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Developments in Pakistan

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Pak-US Relations

The downward trajectory of Pakistan-US relationship continues. The strain in relations is palpable from the way the Pakistani media is covering the issue. There is a view that the US is turning away from Pakistan after using it to the hilt in the Afghan theatre. This view was expressed by none other than Sartaj Aziz, the advisor to the Pakistani PM on foreign affairs. This view gained ground in Pakistan especially in the wake of the disapproval of the subsidised sale of F-16 fighter jets to Pakistan by the US Congress. The drone strikes in Balochistan that killed Taliban Chief Mullah Akhtar Mansoor, and US Administration's support to India for its membership in the Nuclear Suppliers Group (NSG) during India PM Modi's visit strengthened such view further. There was a perceptible hardening of stance in the Capitol Hill on Pakistan with the US Congress making the military assistance to the country conditional to taking action against Pakistan's favourite Haqqani network.

While the military looked less critical than the civilian leadership over the issue of Mullah Mansoor's killing, by the second week of June, there was an overall sense of frustration among both regarding the US behavior. The military leadership also started openly showing its displeasure about the US approach towards Pakistan. Army Chief Raheel Sharif, who had earlier expressed his displeasure in a rather ritual manner over the drone attack, now demanded a similar strike against Tehreek-e-Taliban Pakistan (TTP) Chief Mullah Fazlullah who is believed to be operating out of Afghanistan. During his discussion with an American delegation at General Headquarters (GHQ), Raheel also made it clear that he would not allow foreign intelligence agencies (a reference to Indian RAW and Afghan NDS) to operate in Pakistan. The religious hardline groups were not far behind. Jamaat-ud-Dawa (JuD) chief Mohammad Hafiz Saeed, on whom US has declared a \$10 million bounty, was seen leading Friday prayers at a mosque in Islamabad where he called on Pakistan Army to shoot down any American drone that entered Pakistan's air space. The timing of Hafiz Saeed's public appearance and his call for shooting down drones clearly suggested that he was deliberately let loose by none other than the Pakistani establishment to

demonstrate its angst against the US. Apart from Pakistan's politico-security establishment and religious extremists, its all-weather friend China also asked the international community to respect the sovereignty of Pakistan. All in all, Pakistan has been in a petitioning mode vis-à-vis the US and avoided open confrontation with it.

The Pak-Afghan Theatre

The direct impact of US-Pak tension was visible along the Pak-Afghan border. Afghan and Pakistani forces exchanged fire over the contentious issue of fencing at the Torkham crossing in which both sides received casualties. Pakistani media reports suggested that Afghan forces resorted to unprovoked firing that led to the killing of a Pakistani Major and injured about 20 others including security personnel, Khasdar, and civilians. If that be true, then the Afghan forces are no longer hesitating to fire upon the much stronger Pakistan Army. However, the overall situation was soon brought under control and an uneasy calm now prevails there. Pakistan continues to pledge to resolve any issue with Afghanistan peacefully.

In all its public pronouncements, Pakistan has been arguing in favour of an Afghan-led and Afghan-owned peace process. The reality, however, is that it continues to look at Afghanistan as a strategic backyard and it is overly worried about Afghanistan's relationship with India. Irrespective of what its leaders state publicly, privately, the establishment wants to have a friendly Afghanistan where its strategic tool, the Afghan Taliban, enjoys a substantial control over the war-torn nation. The Quadrilateral approach has so far failed to produce the desired results primarily because those who matter in Pakistan have had no intention to deliver. Given the background and initial statements of Afghan Taliban, it is believed that the Taliban have no intention to come to the negotiation table. However, recently, Sirajuddin Haqqani, the deputy chief of the Taliban, in a rare audio message, has said that the insurgent group is open to negotiations under the Islamic Sharia. Only time will tell what sort of plan Taliban have in mind as far as talks under Islamic Sharia is concerned.

Economy

As per the latest Economic Survey, released by Finance Minister Ishq Dar, despite the steep fall in agricultural output, the country's economic growth rate was 4.7 per cent for the current fiscal year. The survey suggested that government had somehow managed to stabilise the economy but it was struggling to grow at a faster pace. The Finance Ministry came out with an estimate suggesting that due to the ongoing war on terrorism, since 9/11, the cumulative loss to the national economy has reached a whopping \$118.32 billion. This included both direct and indirect losses to the economy. The loss for current financial year was estimated to be around \$5.5 billion which is comparatively quite less than the previous year's \$9.24 billion. It is a good sign for the economy, as the cost of the war is receding.

China-Pakistan Economic Corridor

China-Pakistan Economic Corridor (CPEC) received a fair amount of attention of all Pakistani stakeholders, as they all expected that successful implementation of this project would lead to a strong and stable Pakistan. The National Accountability Bureau, the top anti-corruption body, is expected to sign a Memorandum of Understanding (MoU) with Chinese anti-corruption organisation to jointly monitor the \$46 billion CPEC and its related projects to ensure transparency. Corruption, for CPEC, is a less important issue. The bigger issue is the security of the corridor for which Pakistani institutions, especially the Army, seems to be quite committed. Every now and then, one hears the statement of military leadership that it was taking all necessary steps to secure the corridor. The Latest among these was the statement by Gen. Raheel Sharif who went on to state that the army was ready to pay any price to turn the long cherished dream of CPEC into a reality. The political establishment too followed suit. Recently, the civilian government informed the Senate that Pakistan would soon raise 22 additional wings of Civil Armed Forces (CAFs) to provide foolproof security to the economic projects under CPEC.

The Domestic Milieu

The opposition political parties have become increasingly vocal and they do not miss any opportunity to target the ruling PML-N leadership, particularly the Prime Minister. There is an interesting convergence of views on the issue of Panama Leaks and they have launched a no-holds-barred attack against Nawaz Sharif. The deadlock seemed to ease a little when the government agreed to jointly frame the Terms of Reference (ToRs) for the commission to probe the Panama issue. The joint parliamentary committee, composed of the members of government as well as opposition, is yet to come out with an agreed ToR in this context. Given the delay in finalising the ToR, former President Asif Ali Zardari suggested his party men to keep pressing the government for a transparent probe into the Panama leaks. Imran Khan, on the other hand, accused the government of deliberately delaying the probe and threatened to bring people into the streets if the committee fails to finalise the ToR.

India-Pakistan and NSG

Pakistan's desire for parity with India came to the fore in the wake of India applying for and actively seeking the support of all major powers for its NSG membership. Despite its dubious record on nuclear issues, Pakistan has also formally applied for NSG membership and is intensely lobbying for it at one level and seeking to stop India's entry through China at another. There is more effort in the Pakistani media to run down India and argue out the negative consequence of any such membership on the regional strategic balance than to advocate and justify Pakistan's entry into NSG. Perhaps there is a realisation that the time is not yet ripe for it to get the membership, but still, it cannot resist the temptation to apply merely because India has gained the NSG waiver and applied for NSG membership.

Quite upset with US backing India's bid for NSG, Pakistan wants to ensure that India does not become a member. This was reflected in Sartaj Aziz's assurance to the Senate that due to the effective diplomacy of Pakistan, India will not get NSG membership. Pakistan continues to labour under its own contradictions.
