

This E-Bulletin focuses on major developments in Pakistan on weekly basis and brings them to the notice of strategic analysts and policy makers in India.

EDITORIAL

US President Trump's new Afghan strategy, which advocated increased role for India, dominated the domestic political debate this week. The commentators in the media as well as the leadership at all levels emphasized Pakistan's tremendous sacrifices in the war on terror, and held US criticism of Pakistan as unfair and misplaced. The American claims of having provided billions of dollars as aid was rejected because US was only 'compensating' Pakistan for providing ground facilities and air corridor for its supplies. The economy continues to show signs of stress with current account deficit for July trebling up to \$2.05bn, year-on-year. The army announced successful completion of Operation Khyber-4; however, it will remain to be seen whether the TTP's fighting strength has been completely decimated.

COMMENTARY

Trump's Afghan Policy upsets Pakistan

*Asbok K Behuria**

President Trump announced his Afghan policy on August 21, 2017. It signaled a departure from the hands-off approach he had advocated during the presidential campaign. The Generals fighting it out on the ground reportedly advised him not to desert Afghanistan at this crucial juncture. His speech indicated that he was well apprised about Pakistan's duplicity. It took 16 long years of engagement with Pakistan, in the war against terror in Afghanistan, for a US president to openly admit to Pakistani perfidy. Various US officials had expressed their frustrations about Pakistani behaviour earlier. A

presidential emphasis was perhaps deemed necessary both to convey American anger and disappointment, and warn Pakistan of the grave consequences of continued duplicity in its approach towards the US and Afghanistan.

The Contours, and International Reactions

The contours of Trump administration's approach involve: (i) making Pakistan responsible for its behaviour and demonstrate "its commitment to civilization, order and to peace"; (ii) granting American military autonomy to deal with ground situation in Afghanistan; (iii) signaling to the Afghan government that US commitment was not unlimited and asking it to show "determination and progress", and share "military, political and economic burden"; (iv) sending out a message to Taliban that the US was not withdrawing in haste and drafting more troops instead to help Afghan government fight out the insurgency, and at the same time backing the idea of incorporating Taliban elements into the government in Kabul through dialogue; and last but not the least, (v) inviting India to play a more active role in "economic assistance and development".

Quite interestingly, China came to Pakistan's rescue even before Islamabad could react to Trump. The Chinese foreign office spokesperson "called on the international community to recognise Pakistan's role in the fight against terrorism" and remember its sacrifices. Russian foreign ministry spokesperson regretted that "the strategy [did] not reflect the danger posed by the Afghan offshoot of the ISIS terrorist group, which is actively spreading its influence in Afghanistan, and completely [ignored] drug production in Afghanistan as well". The US allies supported Trump's policy. Afghan President hailed US decision to stay the course in Afghanistan

and called upon the Taliban to shun violence and join the dialogue process.

Pakistan Reacts

The government of Pakistan took time to react to Trump's speech and suffered enormous criticism in the domestic media for such delay. A day later, the statement purportedly made by the army chief, Gen Qamar Javed Bajwa during his meeting with the American ambassador, David Hale, a day later, hugged the headlines as a smart response from the Pakistani side. He reportedly told Hale: "We are not looking for any material or financial assistance from USA but trust, understanding and acknowledgement of our contributions."

The reactions from Pakistani observers were on expected lines. The US move to denounce Pakistan for its support to Taliban and urge India for playing an enhanced role in Afghanistan provoked strong criticism in the Pakistani media. It was regarded as a move to scapegoat Pakistan for American failure. The US, many commentators noted, was rubbing salt into the wounds by allowing India to use Afghan soil against Pakistan. There were a few observers who wanted Pakistan army to teach a lesson to the US by stopping American supply through its territory, like it had done after the Salala attack by NATO forces in November 2011. The US had got it fully restored only after it said "sorry" for the incident in July 2012.

The Pak cabinet regarded Trump's allegation of Taliban safe-havens within its territory as a "false narrative" a day later. On August 24, the National Security Committee of Pakistan "outrightly rejected the specific allegations and insinuations made against Pakistan" and held that instead of any financial or material assistance, there should be understanding and recognition of our efforts". Trump's mention of billions of dollars being paid to Pakistan as aid was contested by the committee. It was held that Trump's claim was misleading because the US was only compensating "part of the cost of ground facilities and corridors" for accessing Afghanistan.

On August 25, the spokesperson of the foreign ministry went one step further and said that Pakistan had incurred losses worth more than \$100 billion which "was not paid and Pakistan did not impose any levy on this count"

and by catering to US needs, Pakistan's "road infrastructure eroded and domestic trading suffered as local transport fleets were diverted to facilitate ISAF supplies". The national assembly resolution of August 30, rejected "the US claim of giving Pakistan billions of dollars in aid" and claimed that Pakistan had "suffered a loss of more than 123 billion dollars" and "denounce[d] the complete disregard and lack of respect for Pakistan's immense sacrifices in countering terrorism".

India factor

In all these statements, Pakistan could not hide its concerns about possible enhanced Indian role in Afghanistan in Trump's new strategy. The cabinet held that the real threat to peace in the region emanated from "continued existence of festering disputes [read Kashmir] and pursuit of hegemonic policies" (*read*, by India). The National Security Committee "stressed that India cannot be a net security provider in the South Asia region when it has conflictual relationships with all its neighbours and is pursuing a policy of destabilizing Pakistan from the east and the west."

India emerged as a principal concern even in the national assembly resolution. It said that "attempts by the Trump Administration to provide more space to India in Afghanistan" would be "highly detrimental to regional stability", and argued that the US had completely failed "to understand existing ground realities and emerging challenges in the region". There were also concerns expressed about alleged safe havens being provided by the Afghan government to Tehreek-i-Taliban Pakistan (TTP), Jamaat-ul-Ahrar and other terrorist organizations, for conducting terror attacks against Pakistan. The resolution of 30 August expressly urged the US, NATO and the Afghan government to "ensure that India is denied the use of Afghan territory to conduct terrorist attacks against Pakistan".

Countering the Challenge?

In this context, the measures being suggested by the national assembly resolution to deal with the challenge posed by Trump's policy smack of defiance and bluster. The assembly urged the government to:

- "consider the postponement of any visits by US delegations to Pakistan or by Pakistani delegations/

officials to the USA;

- consider suspension of cooperation with the US, particularly the provision of Ground/Air Lines of Communication (GLOCS/ALOCS) through Pakistan;
- draw up and inform the US and the Afghan government of a blueprint for the return of all Afghan refugees in a dignified but specified time frame;
- formulate economic policies to deal with any situation arising out of the absence of US assistance...”

This means Pakistan has taken the threat seriously and would try to adopt all kinds of pressure tactics to have its way in Afghanistan. If the Taliban’s response can be taken as an indicator of the thinking in the GHQ of Pakistan, it has threatened Trump to withdraw all its troops failing which it would turn Afghanistan into “a graveyard of the American Empire”.

Pak Foreign minister will soon embark on a tri-nation tour of Russia, Iran and Turkey “for consultations”, aimed at “developing regional consensus on efforts for peace in Afghanistan”. Pakistan has already cancelled three high level meetings with US officials. The decision to stop supplies through its territory could be the next step it may take to pressurize the US further. Nevertheless, at the same time Pakistan has committed itself to “international efforts for peace and reconciliation” for “lasting peace and stability in Afghanistan” and strengthening its relations with the US and Afghanistan. The US has already expressed its desire to work with Pakistan and it understands the risks of antagonizing Pakistan at a time when situation in Afghanistan calls for renewed US engagement.

The US has no appetite for sustained financial commitments in Afghanistan. It can only hope to change Pakistani behaviour to craft a lasting political solution and create a conducive atmosphere for external investments to boost Afghan economy. At the moment, it will have to rely on like-minded friends and allies to fund and enable the Afghan transition. Pakistan has to decide where it would fit in— as an eternal spoiler or as an honest peace maker— in this unfolding scenario in Afghanistan.

As a leading daily in Pakistan noted, Trump’s policy pronouncement was “a worrying indication of the strategic chasm between Pakistan and the US”, and urged Pakistan “to avoid a strategic collision with the world’s only superpower”. While it is naïve to imagine the deep state in Pakistan to snap its links with the Taliban with the existing level of threat issued by Washington, the security managers in Islamabad may be rather hoping that US approach will soften up, given Pakistan’s strategic indispensability for US operations in Afghanistan. However, a lot will depend on how Trump’s Afghan policy translates into actual action on the ground in the days to come.

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THE WEEK AT A GLANCE

ECONOMY

Dar seeks options as current account deficit triples

A high-level meeting on Monday, 21/08/2017 failed to reach a consensus on the exporters’ demand for the continuation of an unconditional cash subsidy on exports in 2017-18 under the premier’s Rs180 billion incentives’ package. The meeting was called to discuss ways to rectify a deteriorating external sector. Data released on the same day showed the current account deficit for July tripled to \$2.05bn year-on-year. The meeting headed by Finance Minister Ishaq Dar directed the secretaries of three divisions – commerce, textile and finance – to work on the continuation proposal for an unconditional subsidy to support exports.

<https://www.dawn.com/news/1353012/dar-seeks-options-as-current-account-deficit-triples>

CDWP approves 18 new projects worth Rs54.5b

The Central Development Working Party (CDWP) approved a Rs836-million project for extensive exploration of uranium reserves in the Bannu Basin and Kohat Pleat. The Pakistan Atomic Energy Commission will execute the project. Costing Rs423.5 million, a national tokamak fusion programme was also approved

by the CDWP. In the transport and communications sector, the CDWP cleared six schemes. These included infrastructure upgrade for the Karachi Shipyard & Engineering Works at a cost of Rs5.9 billion, three schemes for rehabilitating the existing N-35 project at a cost of Rs12 billion and track renewal for the Pakistan Railways, costing Rs1.7 billion. The CDWP also cleared Rs19.5 billion worth of project of the Khyber-Pakhtunkhwa government for rehabilitating provincial roads.

<https://tribune.com.pk/story/1487629/cdwp-approves-18-new-projects-worth-rs54-5b/>

\$3.4 billion ADB-funded projects mired in delays

Half of the Asian Development Bank (ADB) funded projects – worth \$3.4 billion – have either become problematic or put on watch list due to implementation delays, reveals a latest portfolio review that has again highlighted governance issues in Pakistan. The ADB has declared six projects worth \$560 million ‘actual problems’ and eight schemes costing \$1.2 billion ‘potential problems’. There are four projects, which are on the watch list, having total cost of \$1.7 billion and there are a total of seven projects on the watch list but three are already declared problematic. Excluding the watch list projects, the ADB rated 60% or 21 projects on track. This ratio was 80% in December last year and the latest review indicates that the project implementation is getting from bad to worse.

<https://tribune.com.pk/story/1490364/3-4-billion-adb-funded-projects-mired-delays/>

POLITICS

SC asked to disallow use of Islamic terms to describe politicians

After *sadiq* and *ameen* became buzzwords in the political discourse of the country following the disqualification of former prime minister Nawaz Sharif under Article 62(1)(f) of the Constitution, a lawyer requested the Supreme Court not to employ these virtues as a benchmark for electoral and judicial purposes. Moved by Shahid Orakzai, a local advocate, the petition asks the apex court to order that no word or title used in the

Holy Quran for the Holy Prophet be used for any living person. The petitioner has requested the court to note that the word *sadiq*, meaning honest, was a unique title reserved for the Holy Prophet and asked whether a Muslim could ever compare himself to God’s Messenger merely by filling out a nomination form during elections.

<https://www.dawn.com/news/1353571/sc-asked-to-disallow-use-of-islamic-terms-to-describe-politicians>

Trump backs off Afghan withdrawal, lambasts Pakistan over terrorist ‘safe havens’

President Donald Trump cleared the way for the deployment of thousands more US troops to Afghanistan backtracking from his promise to swiftly end America’s longest war, while pillorying ally Pakistan for offering safe haven to “agents of chaos”. In his first formal address to the nation as commander-in-chief, Trump discarded his previous criticism of the 16-year-old war as a waste of time and money, admitting things looked different from “behind the desk in the Oval Office”. “My instinct was to pull out,” Trump admitted as he spoke of frustration with a war that has killed thousands of US troops and cost US taxpayers trillions of dollars.

<https://www.dawn.com/news/1353164/trump-backs-off-afghan-withdrawal-lambasts-pakistan-over-terrorist-safe-havens>

US tough talk could push Pakistan closer to Russia, China

As the US President Donald Trump’s administration finalized its long-awaited strategy for Afghanistan, Pakistan is bracing itself for ‘tough time.’ Ahead of the announcement of the much-talked about strategy that will not only cover Afghanistan but the wider South Asian region as well, authorities in Pakistan are not hopeful of any positives and are instead preparing contingency plans. Officials admitted that given the signals coming from Washington, Pakistan’s patience would certainly be tested in the coming months. In the event of any extreme US measures, one official revealed, Pakistan would be left with “no option but to seek even deeper and enhanced cooperation” with China and Russia.

<https://tribune.com.pk/story/1486725/us-tough-talk-push-pakistan-closer-russia-china/>

Shehbaz Sharif wants to close the chapter on US aid

Punjab Chief Minister Shehbaz Sharif has responded to US President Donald Trump's hard line strategy on Afghanistan and Pakistan, saying the nation must politely close the chapter on US assistance to save face. "It is time for Pakistan to politely and gratefully close the chapter on US assistance so that the bilateral relationship can be freed from the shadow of contemptuous taunts..." the Pakistan Muslim League-Nawaz (PML-N) leader tweeted. "We must view current geopolitical and security challenges faced by Pakistan as an unprecedented opportunity to begin to define truly sovereign and independent vision of its future in line with the ideals of its founding fathers," he said in another tweet.

<https://tribune.com.pk/story/1490589/shehbaz-sharif-wants-close-chapter-us-aid/>

Tillerson urges India to seek rapprochement with Pakistan

US Secretary of State Rex Tillerson, while underlining the measures the Trump administration can take to prevent Pakistan from allegedly supporting the Afghan Taliban, has also reminded India of the need to "take some steps of rapprochement" for improving ties with Pakistan. Mr. Tillerson also asked India to remove the reasons that create unstable elements inside the country. "There are areas where perhaps even India can take some steps of rapprochement on issues with Pakistan to improve the stability within Pakistan and remove some of the reasons why they deal with these unstable elements inside their own country," he said.

<https://www.dawn.com/news/1353568/tillerson-urges-india-to-seek-rapprochement-with-pakistan>

Country's population surges to nearly 208m

The Council of Common Interests (CCI) on 25/-8/2017 approved provisional results of the sixth census that put the country's population at 207.77 million with an annual growth rate of 2.4 per cent. The provisional summary of census results showed an increase of 57pc in the country's population since 1998 — the last time the census was held — with Islamabad Capital Territory witnessing the highest population growth rate of 4.91pc.

Among the provinces, the highest growth rate of 3.37pc was seen in Balochistan, followed by Khyber Pakhtunkhwa 2.89pc, Sindh 2.41pc and Punjab 2.13pc. In implications for NFC award and delimitation, provisional census results show highest growth rate in Balochistan, lowest in Punjab. Number of females lower at 101.3m than males at 106.449m. Sindh most urbanized province, with 52.02pc of people in cities.

<https://www.dawn.com/news/1354029>

SECURITY

ISPR DG announces completion of Operation Khyber-4

Inter-Services Public Relations (ISPR) Director General Maj Gen Asif Ghafoor announced in a press conference on 21/08/2017 that Operation Khyber-4 has been completed. Operation Khyber-4 was launched on 15th of July as a part of Operation Radd-ul-Fasaad and now its ground objectives in Rajgal and Shawal valleys have been achieved. ISPR DG said that 52 terrorists were killed during the offensive while 31 were injured and 4 militants surrendered themselves to the military forces. He also announced that 152 landmines were dismantled during the course of the operation and 91 check posts had been established in Rajgal valley.

<http://dailytimes.com.pk/features/21-Aug-17/ispr-dg-announces-completion-of-operation-khyber-4>

Balochistan police prevent terrorist attack in Chaman

Balochistan police diffused two bombs on 21/08/2017 outside Pashtunkhwa Milli Awami Party (PkMAP) leader Haji Essa's residence in Chaman. The bombs, containing 10kg of explosives each, were hidden in the fuel tanks of two motorcycles that were parked next to the house. The residents of Guldara Baghicha area of Chaman informed the police after they became suspicious of the two motorcycles that were parked near the house of the local leader. The bomb disposal squad arrived in time and diffused the bombs, preventing a major explosion.

<http://dailytimes.com.pk/features/21-Aug-17/balochistan-police-prevents-terrorist-attack-in-chaman>

Pakistan sets terms for help in anti-terror fight

Pakistan's top civilian and military leadership strongly rejected US President Donald Trump's allegations of insincerity and duplicity in the fight against terrorism and set conditions for future counterterrorism cooperation with Washington and Kabul, specifically the removal of hideouts in eastern Afghanistan. The government's formal and comprehensive response to

the Trump administration's policy on Afghanistan and South Asia came after a meeting of the National Security Committee (NSC), which was chaired by Prime Minister Shahid Khaqan Abbasi and attended by ministers for defence, foreign affairs, finance, and interior, the national security adviser, services chiefs and heads of intelligence agencies and military operations.

<https://www.dawn.com/news/1353723/pakistan-sets-terms-for-help-in-anti-terror-fight>

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