



## Redefining Pakistan's Foreign Policy in a Changing World Order

*A panel discussion on foreign policy held by IPR focused on evolving global developments. Experts in respective areas of foreign policy identified these developments and discussed their implications for Pakistan. Professor Anatol Lieven reviewed US global strategy and the rise of China. Former Foreign Secretary Riaz Mohammad Khan highlighted Pakistan's external relations priorities and choices. Ambassador Ashraf Jahangir Qazi discussed the issues in translation of policy into action and the constraints placed by the domestic environment. Chairman IPR Humayun Akhtar Khan opened the discussion with an overview of new global developments.*

### About IPR

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### Changing Geopolitical Landscape: Key Issues

- 1. Analysis of evolving developments in the world:** Among recent events in the world, the panelists saw three priority areas to assay and evaluate.
  - a. With its large footprint, US global strategy drives foreign policy considerations for most countries. Some noteworthy changes in US strategy have occurred.
  - b. Uncertainty in the Middle East seems to be spreading. Because of its close links with especially the Gulf States, recent developments there are a source of disquiet for Pakistan.
  - c. Far-reaching changes are taking place in Pakistan's immediate neighbourhood. Developments in Afghanistan and a more active foreign policy by India affect Pakistan's interests and engage its policy makers.
  - a. **US Global Strategy:** The present US administration has tried to correct the overreach in world affairs that was the hallmark of the Bush years. However, the two major political parties there are in complete agreement

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that USA must have continued pre-eminence in international affairs. This means US will not cede to China a role in global politics consistent with its emergence as an economic power. Though the Obama administration has been criticized for too soft a stance in world affairs, the change in his approach is one of nuance in strategy and tactics not of objectives. That said there is reduced appetite for direct intervention by USA in any of the trouble spots of the world.

- b. **Uncertainty in the Middle East:** There is a transition from the old order and, for now, uncertainty about what emerges. Apparently, this uncertainty would likely spread. In the past, US oversaw order in the Middle East. It largely has had a commonality of interest with Israel (though the two countries have not always agreed on some key issues). War fatigue in USA deters further involvement (though in a shift of strategy, USA recently committed more troops for training in Iraq). This is not particular to the Middle East as seen by the US approach to the crisis in Ukraine. Some players have taken matters in their own hands, witness Saudi Arabia's action against Yemen. Unraveling state structures in some countries, including the IS threat, emergence of non-state actors, and Saudi rivalry with Iran are perhaps signs of things to come.
- c. **Regional changes in South Asia including Afghanistan:** Two developments affect stability and progress of Afghanistan. First, US has scaled down its troop levels in Afghanistan though it would continue to maintain presence there. Its presence is necessary to avoid a major Taliban resurgence and possible takeover of government in Kabul. Second, the new government in Afghanistan seems to have clarity about its national priorities as well as on regional relations.

India too has a new government since 2014, with a more active stance in the region. On occasions, it has confronted Pakistan directly. India and USA have strengthened cooperation in a range of areas: political, military, economic, and social. US relations with India do not exclude Pakistan from

its ambit of interests though their relations may have bearing on possible US rivalry with China.

**2. Implications for Pakistan:** There is no gainsaying that Pakistan must foresee these developments and place them in the perspective of its own interests. It must develop policy response to them:

**a. Would an emerging coalition harden in South Asia in a way that could likely create rivalry between US-India on the one hand, and China and its allies, on the other?** USA perhaps views India as a partner in managing its regional interests and as a country competing with China for regional power. US President's visit to India in January 2015 calling for a coalition of democracy reinforced that message. (USA also has declared 'pivot to Asia' policy).

On the other hand, China and Pakistan have strengthened bilateral economic cooperation as part of China's One Belt- One Road initiative. The meeting evaluated if these developments suggest hardening of alliances in South Asia to the detriment of any country.

**b. Relations with USA:** For Pakistan, relations with USA remain critical. While economic power has diffused somewhat internationally, USA remains the pre-eminent military power. There is no country with the ability to take its place yet. US interest in Pakistan is on the decline and may settle at a new equilibrium.

**c. Relations with Afghanistan:** Since President Ashraf Ghani has come into power, there is promise for Pakistan's bilateral relationship with Afghanistan. Pakistan and Afghanistan are on common ground on regional issues though both are concerned about safe havens operating within the territory of the other country.

**d. Relations with India:** It is no longer an either or option for relations with India. Global developments call for a nuanced approach. Of late, the two countries have exchanged mixed messages aimed at both a combative and normalized relationship.

**e. Relations with the Middle East:** The Middle East would likely stay a precarious course in the coming years. Proximity, energy reliance, a large Pakistan immigrant population, and traditional links have Pakistan deeply embedded in that region.

**f. Pakistan's traditional approach to foreign policy is one based on political and military links:** Pakistan has not yet focused on strengthening global economic relations. Recent CPEC cooperation between Pakistan and China is a shift in that direction. Some years ago, Pakistan concluded a number of FTAs and preferential tariff arrangements. Apart from their formal status, Pakistan has not been a part of the globalization process. Nowhere do people-to-people or economic relations match the deep political relations that Pakistan has with some countries. The most obvious examples of this are Pakistan's relations with China and USA.

## Key Findings

### 1. US Global Strategy

- a. **Possible danger from US China rivalry:** Within the political leadership in USA, there is strong bipartisan consensus that the country must remain a global leader. This belief in its pre-eminence also comes with the moral underpinnings that USA must lead the world to freedom and democracy. Its third expression is the determination to contain China. US is deeply concerned about China's emergence globally and will do all to prevent its taking on a major role. Most members of the Republican Party and the 'right of center' Democrats criticize the present US administration for being too soft. The present administration is equally wary and unwilling to allow China its due role in world affairs. It, however, does not wish to give the obvious image of wanting to contain China. US position on China is unlikely to change with a new administration after the 2016 US presidential elections.

China has responded to its circumscribed role by launching the Asian Infrastructure Investment Bank. USA tried to resist its launch, but was unable to do so. Most US allies, including UK and Australia, have signed up for the AIIB. This is evidence perhaps of a perceived decline in US power and that this is no longer a unipolar world. Yet there is no country to replace USA's military prowess. The extent to which USA pursues containment of China is worrying. The 'coalition of democracy' or the 'pivot to Asia' are examples of US designs. On its part, China too departed from usual caution and its declared policy of 'peaceful rise' to an unambiguous position on the South China Sea. For now, it does not seem that the situation would come to head anytime soon. Yet this contest could bring to fore a serious and dangerous situation. US will not directly engage on the ground with its troops. There is too much resistance at home for another war. (Ukraine is an example where, apparently unwittingly, it has been dragged into a replay of the cold war). This does not mean that the US is ineffectual. What we have is a hegemon with reduced power and an unwillingness to give up its leadership role. On the other hand, there is no other country with the ability to replace it though they often challenge the US. China's occasional departure from caution and US unwillingness to yield creates a situation that is fraught with danger.

- b. **Continued Uncertainty in the Middle East:** The present administration has tried to correct the overreach of US power seen in the last decade. The reason is not too far to see. US experience in Iraq is nothing short of catastrophic. That means a sobering of its response to new challenges in the Middle East. The situation in the Middle East is murky and dangerous and USA is entirely enmeshed there. In Iraq, a third of the country is effectively with ISIS. Syria has been in disarray for some years. US options though seem equally nebulous. US has nurtured allies and tried to build partner capacity. Yet, US and partner country objectives do not always coincide and their ability or willingness to take on responsibility are limited. US airpower has placed obstacles in the march of ISIS. It is unclear though if USA can win a conflict there. This means that for the near future at least, Middle East will remain uncertain and dangerous. By supporting autocratic rule in the Middle East, US policies there

compromise its claim to exceptionalism. Yet that too is unlikely to change as individual countries take action, often by belligerent means, to guard their interests.

- c. **US will deepen relations with South Asia and retain presence in Afghanistan:** USA is in the unenviable position of a superpower without a clear victory in Afghanistan; a country it considered a walkover. Its presence, however, is critical to hold back the Taliban and to force it into negotiations. US will retain presence in Afghanistan.

It will continue to deepen relations with India though how far India wishes to be a part of US China rivalry is yet unclear. For now, Pakistan does not have to choose between USA and China.

## 2. Pakistan Strategy

- a. **Pakistan's foreign policy parameters:** Foreign policy cannot be divorced from domestic considerations. It is an outcome of national priorities, strength, and weaknesses. It cannot be a substitute for domestic weaknesses. Unlike large powers, mistakes in foreign policy can be very costly for a developing country. As a national policy, Pakistan has prioritized security over economic growth. For some decades, globalization, regional cooperation, technology, and innovation have spurred the world. Pakistan has allowed these trends to pass it without embracing them. International economic cooperation has assumed extraordinary scale in world affairs. This is visible in the exponential rise in people-to-people contacts, trade, and in many other forms through which globalization has taken deep roots. Geo-economics has replaced geo-politics. Pakistan though has become increasingly insular. A country's geo-political gravitas comes from economic strength. Examples abound, especially in East Asia, where economic strength has created a new reality. While the world today is on an uncertain course, there is broad consensus in some areas. These include that terrorism and extremism are unacceptable and there is no tolerance for non-state actors. The world also considers de-colonization a settled matter. There is no more space for armed struggles and self-determination as there is no patience for disorder and destabilization.

Pakistan's position in the world is constrained by its weak economics and its dependence on foreign finances. Coupled with a growing and young population, this calls for a major rethink of national priorities. If the economy cannot invest in the country's youth, the young population may become a challenge to Pakistan's stability rather than be an opportunity.

As far as Pakistan's security goes, its nuclear status ensures its security and defence. No one can contemplate aggression against Pakistan. At the same time, this capability does not give it the means to commit offensive action against another country. A number of external developments, such as the Iranian revolution and the Soviet invasion of Afghanistan in 1979 have affected Pakistan. These continue to affect us today. Our ability to deal with these, however, depends on our internal capability. Pakistan must re-orient national policy from security to socio-economic development. China is a good model to observe. Once it reached the nuclear threshold, China did not

follow up with weapons buildup. It also put its ideological stance on the back burner to pursue aggressively economic development. Pakistan's external options are entirely limited today by its economic vulnerabilities.

- b. Relations with Afghanistan:** The Afghan conflict has harmed Pakistan greatly. It is important to understand the extent of the damage and that it continues to do so. Tactics such as strategic depth, Taliban card, and fueling ethnic divide are recipes for continuation of conflict. Pakistan has suffered from the conflict's fallout in the shape of Madrasahs and Kalashnikov culture. In recent years, it has suffered from terrorism directly. With a new government in Afghanistan, there is emerging hope for improvement of Pakistan-Afghan relations. It is necessary to sustain the positive developments. Meetings among political and military leaders of the two countries must continue and expand through contacts between the media, parliamentarians, and people in general. There is legitimate concern in Pakistan about the role of India. Pakistan objects to intelligence cooperation between Afghanistan and India. It suspects machinations on the part of the latter to Pakistan's disadvantage. The answer to that does not lie in support of Afghan Taliban networks in Pakistan. Ashraf Ghani expects positive progress from Pakistan and especially needs to show as much to the sceptics in his government. Pakistan must nurture and sustain over a long period this nascent improvement in relations with Afghanistan. It could do so, for example, by facilitating trade movement through both Karachi port and the Wagah border. We must view this moment as an opportunity to place the relationship in a new direction. It is important to stay on course in a determined way.
- c. Relations with India:** There is a difference between Kashmir and other world trouble spots. Kashmir is heavily populated. The people value their freedom. For this reason, Kashmir is hard to put on the back burner unlike other areas of dispute, such as the South China Sea or the Kurile Islands. A workable solution must prioritize the interest of the Kashmir people. This means that Pakistan and India must agree on self-governance for the region while protecting the vital interests of the two countries. The presence of the Indian military frustrates and agitates the people of Kashmir. The current stalemate with India hurts Pakistan in many ways. It also smears India's image. The political and military leaders of the two countries must ponder very seriously on resolving bilateral issues.

For another reason, resolution of Siachin has urgency. Siachin has been close to resolution a number of times. Leaders of the two countries must resolve this issue as the fragility of the ecosystem could have irreversible environmental consequences.

India has strengthened alliances with a number of countries in the region other than Pakistan. This has raised the stake for normalization of relations. Even some 'less-than-hawkish' analysts consider this a move to isolate Pakistan. Pakistan must refrain from its usual impulsive and predictable response. It must have a nuanced answer to India's frenzied and forceful activity in the region and to some of the bellicose statements emanating from there. Our response must align with Pakistan's long-term interests.

#### **d. Relations with major powers**

**China:** Recent developments in economic cooperation, sets relations with China in the right direction. Balancing the current close political and military links, Pakistan must view China as a source of capital and as an economic partner. To benefit fully, Pakistan must develop internal capacity to work as China's capable and worthy economic partner.

**USA:** Pakistan has had periods of close relations with USA, but they have wavered and varied over time. Two important aspects shaped the nature of this fluctuating relationship. First, it was never broad based. Mostly, it centered on a limited number of identified issues. Second, even during periods of close relations, there was always a discordant note between USA and Pakistan. In the 1950s, the discord was about Pakistan's relations with India. In the 1980s, the nuclear issue divided the two countries, and in the 2000s, there was disagreement on the Taliban. Relations with USA are critical for Pakistan to remain internationally engaged and to respond to India's recent active foreign policy. We must build a cumulative and positive relationship with USA. It is important to develop convergence of views on some international issues.

Pakistan must improve and broad base relations with both countries and not side too much with one or the other. Its own regional and economic interests must dominate.

### **3. Constraints and Determinants**

The meeting focused on whether the country has the ability to make and implement sound policies. Foreign policy must serve entirely the interest of the state. For that to happen, the state must have the capacity to formulate policies and have the fundamental orientation towards valid policymaking. This orientation comes from effective institutions and a leadership that cares for the welfare of the people. Deeper processes are at issue here. Policymaking depends on the views and values of the society and the leadership. It depends also, on whether policies that have a modern perspective find resonance in the norms of the people. Pakistan is a weak state, but has a strong society (in a pre-modern way with beliefs and values bound by tradition). The society though lacks social discipline. Policies that are good for the state are not implemented because the people and the leadership resist these. This coincides with Gunnar Myrdal's hypothesis that (parts of) developing countries' societies have education, but do not have the discipline or ability to implement state policies. Civil servants, largely, are trained in modern methods and ideas of state policy. It is hard to translate these. Societies that are unable to make the transition from a pre-modern to modern thinking encounter a whole range of difficulties. Policies and practices of more modern societies do not find acceptance among them.

Europe too passed through such a transition. A period of religious dominance was followed by the renaissance, the reformation, and the age of enlightenment. In essence, Islam is more in tune with the needs of modernity. This is evident from Islam's political history. In early Islam, dialogue took place between the school of tradition and the school of reason. Such dialectic was not just tolerated it was encouraged. Once Islam closed the door to independent discussion, the space for reason circumscribed. Soon, innovation became a sin. Fear of reason and innovation

heightened after two traumas challenged Islam's youthful success. The Mongol invasion was Islam's first setback and a jolt into the 'realpolitik' of conquest and contest for power. Other great powers had faced similar challenges before Islam did. Colonization was the second setback. It reminded the Islamic region that it had fallen behind in the race to modernity. Threatened by colonialism, Islam questioned all that was associated with it. This included scientific knowledge, Western institution, and military power. The reaction that followed still exists in many countries. It is especially visible in Pakistan.

Pakistan's political leadership is a product of this society, and of necessity, must stay in touch with it. It is sensitive to their views. This social and economic structure is rooted in time. There is small elite, mostly found among civil servants that accepts and promotes modern concepts. These ideas have very little acceptance among the wider middle classes. The middle class, that resists new ideas of the small elite, contributes to the intellectual ambience of the country.

An Islamic injunction that stipulates that heaven await those who perform good deeds in worldly life is a modern idea. Of late though, these ideas have yielded to the sole belief in life after death. This curtails state effectiveness. The idea of a nation state exists, but in patches and sporadically. It comes to surface mostly when the leadership evokes threats from another country. Several identities compete, which weakens the state and its ability to protect its interests.

Looking at relations with India, for example, Pakistan frames its position on Kashmir, an issue that drives so much of the rivalry with India, entirely in emotional terms. Pakistan's position would gain far more traction if it were to back it with instances of extreme human rights abuses by Indian forces. Kashmir is a human rights tragedy. Human rights violation is of great concern in Pakistan and world over. Stuck in the past, Pakistan makes a self-righteous case, which is met with fatigue and resignation. We are unable to translate effectively our, apparently, good policy on Kashmir, which could have helped the people of that region. The policy is compromised for want of good institutions and a leadership oblivious of socio-economic objectives.

To have an effective state and to find respect and acceptance in the world requires a change in mindset. The modern mind must prevail over limits placed by tradition. We have not yet rationalized and harmonized the idea of being a Muslim, a Pakistani, and modern at the same time. Any suggestion of such an approach invokes the fear of a compromised culture and identity.

This change in mindset is inevitably a slow process. Pakistan though has no time. It faces major challenges. Key among these is population growth, which would likely reach 350 million by 2050. Pakistan faces an environmental challenge, debilitating water scarcity, and social deficit. We are one of the few countries in the world that cannot administer preventive polio drops to our children.

These challenges require a reorientation of the state system. Pakistan has a weak economy and a society that is behind times. As with other areas, our diplomatic space is circumscribed by a lack of development and the quality of governance.

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## Setting the Tone

Chair of the session, Mr. Humayun Akhtar Khan, said that IPR planned this event because of the momentous changes taking place in the world and in the region. The last decade has seen a major redistribution of world economic power. China's rise as an economic power has invoked two parallel responses.

On the one hand, there are deep trade and investment linkages between China and the West, especially with the United States. In 2008, China played a positive role during the world financial crisis. China now, also, plays an important role in the development plans of emerging economies. The China Pakistan Economic Corridor is an example of such engagement by China. Investments in developing countries of East Asia, Africa, and South America as well as China's One Belt One Road are manifestations of its commitment.

On the other hand, USA seems to be strengthening old alliances with the rest of East Asia. America's 'pivot to Asia' is a sign of discomfort with China's emergence as a major world power. US National Security Adviser is quoted to have referred to 'coercion' on the part of China to 'advance territorial claims'. The New York Times reported 'worries in Washington about Beijing's continued bullying in the energy rich' South China Sea. The South China Sea found mention also during the US president's visit to India in January. Another phrase mentioned during the visit was to build a 'coalition of democracy'. On its part, China too leads a regional security alliance, the Shanghai Cooperation Organization. The alliance will become more substantial with Pakistan, Iran, and India expected to become full members of SCO.

He hoped that the world had sufficient wisdom to adjust, without hiccups, to the rise of China. Such accommodation is possible. We have the encouraging recent example of a framework nuclear agreement between Iran and six largely Western governments. An ally of USA and China, Pakistan must exercise care if competing alliances take shape in South Asia.

At the same time, an unsettled Middle East poses considerable challenges. Use of force in recent years may have unraveled established power structures. We may be seeing another set of alliances take shape in the region. Very recently, there was use of force in the Gulf between Saudi Arabia and Yemen. With respect to Pakistan's relations with the Gulf, Pakistan must weigh its options to maintain its interests in the region.

Along with these challenges, there are enduring considerations. Pakistan has legitimate interests in the stability and evolution of Afghanistan. The scale of US presence there has an effect on the situation. So far, the news from Afghanistan is promising.

Pakistan's relations with India are a case of one-step forward two steps back. Of late, India has tested Pakistani grit and patience with what it considers 'reprisal' attacks across the borders and Pakistan calls provocation. In India, domestic considerations are especially important. Mr. Modi clearly is in a hurry to bring economic and societal changes in India and has definite views on regional relations.

These fundamental changes in the world and in the regional environment would seriously test the ability and dexterity of Pakistan's political leadership. It is important to study these evolving trends as they have potentially profound influence on Pakistan. These are not challenges of Pakistan's making, but they inevitably have a bearing on our interests and on our security. Pakistan does not wish to take sides, but there would be (and are) pressures on it to do so.

Domestic policy will determine the outcome for Pakistan in the region. Sorting the divisions and clutter at home would build confidence among partners and would deter interference. Pakistan must have a clear position on the means of pursuing foreign policy. The civil government must deliver particularly on the energy sector, which has as much a risk of causing instability as terrorism. Pakistan would need also to have a societal response and break out of its insularity and its obstinate resistance to new ideas.

## Speakers

- **Anatol Lieven** is the leading international specialist on South Asia. He specializes also on Islamist terrorism, US, and Western strategy for countries of the former Soviet Union and the Greater Middle East. He is Professor Georgetown School of Foreign Service, Qatar. Previously, he was Chair International Relations and Terrorism Studies, Kings College, London. He has written several books including Pakistan: A Hard Country and was the Times correspondent to Pakistan and Afghanistan in 1986-88
- **Riaz Mohammad Khan** served forty years in Pakistan Foreign Service. He was Foreign Secretary in 2005-2008, Ambassador to China 2002-05, and to the EU 1995-98. He was envoy for back channel diplomacy with India in 2009-2012. He has written two books on Afghanistan.
- **Ashraf Jehangir Qazi** served in the Pakistan Foreign Service for over forty years and was Pakistan Ambassador to USA, India, China, and Russia. He was also UNSG's Special Representative and in charge, UN Mission in Iraq, 2004 to 2007, and UNSG's Special Representative to the Sudan 2007-2010. He was head of Institute for Strategic and International Studies, Islamabad. He writes for national and international newspapers.
- **Humayun Akhtar Khan** Chair of the session has a career that spans the areas of politics, entrepreneurship, philanthropy, and the actuarial profession. From 2002 to 2007, Mr. Khan was Pakistan's federal Commerce Minister. A firm believer in the development benefits of international trade, Mr. Khan worked aggressively to liberalize multilateral trade. From 1997 to 1999, Mr. Khan was State Minister for Investment and Chairman Board of Investment. Immediately, he presented a new Investment Policy to deregulate and rationalize processes to capture Pakistan's investment potential. Mr. Khan is deeply engaged with public policy. He piloted the Blueprint for Pakistan's Economic Revival and in 2011 the Road Map for Pakistan's Recovery. He is also the inspiration behind the Institute for Policy Reforms.



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