 2.5 trillion on a purchasing power parity basis) stimulus package was devoted to building up its infrastructure, including substantial spending on alternative energy. This public spending will help boost the country’s long-term growth while leaving it far better positioned to withstand resource scarcity."\textsuperscript{42} In sharp contrast to the USA, China has a definite alternative energy plan that it plans on achieving by 2020. By this time China’s authorities have planned that 15-20\% of its energy needs will be covered by alternative energy sources.\textsuperscript{43}

This plan will affect the USA in two crucial ways. First of all, it means that China will have a huge head start in establishing alternative energy plants. And second, it means that rare earth minerals, such as copper and zinc will become rapidly scarcer, because they are very much needed to build the alternative energy plants. This in turn means that China will be consuming most of the rare earth minerals in the world, while the USA will not be able to get enough of them for its industry, and even more crucially for its own inevitable alternative energy program, once the non-renewable resources such as oil, gas, and coal run out.\textsuperscript{44} Also China is the leading producer of solar panels in the world. This means, as the authors of \textit{Red Alert} state: “The bottom line is that if the United States ever gets serious about solar energy, all roads must go through China. That’s potentially disastrous. For
recently China has indicated that as with rare earths, it’s planning to cut back on its exports of the metal.”

The irony of it all is that while US foreign policy is now to contain China with the help of oil, it will soon be the USA which will feel a resource pressure. According to Red Alert:

it’s clear that the United States can no longer assume that fossil fuels are available for the taking. Their growing scarcity has been a major reason that the 2000s were one of the worst decades for Americans economically. And this scarcity will only grow. Without other sources of energy, which require scarce minerals, our lifestyles will continue to decline—perhaps exponentially. ... *We need new energy sources in the worst way to offset this expected decline.* That means renewable energies are going to have to play an increasing role. The two most scalable renewables are wind and solar. Yet we lack the materials to scale up in either one. These essential materials are either monopolized or controlled by the Chinese.

So instead of the USA using strategic resources (like oil) to compel China to act according to US demands, it is far more likely, in the near future, that the Chinese will be the ones who can pressurize the USA by using alternate energy resources. This turns the US strategy of containing China virtually upside down, and shows the many flaws in US strategic thinking, when considering a new Cold War with China.

There is another simple reason why such a war will hardly be able to achieve US goals of containing China, and that is the economic relationship between the two countries. During the Cold War the USA and the Soviets never had much of an economic relationship, as containment prevented this from happening. Even during the détente phase of that relationship trade between the two superpowers remained rather limited. Not so with China, since 1978 the US market has been a primary target of the Chinese, and likewise US multinational
companies have invested heavily in China. So the whole idea of a containment strategy towards China is misconceived.

Also strategies like using India to keep China in check in a geo-political and military manner are based on assumptions about the future relationship between China and India. And the future remains uncertain. Whether China and India will be rivals in the future is hard to say, and there is a reason for them to cooperate more than to confront each other. For one thing, India will recall only too well its 1962 defeat at the hands of China. And the China of today is certainly more powerful than it was in 1962, whether looked at in economic or military terms. Perhaps even more important, economically there is a huge potential for trade between China and India, as the 2 giants have rather differentiated economies: the Chinese is primarily a hardware based one, while the Indian is software & service orientated. These are virtually predestined to exchange trade with each other, as both operate on very competitive (low) prices. Thus trade would certainly be mutually beneficial for both countries. Equally both have been making fast technological progress. It is thus not very likely that India is going to take the US bait of confronting China; rather, it is likely to use the USA against Pakistan. This will then mean that US foreign policy has failed to enlist India as a frontline state against China, and; hence, making both the “containment strategy” as well as the US geo-political strategy of India rather futile.

Review

The ideological menace of Soviet Communism is no longer around and thus no longer available to justify an arms race with the Soviet Union, but the mighty military-industrial complex (m.i.c.) in the USA is still around and so integrated into the US economy that it needs enemies abroad in order to sustain itself and generate huge profits for big business in the USA, and its few US trans-national corporations.

Since after a dozen years militant, radical, & fundamentalist Islamic terror has reached its limit as a
convincing enemy, a new threat and potential enemy has to be found for the m.i.c., since the entire US economy cannot survive without feeding this entity. However, China is today far more capitalistic than communistic so that a revival of a communist threat is not likely to be seen as convincing enough in the eyes of the world. The problem for the US elite is, however, that China, much like Japan, is gaining too rapidly in economic terms for the US power elite to remain complacent.

Hence, the US power elite is reverting back to classical geo-political realism by claiming that the world’s strategic resources are running out (a claim that has been, at the very least contested, if not repudiated), and by conveniently targeting China as the new threat to its security and dominance. However, the folly of such thinking is that China is the main financier of the USA, and that this world’s factory cannot be replaced any time soon. It is, thus, the strategy of the US power elite to cover-up the fact that there are abundant resources in the USA (oil & gas, etc.), and that by doing so the prices for these resources will not only rise in the meantime, but ultimately that the US elite stands to gain enormously once other nations have used up and sold most of their precious resources to the USA for virtually worthless Dollars. Yet, it appears that China has recognized this trap and is trying to maneuver out of it; nonetheless, there is now a symbiotic relationship between China being the primary financier of the USA and the USA needing China to live beyond its means, while simultaneously China knows that doesn’t want to discard 60% of its Dollars out of an astonishing (more than 3.66 trillion valued in Dollars)\textsuperscript{17} in foreign exchange earnings that China has earned over the last 3 decades, since that would not only damage the US economy but also China, as these Dollars would then be worth much less. However, since about 2010, the US power elite has decided to force China into an arms-race that it hopes will keep China from realizing its potential to become the primary rival to the USA economically speaking. This Cold War mentality is supposed to keep China in line and make it subservient to the US elite. It is primarily via its technological superiority that the USA is trying to dominate China and the
Pacific region, but such a strategy is bound to fail due to China's huge deposits of rare earth minerals, that are needed to develop alternative renewable energy sources, while technologically China is also taking the lead in the marketing and developing such resource based energy sources. It should also be noted that last year, and this year China had the fastest supercomputer in the world, almost twice as fast as the next US one. Finally, a new Cold War initiated by the USA may force Russia closer to China, since they both feel the overbearing presence of the USA in Central Asia. This would be precisely the phenomenon that US strategist has been trying to avoid all along.

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Notes

1 There is evidence that resources are deliberately held scarce so that they can be sold for a higher price. At the Kimberly Diamond factory diamonds are for instance destroyed, see for example: Zeitgeist II, 2008. The same can be said about oil production, as the USA for example had the "problem" in the late 1970s & early 1980s that its extraction technology for oil was too efficient; this led to the intentional slowing down of oil production, from especially the Middle East, as Iran, for instance, was politically manipulated during its 1979 revolution so that oil production decreased, thus giving the owners, especially - the Rockefellers - higher prices for oil. See: Blackwood, Peter: Die Netzwerke der Insider, Verlag Diagnosen, Leonberg, 1990. Mansur Khan: Die geheime Geschichte der Amerikanischen Kriege, 3rd ed., Tübingen 2003.

2 Michael T. Klare's 2008 book Rising Powers, Shrinking Planet – The New Geopolitics of Energy addresses these issues and themes, with regard to energy hungry newcomers China & India, and a revitalized energy possessing Russia all competing with a hegemonic USA, which is bound to lead to conflict and war if no cooperative solution is found.

3 Usually the World Bank is cited with the date given being 2035 when China's economy will overtake the USA's. However, there is also skepticism claiming that in order to achieve this monumental task China's GDP will have to continue to grow by around 10% or so until 2035. While it has done this in the past 15 years, there is doubt because of the current
Great Recession, as well as the fact that China will encounter increasing problems with inflation, forced currency appreciation (mostly by the USA), uprisings by its unemployed, underemployed and unprivileged population and huge environmental degradation taking place. Some also see China’s rise as primarily dependent on Western financing and MNCs. James Petras, for instance, sees China’s development as an outpost for imperial powers, whose MNCs and banks have extensively bought into China’s economy and are already taking over the more lucrative businesses, while leaving the more labor intensive (less profitable) ones to the Chinese. He also sees a huge economic disparity between the few wealthy billionaires at the top and the still impoverished masses. Another view is that China has already surpassed the US economy in real terms (purchasing power parity) and that it’s only the service industry that is keeping the USA in a dominant position; however, as I wrote elsewhere the US is primarily dominant because of the Dollar, which is still the vehicle currency of the world. (See my article in *Islamabad Strategic Studies Institute*, 2012.)

4 George Bush Senior, as US President, torpedoed all Arab, as well as other (European and Russian) peace and diplomatic efforts to solve the crisis without military force, as that would not have led to the destruction of Iraq’s military potential and wouldn’t have gotten rid of Saddam Hussein, which is what the US elite thought would happen once his military potential would be destroyed. It was hoped by the US elite that a more pliable Iraqi strong man would take over and let US NMCs take over the Iraqi oil industry, especially since Iraq still owed billions of Dollars to Western MNCs. See my PhD. & book (*Die geheime Geschichte der Amerikanischen Kriege, 2003*) on this important topic.


7 It would simply be too much to show that both the attack on the W.T.C. in 1993 & again in 2001 doesn’t make sense if one has the pertinent and relevant (background) information. For example, the US government claimed right after 9/11 that it had incontrovertible evidence that Osama bin Laden and Al Qaida carried out the terrorist attacks in 2001; however, this so-called evidence was never revealed to the world, which makes everything very suspicious to say the least about the US government’s involvement in both 1993 & 2001. One can certainly assert that if the US government had incontrovertible evidence that it would have immediately shown it to the world, as even before 2001, plans existed to attack both Iraq (going back to at least 1992) and Afghanistan before 9/11. See, among plenty other sources, the authors: *Die geheime Geschichte der Amerikanischen Kriege & Das Irak-Komplott – Mit 3 Golfkriegen zur US Weltmacht*, Tubingen 2004.


Ibid.


Ibid.


Ibid.


Ibid.

Ibid.

Ibid.


Ibid.


Ibid.


Ibid.

Ibid.

Ibid.


Ibid.

Ibid.

Ibid.

Ibid.


There is also plenty of evidence, too numerous to mention, that the USA has itself large reserves of oil (some claim for about 200 years or more), but its strategy is to use up oil from the rest of the world by giving it highly inflated Dollars. See among other sources: Blackwood, Peter: Die Netzwerke der Insider, Verlag Diagnosen, Leonberg, 1990.

http://endoftheamericandream.com/archives/the-united-states-has-plenty-of-oil-10-facts-about-americas-energy-resources-that-will-blow-your-mind [Newspaper articles have also articulated this astonishing fact.]
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35 As told to the author in class while in a US high school by his 11th grade history teacher.
36 Chua, Amy: World on Fire – How Exporting Free Market Democracy Breeds Ethnic Hatred and Global Instability, Random House, New York 2003. This is an excellent source for refuting the US governmental mantra that democracy & “free market” neo-liberal economics are a panacea for all who adopt them. The harsh reality has been historically that the advanced (post) industrialized nations, like USA & U.K. thrived on protectionism not “free trade” and that even after 150 years for both the USA & U.K. these nations are still not running their economic systems on “free trade”. On this crucial point see: Chomsky, Noam: Profit over People.
38 Ibid.
42 Ibid, p. 192.
43 Ibid, p. 69.
44 Ibid pp. 70-71. [This is another theme of the book Red Alert – How China’s growing prosperity will strangle world growth, Business Plus, New York / Boston, 2011]
47 China’s US debt holding pass $1.3 trillion, By Michael Barris, New York, (China Daily USA) 2013-12-17 cited from: http://usa.chinadaily.com.cn/us/2013-12/17/content_17178139.htm
48 China beats America to the world’s fastest supercomputer title- and it’s faster than 338 Million ordinary PCs put together, by Victoria Woollaston, 17 June, 2013, cited from: http://www.dailymail.co.uk/scienceetech/article-2343265/New-Chinese-supercomputer-worlds-fastest-speeds-equivalent-338-million-ordinary-PCs-together.html
THE SINO-PAKISTANI TRADE
AND INVESTMENT RELATIONS

Dr. Ahmad Rashid Malik

Abstract

Pakistan and China enjoy a cordial relationship over the years. However, economic relations such as trade and investment remained relatively low and they do not commensurate with the level of their strategic understanding on global and regional matters. There is an urgent need to significantly upgrade their economic relations. Pakistan needs drastic structural changes in trade and investment pattern. The country must devise strategies to attract mammoth amount of Chinese global investment, which will increase to US$ 5.2 trillion by 2020. The new Chinese leadership has been balancing its relations with other South Asian countries to create a much favourable environment for an expanded trade and increasing investments. This will also lower down political tension in the region. The recent transfer of Gwadar Port by Pakistan to China should be seen in increasing trade and investment ties between the two countries and in the much larger economic perspective of South Asia and the Gulf.

Introduction

Pakistan’s relations with China are of considerable importance. Both countries have emerged as strategic partners by the early 1950s. It is also interesting to note that the foundation of this relationship was developed during the high Cold War tension across Asia. During this period both countries further softened their ties with much deeper strategic thinking on many diverse and complicated issues. It is also a relationship to see how ideologically and culturally different nations could build a lasting model of friendship.

The mutual and highly beneficial relationship between Pakistan and China faces many challenges. This situation has
not only been generated out of diverse opinions and views that China has developed with other nations in the region, it is also because of emerging convergence and cooperation between many of these nations and China. Both China and Pakistan need to re-shuffle their mutual priorities to deal with a number of the emerging challenges in the region. Pakistani policy-makers must evaluate the emergence of the new Chinese leadership and their strategic, political, and economic policies. This will help to frame a much pro-active policy towards China. In the prevailing circumstances, strategic partnership between them must become an economic relationship. Bilateral trade needed to be expanded. Investments are in the initial stage. Gwadar Port transfer to China has been generating new economic opportunities.

This paper will look at the patterns of bilateral trade between Pakistan and China over the years. Trade relationship, however, does not commensurate with the level of political and diplomatic understanding between the two countries. The paper will also highlight China’s trade with South Asia to analyse the significance of bilateral trade between Pakistan and China. More than the trading constraints, Chinese investment in Pakistan also presents a dismal situation for a number of reasons which has been dealt in this paper. Nevertheless, it has been realised that the transfer of Gwadar Port to a Chinese port and shipping company will greatly enhance the existing trade and investment between the two countries.

Expanding Bilateral Trade

Trade can foster better understanding between nations. Like-minded countries could even use their bilateral trade as a useful strategic tool to promote relations. Adversaries can decrease the level of mutual hostility by promoting bilateral trade. However, even a highly structured bilateral trade could lead to disputes and frictions among partners like United States and Japan and United States and China, for instance. United States accuses both Japan and China for using unfair means of their more exports to it and lower imports from it.
Now China has replaced Japan as US ‘trade foe or partner’. Trade surplus or deficit affects this relationship. Undervaluation of the exporting country’s currency is being taken as of more political of the argument rather than the genuine economic concern of the importing country.\(^1\) Fierce divergent views lead to levelling trade sanctions. Further, trade hostilities have never been one-sided. In spite of differences, trade is being use to foster ties between them.

Against this backdrop, Sino-Pakistani bilateral trade does not present a model to be emulated. In spite of mutual understanding and close diplomatic relations, their bilateral trade has been slowly and gradually increased over the years. Bilateral trade has crossed the barrier of nearly US$ 12 billion by January 2013, which is expected to touch down the level of around US$ 15 billion in coming years.\(^2\) This growth was the result of the Early Harvest Program (EHP), Preferential Trade Agreement (PTA), Free Trade Agreement (FTA), and various other favourable policy frameworks that have been adopted after 2005 when trade hovered around just US$ 3 billion.\(^3\)

This commercial relationship, which was fully backed by national leadership at both ends, has gradually developed. A brief glimpse at their bilateral trade reveals that it had remained quite inconsistent over decades. For example, if one looks at the growth of bilateral trade decade-wise, it has remained rather quite low and far beyond their bilateral expectations. Trade has only improved in the past decade (see Figure 1 below). It was also interesting to note that between 1960-70 the two-way trade had remained just US$ 18 million in 1960 and US$ 73 million by 1970.\(^4\) This was also the period when both countries laid down the strategic structure of their bilateral relations. By 1980, bilateral trade has increased to US$ 402 million and further it increased to US$ 424 million by 1990.\(^5\) Bilateral trade has not jumped to more than US$ 722 million in 2000. By then in the next ten years, trade rose to US$ 11 billion (see Figure 1).

Surprisingly, Pakistan exported goods worth US$ 15 million in 1960. In the next fifteen years, exports were rather
deteriorated and gone down to US$ 14 million in 1975. Again in 1980, Pakistan’s exports to China increased to US$ 221 million but sharply declined to US$ 67 million in 1990, instead of increase in this decade (see Figure 3 below). During 2000-10, exports have risen to US$ 237 million to US$ 1.5 billion. As far imports from China were concerned, they steadily increased from a meagre amount of US$ 4 million in 1960 to as high as US$ 9.2 billion by 2010 (see Figure 3 below).  

Up to 1971, trade slightly tilted in favour of Pakistan. From 1984 onward, China trade surplus against Pakistan continuously grew. By 2010, Pakistan’s trade deficit vis-à-vis China stood around US$ 7.7 billion.

**Figure 1: Decade-Wise Bilateral Trade Growth between Pakistan and China**

(US$ Million)

Figure 2: Decade-Wise Pakistan’s Exports Growth with China

(US$ Million)


Figure 3: Decade-Wise Pakistan’s Imports Growth with China

(US$ Million)

If one looks at Pakistan-China trade in the Asia-Pacific perspective, the trade has of very little value and almost invisible in front of massive trading partners. In 2011, Pakistan exports to China had remained around US$ 1.9 billion, while imports from China were recorded around US$ 9.2 billion, thus making the two-way trade US$ 11 billion. On the other hand, despite strategic divergence, the China-India trade has considerably improved and it stood around US$ 74 billion for the same period. This trade has been more than six-times higher than the Pakistan-China trade. China-Japan trade i.e., US$ 345 billion has no match for the Pakistan-China trade. Japan, United States, and China have been important trading partners of China in Asia-Pacific. Same is with true for Australia and Singapore.

Pakistan has to make enormous efforts to enhance the level of its trade with China. They need to be realistic instead of officially-led rhetoric of ‘promotion of bilateral trade ties’. It is not enough. Much more ground-breaking tasks should be made to put the trading ties in the right direction. Deep structural reforms are needed in their bilateral trade especially Pakistan’s industry needed to be revamped and agriculture to be highly modernised. Major investments are needed in Pakistan’s economy by changing the existing industrial outlook to make it dynamic and Pakistani workers competitiveness like Chinese workers in the global economy. Accusations from either side would not serve any purpose because trade is actually beyond political intervention, diplomatic patronisation, and non-business ethics. If a devalued Yuan could make China a rising economic power, then why a constant devalued rupee in Pakistan from 2008 to 2013 could not recover its economy? Other factors need to be look at. The real challenge is on the internal factors, which needs a constant improvement. Pakistani side has to focus upon these trading ethics and factors.

**China’s Trade with South Asia in 2011**

China’s trade with the whole South Asia was recorded around US$ 90 billion of with the big chunk was taken by
India, i.e., US$ 73 billion in 2011.\textsuperscript{11} Pakistan has been regarded the second important trading partner of China in South Asia with a trade hovered around US$ 11 billion for the same period.\textsuperscript{12} The trade of Bangladesh and Sri Lanka have recorded around US$ 8 billion and US$ 3 billion respectively.\textsuperscript{13} Nepal got around US$ 1 billion trade with China. Its trade with the war-toned Afghanistan estimated around US$ 239 million.\textsuperscript{14} Maldives and Bhutan have an insignificant trade with China (see Table below). Some argue that in order to enhance China’s trade with as many as 33 developing countries including Nepal, Maldives, and Bhutan, China offers zero to 3.3 percent tariff to these countries, which put Pakistan in a disadvantageous position to compete with these countries in exports to China.\textsuperscript{15} They say that bad business practices should also be eliminated.\textsuperscript{16} In order to increase Pakistani exports to China, Pakistan has to compete with the Association of the South East Asian Nations (ASEAN). China and ASEAN have signed the ASEAN-China Free Trade Area (ACFTA) that came into effect on 1 January 2010, which makes 90 percent exports and imports to zero tariff. After 2010, tariff has been set to be zero to 5 percent.\textsuperscript{17}

\textbf{Table 2: China’s Trade with South Asia in 2011}

(US Million)

\begin{center}
\begin{tabular}{lcccccccc}
\hline
 & India & Pakistan & Bangladesh & Sri Lanka & Nepal & Afghanistan & Maldives & Bhutan \\
Series 1 & 73901 & 11211 & 8077 & 3437 & 1194 & 239 & 97 & 17 \\
\hline
\end{tabular}
\end{center}

China’s trade with India and Pakistan has been on the upward trend. Much more institutional arrangements are needed to upgrade Pakistan-China trading relations. So far China has signed nine-Free Trade Agreements (FTAs). After Hong Kong, Macau, and Chile, China signed the FTA with Pakistan. The FTA took effect in July 2007. On February 21, 2009, Chinese State Councillor Dai Bingguo and President Asif Ali Zardari witnessed the signing of the Agreement on Trade in Service of the China-Pakistan FTA, which came into effective operation on 10 October 2009. Earlier, both countries had signed the Preferential Trade Agreement, PTA, in October 2004. The Early Harvest Program (EHP) was launched in November 2006. The FTA would bring tariff to minimum level in goods and services within the stipulated period of time. The FTA had not only a mile-stone in Pakistan-China economic relations; it was a major breakthrough in China’s economic relations with South Asia. So far China has not signed any other FTA with any other South Asian country. China-India FTA has been in the process of consideration along with Japan, Korea, and Switzerland. The Sino-Pakistani FTA would serve as a basic locomotive of enhancing trade between South Asia and China. Apart from India, there is also no other FTA in the process of consideration between China and any other South Asian country at present. Admittedly, the Pakistan-China FTA shows the growing trust in furthering the cause of mutual economic relations between the two. Pakistan has to utilise the full strength of FTA.

Luring Investment

Pakistan has been facing a number of multiple challenges for the promotion of its Foreign Direct Investment (FDI). War on Terror and fast deteriorating law and order situation, besides bureaucratic corruption, red-tapism, bad governance, lack of business ethics, and utilities cost severely affect investment climate in the country. Against this background, the FDI outlook has been quite discouraging right after 2008 when the total FDI was recorded around US$ 5.2 billion, which steadily increased from 2001-2. Moreover, from 2008
onward, FDI declined to US$ 3.7 billion in 2008-9. With further decline, the FDI decreased to US$ 2 billion in 2009-10. The declining trend continued in 2010-11 by further decreasing to US$ 1.6 billion and US$ 812 million next year (see Table below).

**Table 3: Pakistan’s Foreign Direct Investment (FDI) during 2000-2012**

(US$ Million)

<table>
<thead>
<tr>
<th>Year</th>
<th>FDI (US$ Million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000-01</td>
<td>485</td>
</tr>
<tr>
<td>2001-02</td>
<td>798</td>
</tr>
<tr>
<td>2002-03</td>
<td>949</td>
</tr>
<tr>
<td>2003-04</td>
<td>1,524.00</td>
</tr>
<tr>
<td>2004-05</td>
<td>3,521.00</td>
</tr>
<tr>
<td>2005-06</td>
<td>5,139.60</td>
</tr>
<tr>
<td>2006-07</td>
<td>4,099.80</td>
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<tr>
<td>2007-08</td>
<td>3,719.90</td>
</tr>
<tr>
<td>2008-09</td>
<td>2,150.80</td>
</tr>
<tr>
<td>2009-10</td>
<td>1,634.80</td>
</tr>
<tr>
<td>2010-11</td>
<td>812.6</td>
</tr>
</tbody>
</table>


Table 4: Foreign Direct Investment in Pakistan during 2000-12

(US$ Million)

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>China</td>
<td>436</td>
<td>624</td>
<td>31.0</td>
<td>61.0</td>
<td>14.5</td>
<td>28.0</td>
<td>15.7</td>
<td>19.4</td>
<td>3.6</td>
<td>14.4</td>
<td>120.1</td>
<td>120.0</td>
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<tr>
<td>Switzerland</td>
<td>383</td>
<td>745</td>
<td>9.0</td>
<td>24.0</td>
<td>24.0</td>
<td>22.3</td>
<td>22.3</td>
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<td>22.3</td>
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</tr>
<tr>
<td>Hong Kong</td>
<td>36</td>
<td>56</td>
<td>5.0</td>
<td>12.0</td>
<td>12.0</td>
<td>12.0</td>
<td>12.0</td>
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<tr>
<td>UK</td>
<td>36</td>
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<tr>
<td>Germany</td>
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<tr>
<td>Japan</td>
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<td>40</td>
<td>12.0</td>
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</tr>
<tr>
<td>S. Arabia</td>
<td>38.6</td>
<td>45.7</td>
<td>12.0</td>
<td>12.0</td>
<td>12.0</td>
<td>12.0</td>
<td>12.0</td>
<td>12.0</td>
<td>12.0</td>
<td>12.0</td>
<td>12.0</td>
<td>12.0</td>
</tr>
<tr>
<td>Total</td>
<td>322.4</td>
<td>387.3</td>
<td>522.0</td>
<td>700.0</td>
<td>900.0</td>
<td>1100.0</td>
<td>1300.0</td>
<td>1500.0</td>
<td>1700.0</td>
<td>1900.0</td>
<td>2100.0</td>
<td>2300.0</td>
</tr>
</tbody>
</table>

Source: Islamabad, Board of Investment, 2013.

China’s FDI in Pakistan has constantly declined after 2006-7 when its investment increased to US$ 720 million.\(^{27}\) The Pak-China Investment Company Limited (PCICL) was founded in July 2007 with equity of US$ 200 million for promotion of trade, investment, and economic growth of Pakistan.\(^{28}\) This was after a long time that China showed confidence in Pakistani market but that was soon shuttered. Moreover, Chinese FDI trend in Pakistan over the past decade had not been sustainable (see Figure 4 below). There is a common perception among the business community in Pakistan that Chinese shy away from investing in industry in Pakistan that could affect their trade surplus with Pakistan.\(^{29}\) Institutional arrangements since 1963 have not much contributed in enhancing Chinese investment in Pakistan so far. China has been shifting labour-intensive industry to Africa and other Asian countries but Pakistan has been ignored in this respect too.

By 2010, China became world’s fifth largest investor.\(^{30}\) Its cumulative investment was recorded around US$ 310 billion for the same period, which could increase to US$ 5.2 trillion.
by 2020. Pakistan needs to devise strategies to attract this mammoth amount of Chinese global investment. The Chinese FDI flow would bolster employment, feed the tax base, generate new exports, and bring positive spill-over of relationship. Federal and Provincial Governments should provide attractive terms to Chinese firms and demonstrate their readiness to stand up for Chinese investors and address FDI impediments at the national, provincial, and local level. Now it is being expected that the transfer of Gwadar Port would be a milestone in boosting China’s FDI in Pakistan in the years to come. This could be taken as the first test case to lure Chinese private investment in Pakistan for mega projects.

**Figure 4: China’s FDI in Pakistan during 2000-12**

(US$ Million)

Potentials of Gwadar for Trade and Investment

Gwadar has a long turbulent history of its ownership. The name ‘Gwadar’ is a Balochi word, meaning ‘air corridor’. Located in the south-western Arabian Sea coastline, in Pakistan’s Balochistan province, Gwadar used to be a small fisher-men town for all times. In old time, ‘Gwadar’ was known as ‘Gedrocia’ or ‘Gedrosia’. It was then the part of the Persian Empire. Then it became part of the Arab Caliphate during Hazrat Umar Farooq up to the Umayid Caliphate. Alexander the Great and Spaniards also conquered Gwadar. Portuguese briefly occupied Gwadar during the 16th Century. Khan of Kalat handed-over Gwadar to the Sultan of Oman in 1483 AD on temporary basis. Gwadar was a headquarters of Assistant Political Agent from 1863-1869 during the British times. The British laid down telecommunication lines in that area. Gwadar had not been part of Pakistan when the country came into being in 1947. Gwadar became part of Pakistan on 8 September 1958. Government of Pakistan paid US$ 3 million in getting back the territory from the Sultanate of Oman. Today Gwadar is a part of the Makran Division that consists of Districts Ketch and Punjgore.

Since then a number of institutional arrangements were made to improve the fate of Gwadar. It became a part of Balochistan on 1 July 1977. The Government declared Gwadar the third warm-water port in 1993 and decided to lay down road and rail network. The plan to develop a Deep Sea Port in Gwadar was commenced on 22 March 2002 and Phase-1 of the Deep Sea Port was completed in 2007 with Chinese assistance worth US$ 220 million, 75 percent of the US$ 250 estimated cost. National Highway Authority (NHA) constructed 653 km long Costal Highway linking Gwadar with Pasni, Ormara, and Karachi and with the rest of the country during 2002-4. Gwadar has to be linked with Rattodero in Sindh by building 820 km long Motorway (M-8). The Gwadar Port Authority (GPA) was set up in 2003 to look-after the development of the port city including the availability of drinking-water. The Provincial Government of Balochistan
has also declared Gwadar a Provincial Capital in 2011.\textsuperscript{39} Port area is about 64,000 sq km with three multiple berths. The port contains modern facilities for shipment and unloading. The port would cater all type of ships. The Special Economic Zone (SEZ) at Gwadar would be expected to lure investment.

With increasing trade prospects of Pakistan with China as well as Central Asia and Afghanistan, both the Karachi and Qasim ports could not handle shipment and unloading of goods at massive scale catering the needs of the above region. The Gwadar Deep-Sea Port will supplement these ports and increasing shipping needs.

The port has immense commercial and strategic value. Under the emerging free-trade environment, Gwadar Port would play the pivotal role between trade and investment postures of Pakistan and China. The port has been located 460 km west of Karachi, 75 km of Pakistan’s border with Iran in the west, and 380 km northeast of the nearest point in Oman.\textsuperscript{40} The port is 330 km away from the Gulf in the Strait of Hurmuz, the busiest oil shipment corridor with the two-thirds of oil reserves where 13 million barrels oil passes a day. Gwadar Port will compete with Rashid and Jebel Ali ports of Dubai, Salalah Port of Oman, Bandar Abbas and Chahbahar ports of Iran.\textsuperscript{41}

For China, Gwadar Port would be a profitable business in the long-run. The port will be the only warm-water port that China would use for its overseas mercantile trade and business with its western province. For China, the Gwadar-western China route would be an alternative route and the shortest, only 2500 km instead of 16,000 km long, via the South China Sea route for oil and goods transportation from the Gulf.\textsuperscript{42} At present, China imports 60 percent of its oil from the Gulf.\textsuperscript{43} Some of China’s industrial complexes are 4500 km away from Shanghai port. It costs China a number of taxes. Moreover, under-developed western part of China such Xinjiang and Tibet could be developed through this route to also mitigate separatists and extremist tendencies. Pakistan earnestly believes that China would make the port
commercially viable and profitable. The development of transportation via the Karakoram Highway would also indirectly boost China-Central Asia trade including oil and gas exportation from these countries to energy-deficit China.

The landlocked Central Asian States as well as Afghanistan could use the port to link up themselves to other warm-waters ports in the Gulf. The alternative port would also enhance Pakistan's deteriorating economic situation. In the long run, Pakistan could become a locomotive of trade expansion in this vast emerging region.

There have been growing provincial concerns surrounding the handover of the port first to the Port of Singapore Authority International (PSAI) on 6 February 2007, which alleged the Government (2008-13) of not fulfilling all its obligations under the agreement. The PSAI abandoned Gwadar Port by defending itself that the cost of doing business at Gwadar was more than double in comparison to elsewhere and said development of infrastructure of the port was not viable.\textsuperscript{44} According to another source, Pakistan refused to provide large land allotment to the PSAI that wanted for development work around the port.\textsuperscript{45} Pakistan did not transfer 236 hectares of land for development to the PSAI belonging to Pakistan Navy.\textsuperscript{46} Reports revealed that PSAI failed to spend US$ 525 million on the project in five years and made no investment because of non-fulfilment of its demand for allotment of land worth Rs 15 billion by the Government.\textsuperscript{47} The PSAI failed to even attract a single commercial ship.\textsuperscript{48} The Supreme Court issued a stay order on the Gwadar Port contract, barring the PSAI from transferring immovable property of the Gwadar Port Authority to a private party and allowed the Balochistan Government to become a party to the case.\textsuperscript{49} According to another source, the Supreme Court took a \textit{suo-motu} action in 2010 against the Gwadar-PSAI agreement on the ground that it was \textit{mala-fide} and fearing court decision, the Government cancelled the agreement.\textsuperscript{50}

As PSAI remained ineffective, Pakistan Government announced of the hand-over of the port to China on 6
The second agreement was made with the state-owned China Overseas Port Holding Company (COPHC) on 18 February 2013 on standardised terms and conditions. The Cabinet approved the agreement on 30 January 2013. The ownership of the port will be retained by Pakistan. The lease agreement would stay for 40 years. China will immediately invest US$ 750 million to improve the infrastructure of Gwadar. It was made clear in the agreement that the port will not be used for military purposes by China. It was one way of redressing the concerns of India and other countries.

As mentioned above, Balochistan’s politicians and nationalists repeatedly raised their voices against the handling of the port to foreigners. Many say that one of the reasons for unrest in Balochistan was their concerns with regard to Gwadar Port, which has been handed over to a foreign company. They insist that under the Eighteenth Amendment, Article 154(1) of the Constitution, which assured provincial autonomy to its people, the handover of Gwadar to a foreign company was thus a clear violation and breach of the spirit of the Constitution and that the Government has no constitutional authority to handover the port to a foreign company without people’s consent. They lamented lack of involvement of the provincial Government in the whole affair of Gwadar. Even the GPA was not even involved in the negotiations. They also argue that under the Eighteenth Amendment important matters should be referred to the Council of Common Interests (CCI). Balochs fear that they would become a minority in Gwadar when others will come there in a big number and take over their resources. With the same token, the Gwadar agreement would be a profit-sharing matter between the Federal Government and the Chinese company without any profit to the people of Balochistan, they put forward. Therefore, the present status of Gwadar is a matter of concern and a challenge for the Federal Government and how it would look at the situation in the larger regional perspective. The agreement should be reviewed and many undue concessions including the transfer of immovable property
given to the COPHC should be revisited in accordance with the existing laws of the country.\textsuperscript{60}

The Gwadar phenomenon would also alter the existing parameters of regional and global politics. Besides internal concerns in Balochistan about the handling of Gwadar port by China, there have been Indian concerns too about an asset solely belongs to Pakistan. India did not raise its concerns when Gwadar Port was handed over to PSAI because India and Singapore have special ties. India expressed its apprehension about Gwadar takeover by China. Indian Defence Minister A. K. Anthony said that the matter was a serious concern for India.\textsuperscript{61} India fears China gets access to Persian Gulf and Arabian Sea to extend its military clout to these waters by using the port as a naval base.\textsuperscript{62} The Sino-Pakistani strategy might encircle India and its growing ambitions in the Indian Ocean. For Pakistan, Indian allegations were baseless. India being the third-party has no right to interfere in the mutual agreement between Pakistan and China. Moreover, Pakistan is a sovereign country and has a right to promote its relations with other countries. China has already help established other ports in South Asia namely; Hambantota in Sri Lanka, Chittagong Port in Bangladesh, and Dry Port at Larcha on the Nepal-Tibet border. China is also building an energy pipeline in Myanmar that will transport gas pumped offshore and oil shipped from Africa and the Middle East to China’s Yunnan province. The building of the Sost Dry Port on Pakistan-China border will facilitate the flow of China’s mercantile trade through Pakistan. Besides Gwadar, China could also use Karachi and Bin Qasim ports. China has not been encircling any nation. These are China’s essential commercial needs. The Gwadar idea has been incorporated in China’s promoting of an economic community in Asia-Pacific. Pakistan and China have made absolutely clear that the port will not be used for military purposes.

At present, China exports its energy through the Strait of Hormuz and Strait of Malacca. Both of these sea-lanes have been dominated by the United States. The United States has built the naval base at Changi, Singapore, in May 2004, with
the potential capacity to interrupt as much as 80 percent of Chinese energy needs shipping through the Straits of Malacca.\textsuperscript{63} For China, Gwadar reduces the danger pose by any untoward situation around the Strait of Malacca.\textsuperscript{64} Iran would also build an oil pipeline up to Gwadar and to construct a US$4 billion oil refinery at Gwadar to refine 400,000 barrels of oil per day.\textsuperscript{65} Tehran also supported Pakistan’s decision of its port handling to China, hitherto portrayed Gwadar as rival to Iran Chahbahar port.\textsuperscript{66} China could export Iranian oil from Gwadar. This will also reduce any potential danger pose by any such situation even in the Strait of Hormuz.

As explained above, United States, India, Australia, and Japan have been trying to counterweight China in Asia-Pacific. United States and Australia have already cooperated with India in the civil nuclear field. Japan has been negotiating with India to provide its civil nuclear technology by discriminating Pakistan. The handling of Gwadar Port has brought China in the limelight in this region. It looks Pakistan’s ‘second rescue’ of China in the post-cold and post-terrorist era, which, in turn, would also serve Pakistan’s strategic interests largely through non-military means with China. Both have entered in the second phase of cordial entente.\textsuperscript{67} In the days ahead, Pakistan’s dependence on the West would also decline and much more strong partnership with China would emerge. Gwadar also counterweights the new American Asia-Pacific pivot policy. The operation of the port would help Pakistan to further capitalise its relations with the Gulf oil exporting nations and promote trade with the Central Asian Republics by providing the most efficient, direct, and shortest route to connect them. Pakistan’s fishing and related industry will get a boost for exports to other destinations as the Fish Harbour was set up in 1989. Tourism would also flourish. For locals, employment opportunities will generate with an employment reaching 2.5 million within few years. Pakistan’s revenue would also increase. Employment generation and speedy infrastructure development in Balochistan would help redress its grievances too. The instability factor would also fade away.
The Future

The Sino-Pakistani bilateral relations between the two countries would continue to grow without any change because of the strength of this solid relationship. All the successive leaders in Pakistan whether they came through the democratic process or represented the military background, toed strategic alliance with China in all situations. This relationship does not entail suspicion and mistrust. By fostering a strong relationship with China, Pakistan could also enhance its stakes in various regional organisations across Asia-Pacific and cultivate better understandings with a number of players. These organisations would drive Pakistan in the long way.

On the other, bottlenecks surrounding the Pakistan-China bilateral trade should be addressed. China also needs to help Pakistan in developing private investment rather than strongly focusing on the State-owned enterprises. The Chinese Government needs to encourage its private investors to invest in Pakistan. Provinces and big cities must develop strategies and plans to lure Chinese FDI. This will profoundly change the existing status-quo of Chinese investment in the country. The new Chinese leadership would continue to value the long existing bilateral political understandings, increasing trade relations, and emerging Chinese investments in Pakistan. Gwadar Port would play the lead role. Chinese business activities in Gwadar would create new opportunities. Balochistan’s economy can be invigorated by increased Chinese FDI and a model could be emulated for other provinces. By all accounts, Gwadar Port would help China to promote its business from Xinjiang and Tibet to Gwadar under the new Silk Route strategy. This would be a great shift in the Asia-Pacific trade and strategic considerations in the years to follow.

Author

Dr Ahmad Rashid Malik is Senior Research Fellow at the Institute of Strategic Studies, Islamabad.
Notes

4 Ibid., various issues.
5 Ibid.
6 Ibid., various issues.
7 Ibid., August 2012.
8 Ibid.
9 *Financial Sense*, 28 December 2011
10 United States accuses China of the devaluation and undervaluation of its currency, Yuan.
12 Ibid.
13 Ibid.
14 Ibid.
16 Ibid.
19 Ibid.

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26 Ibid.
27 Ibid.
29 Rahman, op.cit.
31 Ibid.
36 This information has liberally been taken from Abdul Khaliq, Gwadar Port: Another Robbery at Provincial Autonomy (trans from Urdu), Daily Jung (Rawalpindi), magazine section, p. 2.
38 Ibid.
39 Dawn (Karachi), 26 October 2011.
42 Dr Ahmad Rashid Malik, ‘China in Gwadar’, Diplomatic Insight (Islamabad), March 2013.
44 Ibid.
46 South China Morning Post (Hong Kong), 12 February 2013.

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The case was registered as a petition under Article 184(3) of the Constitution. A separate petition was also filed in the Supreme Court. See also Ahmed, op.cit & Pakistan Today (Lahore), 1 November 2010, & 20 February 2013.

The port will remain property of Pakistan and the Chinese company will share the profit. Chairman Gwadar Port Authority Dr. Syed Pervez Abbas, Major General Asghar Nawaz of National Logistics Cell, Chairman AKD Security Aqeel Karim Dhedi, Leo Fong of China Overseas Port Holdings Ltd, and Singapore Authority representative Faisal Javed signed on the agreement on behalf of their respective organisations. The agreement has not been published in the media yet.

Balochistan National Party, Baloch Republican Party, and Awami National Party etc have expressed their concerns about the decision of handling over of Gwadar port to China. See The Express Tribune (Islamabad), 4 March 2013.

Ibid., 25 February 2013.


The Khaleej Times (Dubai), 25 February 2013.

The Express Tribune (Islamabad), 3 February 2013.

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