PAKISTAN PROJECT

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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.

EDITOR'S NOTE

While India and Pakistan clashed over Kashmir in the United Nations, the PML-N government's foreign policy faced several criticism at home. There was widespread concern over the BRICS resolution, which expressed its concerns about the role of Pakistan-based militant groups in fomenting terrorism at the international level. Against this backdrop, General Bajwa's visit to Afghanistan and subsequent seven-hourlong corps commanders' meeting was given wide coverage. Pakistan's concerns about Indian role in Afghanistan was given prominence in the media. The economic situation remained grim with increasing debt as the government continued to struggle to revive the economy.

COMMENTARY

Gen Bajwa's Afghan Visit: Can it Herald a Change

Dr Yaqoob ul Hassan*

Pakistan's Army Chief Gen. Qamar Bajwa visited Afghanistan last week. He was accompanied by the chief of premier intelligence agency, the ISI, Foreign Secretary and other senior military officials. According to Afghan media, Gen Bajwa held candid and constructive talks with President Ashraf Ghani. Issues like regional security, bilateral relations and fight against terrorism were discussed read a brief statement issued by President Ghani's office after the conclusion of the meeting. It is believed that Pakistan assured Afghanistan of its

readiness to cooperate with it in tackling the threat of terrorism faced by both the countries. He once again reiterated Pakistan's support to Afghan led peace talks. Recently the relationship between Afghanistan and Pakistan had reached its lowest ebb. The relations between two are marred by mistrust and suspicion. Both Kabul and Islamabad often get entangled in blame game and have accused each other of harbouring terrorists.

Although it was not the first time Pakistan army chief has given assurance of its support to Afghanistan on terrorism issues. Gen. Bajwa's predecessors also paid many visits to Afghanistan and routinely pledged to jointly work for an early resumption of peace talks between Kabul and Taliban and promised to deal sternly with insurgent groups who refuse to quit violence and join the peace process. In anticipation of winning Pakistani military's good will, Ashraf Ghani soon after assuming power, visited Pakistan's General Headquarter (GHQ) in November 2014 to directly talk to the real power brokers in Pakistan. Even though his visit did irritate many in his National Unity Government but Ghani was ready to take the risk. He knew right from the beginning that peace and stability in Afghanistan can only come through the GHQ by either pressurising Taliban to shun violence and talk or taking steps to stop military and financial support to the group. To his great dismay nothing concrete happened in this regard. Rather violence spiked and attacks increased in Afghanistan. Taliban was winning more battles and occupying and expanding its hold over large swath of territory. Districts after districts were falling to the Taliban. Feeling frustrated at Pakistan's unwillingness to curb violence, Asharf Ghani openly accused Pakistan of what he said 'undeclared war of aggression against Afghanistan'.

Trump's New Afghan Policy and Pakistan

However, it seems that Pakistan's top military and civilian elites are rattled with Trump's new Afghan policy which he released in August. In his new policy Trump was very categorical vis-à-vis Pakistan's double game in Afghanistan. He warned Pakistan that the US would cut military aid to it if Pakistan does not abandon support for terrorist groups. Successive US administrations have been seen as reluctant to pressurise Islamabad beyond a point, due to the fact that supply lines for the US troops in Afghanistan runs through Pakistan. Pakistan is also seen as an intelligence partner of the US in the war. His new policy on Afghanistan announced greater role for India in Afghanistan which deeply enraged Pakistan. By asking India to play a greater role could be a tactics to bring necessary change in Pakistan behaviour. Therefore, Gen. Bajwa's Afghan visit can be seen in the larger perspective of overall Pakistan's relations with the US and its clandestine interdependence with Taliban. Keeping Pakistan's past outreaches and promises to the Afghan governments in view one is sceptical whether Rawalpindi is sincere to change its course which it sees as a success policy. But at the same time there is slight hope that some sort of change may be happening at the top echelons of the Pakistani military. The recent declaration of the BRICS signalled to the Pakistan that even its close ally China has concerns over terrorist activities that emanate from Pakistan.

One also needs to contextualise the Bajwa-Ghani meeting with the recent developments in the region. Firstly, it was Prime Minister Shahid Khaqaan Abbasi's brief meeting with vice president Mike Pence in Washington and second, the US Defence Secretary James Mattis's visit to India and Afghanistan. The Pakistan Army chief's visit preceded the Pakistan's foreign minister Khaja Asif's US visit this week. In principle Pakistan agreed that the two countries would stay engaged with a constructive approach to achieve shared objectives of peace, stability and economic prosperity in the region yet there was more hard talks between Abbasi and Pence. Pakistan may provide some concessions on Afghanistan by taking some measured actions on the Haqqani Network and may force Taliban to come to the table. But it would not allow the US to give India more space in Afghanistan. This can be gauged from the fact that after returning from the Afghanistan, Gen. Bajwa called a special corps commanders conference on October 3that reportedly lasted around seven hours. The Pakistan army's media wing, the ISPR in a rare move did not tweet or issued a brief statement regarding the 7 hour huddle at GHQ. According to some sources in media particularly the vernacular media which are supposed to be very close to army, the deliberations were on army's preparedness to deal with any situation that may develop both internally and externally. The major focus was on India and how it does not have much role in Afghanistan. There are also media rumours that army is also trying to further weaken the PML-N as a political party. The sudden reshuffle of top military brass is a case in point. By transferring Lt Gen Riaz to Lahore where he replaced Corps Commander Lahore, Lt Gen Sadiq Ali, is an indication of continued pressure on the ruling political party within the province. Within the military he is known for being assertive and dominating. He is also an articulate speaker and very vocal about politics and politicians. Army has taken to the war with PML-N to the next level where it would like to see PMLN minus Nawaz family.

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THE WEEK AT A GLANCE

ECONOMY

Second LNG terminal delayed for third time

Pakistan LNG Terminal Limited (PLTL) is presently under alleged government pressure to waive \$50 million penalty it has imposed on the contractor for delaying the completion of the country's second LNG terminal at Port Qasim. The PLTL—a public sector entity being run under control of the Ministry of Energy (Petroleum Division)—is supervising the LNG terminal project being client while the Pakistan GasPort Consortium Limited (PGPC) is executing this as contractor. The terminal, which was earlier scheduled to be completed by June, is now reportedly planned to be commissioned by November 28th after a delay of six months as per the contractors request sent to PLTL in August.

https://www.dawn.com/news/1360061

Kashgar businessmen visit ICCI to explore joint ventures

A Chinese delegation led by Kashgar Chamber of Commerce and Industry Vice President Zhang Shu Zhi Monday visited the Islamabad Chamber of Commerce and Industry (ICCI) to explore opportunities of joint ventures and business partnerships in the field of roads construction, building materials, cement manufacturing, travelling and logistics, electricity generation, decoration material, food products and other areas. Speaking on the occasion, Zhang Shu Zhi said that they had come to Pakistan to explore opportunities of investment, joint ventures and partnerships with particular focus on the China-Pakistan Economic Corridor (CPEC)-related projects.

http://dailytimes.com.pk/pakistan/26-Sep-17/kashgar-businessmen-visit-icci-to-explore-joint-ventures

Asian development fears downside risks

Calm has returned to Pakistan following the political uncertainty heightened by the Supreme Court's decision to disqualify Nawaz Sharif as the prime minister, but still possible loss of momentum for making policy decisions may hamper prospects for economic growth in the country, said the Asian Development Bank in an update to its annual economic report published on Tuesday. The report feared that there are downside risks, pointing out that growth has improved but the PML-N government - which will continue to lead until new parliamentary elections are held by the third quarter of 2018 — needs to address fiscal and external sector vulnerabilities that have reappeared with the wider current account deficit, falling foreign exchange reserves, rising debt obligations, and consequently greater external financing needs.

https://www.dawn.com/news/1360254

PSX plummets by 376pts amid political uncertainty

Bearish sentiments dominated at the Pakistan Stock Exchange (PSX) on Wednesday as KSE 100-index went down by 376 points and closed at 42,290 points due to growing political uncertainty, dealers said. Sectors dragging down the index were commercial banks that shed 84 points, oil and gas exploration companies, which

took away 61 points, cements 48 points, and power generation and distribution slashed 29 points. A rally was witnessed in the fertilizer sector as fertilizer numbers for the month of August-17 showed a growth of 36% YoY. FFC (up 2.4%), FATIMA (1.2%), FFBL (1.5%) and EFERT (1.1%) cumulatively contributed 43 points to the index gain.

http://nation.com.pk/business/28-Sep-2017/psx-plummets-by-376pts-amid-political-uncertainty

POLITICS

India threatened to impose limited war; Pakistan

India is threatening to impose a limited war on Pakistan as it continues to violate the Line of Control (LoC) and the Working Boundary (WB), Islamabad has told important world capitals. Senior officials at the foreign ministry told The Nation that Islamabad had contacted Washington, Beijing, Moscow, and London amid the unprovoked Indian firing, targeting the civilians along the LoC and the WB. "We have urged them to ask India to give up defiance. India is threatening a limited war which could be dangerous for the regional peace. We have asked the important countries to stop India or the things could get out of hands," said an official at the ministry who has been engaged in the talks. Another official said that Beijing had assured support to Pakistan at the regional and international level.

http://nation.com.pk/national/25-Sep-2017/india-threatening-to-impose-limited-war-pakistan

Move to determine how photo faux pas happened at the UN

A human blunder embarrassed Pakistan when its envoy displayed the picture of a Palestinian girl inside the UN General Assembly as a Kashmiri victim of Indian pellet guns and officials on Monday tried to determine how this happened. The picture that Ambassador Maleeha Lodhi displayed on Saturday, while responding to a speech by the Indian foreign minister, was of 17-year-old Rawya Abu Jom'a who was injured during Israeli air strikes on her apartment in Gaza in 2014. The photo was taken by American photographer Heidi Levine. By Sunday, Ms Lodhi's photo holding aloft the picture

became a rage on social media, as hundreds of thousands of people reproduced it on Twitter, Facebook and WhatsApp.

https://www.dawn.com/news/1360023

Even dictator allowed right to appeal: Sharif

Former prime minister Nawaz Sharif on Tuesday regretted that while he had the right to appeal judicial decisions under the dictatorship of Gen Pervez Musharraf, he was being denied that right in the present democratic set-up, being run by the government of his own party. Reading out a written speech at a crowded "press conference" at Punjab House, Mr Sharif once again targeted the judiciary, alleging that he had not been given the right to appeal because the same judges who handed down the verdict disqualifying him had heard the review petition, and they would be there again if he filed another appeal against the judgement of the accountability courts.

https://www.dawn.com/news/1360275

Ban on student unions encouraged extremism: Rabbani

Senate Chairman Mian Raza Rabbani has said that the Pakistani nation would overcome extremism and terrorism as it had the unprecedented resilience to fight and make a comeback from the knockdown position. "Conscious attempts were made by the State during the Zia regime to promote a culture of extremism and drifted from the culture of tolerance, compassion, and love, which is the hallmark of this land of Sufism," he said while addressing the concluding session of a seminar on "70 Years of Pakistan" organized by the Senate Defence Committee here on Tuesday. "But we want to make it clear that this nation has the potential and spirit to defend its sovereignty and we would like to die than to be the slave of the extremist forces," he said.

http://nation.com.pk/national/27-Sep-2017/ban-on-student-unions-encouraged-extremism-rabbani

SECURITY

Muharram terror bid foiled; three shot dead

At least three suspected terrorists were killed during a shootout with security forces in Dera Ismail Khan on Sunday, the Inter-Services Public Relations (ISPR) said. According to the military's media wing, during an intelligence-based raid in Gara Madda area near DI Khan, suspected bikers started firing at troops after being signalled to stop. "Resultantly fire exchange took place and three terrorists were shot dead," read the statement. "Suicide jackets were recovered from the terrorists," it added. The ISPR said those killed were identified as Waheed, Majid and Iqbal, who carried a bounty of Rs1 million. District Police Officer Raja Abdul Saboor confirmed that militants were planning to attack the procession of Muharram. Separately, Peshawar police arrested six men on Sunday including a suspected terrorist who was planning to attack Shia mourners during Muharram.

http://dailytimes.com.pk/pakistan/25-Sep-17/muharram-terror-bid-foiled-three-shot-dead

Foreign forces trying to destabilise country: COAS

Chief of Army Staff (COAS) General Qamar Javed Bajwa has said hostile agencies from abroad are trying to destabilise the country. "They [hostile agencies] fear the army being a hurdle to achieving their nefarious designs," Gen Bajwa said during his visit to the family of Lt Arsalan Alam, the 22-year-old martyr. According to ISPR, the COAS said the armed forces would continue to perform in the country's best interests and stand by the nation against all challenges. "Pakistan's enemy is our enemy. Use of force is the prerogative of the state alone," he said. The army chief vowed to restore peace and rule of law "whatever sacrifices it may cost."

http://nation.com.pk/national/26-Sep-2017/foreign-forces-trying-to-destabilise-country-coas

Islamabad High Court concerned about spy agencies 'tug of war'

The quest of an Intelligence Bureau (IB) spy to have the Inter-Services Intelligence (ISI) investigate his seniors for allegedly protecting terrorists may not yield the desired results, after the Islamabad High Court (IHC) noted on Wednesday that both agencies seemed to be involved in a "tug of war". However, Justice Shaukat Aziz Siddiqui sought a reply from the interior secretary to the petition filed by an IB assistant sub-inspector. The bureau has already come under fire from Pakistan Tehreek-i-Insaf (PTI) leader Imran Khan after its head allegedly met ousted prime minister Nawaz Sharif in the UK. A list of politicians allegedly having links with terrorists was also recently attributed to the IB; however, the intelligence agency has disowned any such list.

https://www.dawn.com/news/1360501

Pakistan cannot progress without stability in Balochistan: COAS

Chief of Army Staff General Qamar Javed Bajwa Thursday said that Pakistan was incomplete without Balochistan, according to the Inter-Services Public Relations. A group of 173 students and faculty members from various educational institutions of Balochistan met the COAS at the Inter-Services Public Relations Directorate on Thursday. While interacting with the youth, the COAS said Pakistan cannot progress without peace and stability in Balochistan. He termed the youth

as Pakistan's most precious asset and urged them to contribute to the national integration and progress by performing a positive role.

http://dailytimes.com.pk/pakistan/29-Sep-17/pakistan-cant-progress-without-stability-in-balochistan-coas

'AQIS militant' among five killed in Karachi encounter

Police on Thursday claimed to have killed five alleged militants, who were apparently planning to attack a Muharram procession using a remote-controlled vehicle, in an 'encounter' off the Superhighway. Malir SSP Rao Anwar Ahmed Khan said the deceased had been "accomplices" of Saad Aziz, a co-accused in the Safoora bus carnage case, which had left over 45 members of the Shia Ismaili community, including 18 women, dead. The incident occurred two years ago when the bus the victims were travelling in came under attack near Anara Garden, a residential compound of the Ismaili community. Thursday's encounter took place behind Anara Garden off the Superhighway, according to officials.

https://www.dawn.com/news/1360710/aqis-militant-among-five-killed-in-karachi-encounter

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