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January 2015

GUEST LECTURE

Is India Re-thinking its Policy on Kashmir



Lt. Gen. (R) Muhammad Masood Aslam visited Islamabad Policy Research Institute (IPRI) and gave a presentation on, "Is India Rethinking its Policy on Kashmir" to the IPRI scholars on January 29, 2015.

The salient points of his presentation are as under:

- In Kashmir, India is pursuing a policy of status quo ever since 1947, when Indian troops moved into Srinagar.
- India considers Kashmir a resolved issue but Pakistan has been offering options on Kashmir since decades which are in accordance with the UN Resolution and the wishes of the Kashmiri people.
- Western think tanks are flooded with Indian scholars hence one can

Highlights

Guest Lecture

Is India Re-thinking its Policy on Kashmir?

Review Meetings

- Foreign Direct Investment (FDI) and Trade Liberalization Policies in Pakistan
- Education System of Pakistan: Issues, Problems and Solutions

find pro-India material and literature in galore. Indian scholars abroad propagate that India has no issue with Pakistan. Moreover, India wrongly blames Pakistan that its policies are being controlled by the Pakistan Army.

- Some Indian scholars are of the view that if Pakistan is stable, it would create problems for India and if it is unstable, it would have spill-over effect in India.
- Modi's government is different from the previous one under the premiership of Vajpayee.

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FOREIGN VISIT

Agreement of Cooperation Between IPRI and Xi'an Jiaotong University Signed

President IPRI visited Xi'an in China and signed an agreement for cooperation with the Xi'an Jiaotong University on January 22, 2015. Xi'an Jiaotong University, established in 1896, is a research university. It has a faculty and staff of more than 5500, of which 2500 are full-time teachers, including over 1500 professors and associate professors. It has a current enrolment of more than 30,000 full-time students, including over 13,000 masters and doctoral candidates.

The Collaborative Innovation Center for Silk Road Economic Belt Studies (CIC-SREBS) is an initiative of the XJTU meant to build world-class research platform that is capable of solving key urgent issues by integrating national and international resources of policy-making, academic and research sectors. Its core task is to undertake innovative research on key theoretical and practical issues pertaining



to the connectivity of laws and policies, transportation and communication, trade and investment, currency and finance, culture and education considered to be vital to the SREB construction.

During the visit of President IPRI, an Agreement for Cooperation between CIC-SREBS of the Xi'an Jiaotong University and IPRI was signed. Ambassador (R) Sohail Amin was appointed as member of the Board of Directors (BoD) of the CIC-SREBS for four-year tenure. The BoD is the decision making body for all important issues at the CIC-SREBS. Its Co-Chairpersons are the Assistant Minister of Foreign Affairs of China, Vice Governor of Shaanxi province and the President of Xi'an Jiaotong University.

The First High Level International Forum of Silk Road Economic Belt was addressed by speakers from India, Kazakhstan and Turkey. More than 20 Chinese scholars also addressed the Forum. Addressing the Forum, President IPRI said that Pakistan's relations with China were cited as a model for state to state relations. He said that during the past few months, a consensus among China and Pakistan has emerged to plan various energy and infrastructure projects under the China Pakistan Economic Corridor especially in transport, infrastructure and energy. Six coal-based power projects at Gadani with a total power generation of 3600 MW have been identified. Two more 1220 MW coal based power projects at Port Qasim are planned. Solar Power Park at Bahawalpur, rehabilitation and up-gradation of Karachi-Lahore-Continued on p. 2

IPRI Scholars' Publications (January)

English Newspaper Articles

- "Southeast Asia and the US Re Balance" by Amna Ejaz Rafi, Assistant Research Officer IPRI was published in *The Patriot*, January 1, 2015, (Online link not found)
- "US Cuba Thaw & Russian Stakes" by Asiya Mahar, Assistant Research Officer IPRI was published in *Pakistan Observer*, January 3, 2015, http://epaper.pakobserver.net/201501/03/comments-2.php
- "Kashmir Rebuff Modi" by Air Cdr (R) Khalid Iqbal, Consultant IPRI was published in *Pakistan Observer*; January 7, 2015, http://epaper.pakobserver.net/201501/07/comments-2.php
- "BJP's Onslaught on Kashmir" by Air Cdr (R) Khalid Iqbal, Consultant IPRI was published in *The Nation*, January 12, 2015, http://nation.com.pk/E-Paper/lahore/2015-01-12/page-6
- "Factors Behind the Black Gold Glut" by Khurram Abbas, Assistant Research Officer IPRI was published in *Daily Times*, January 12, 2015, http://www.dailytimes.com.pk/E-Paper/lahore/2015-01-12/page-7
- "Russia Seeks New Horizons" by Khurram Abbas, Assistant Research Officer IPRI was published in *Pakistan Observer*, January 13, 2015, http://epaper.pakobserver.net/201501/13/comments-2.php
- "India: From Defensive to Offensive" by Khalid Chandio, Research Officer IPRI was published in *Pakistan Observer*, January 15, 2015, http://epaper.pakobserver.net/201501/15/comments-2.php
- "Pakistan: Gas Shortage Crisis Causes and Remedies" by Aymen Ijaz, Assistant Documentation Officer IPRI was published in *The London Post*, January 18, 2015 http://thelondonpost.net/pakistan-gas-shortage-crisis-causes-and-remedies/
- "Terrorism may be Defused by Unconventional and Human Approaches" by Muhammad Nawaz Khan, Assistant Research Officer IPRI was published in *Global Times*, January 19, 2015, http://www.globaltimes.cn/content/902647.shtml
- "Man is not Charlie!" by Air Cdr (R) Khalid Iqbal, Consultant IPRI was published in *Pakistan Observer*, January 21, 2015, http://epaper.pakobserver.net/201501/21/comments-1.php
- "Pak-US Resolve against Terrorism" by Gulshan Bibi, Assistant Research Officer IPRI was published in *Pakistan Observer*, January 24, 2015, http://epaper.pakobserver.net/201501/24/comments-1.php
- "Indo-Iran Partnership: Implications for Pakistan" by Khurram Abbas, Assistant Research Officer IPRI was published in *Daily Times*, January 26, 2015, http://www.dailytimes.com.pk/E-Paper/lahore/2015-01-26/page-7
- "Obama's India" by Air Cdr (R) Khalid Iqbal, Consultant IPRI was published in *The Nation*, January 26, 2015, http://nation.com.pk/E-Paper/lahore/2015-01-26/page-7
- "India: Waxing or Waning?" by Gulshan Bibi, Assistant Research Officer IPRI was published in *Pakistan Observer*; January 27, 2015, http://epaper.pakobserver.net/201501/27/comments-2.php
- "Obama's India Visit and Pakistan" by Col (R) Muhammad Hanif, Research Fellow IPRI was published in *Pakistan Observer*, January 29, 2015, http://epaper.pakobserver.net/201501/29/comments-2.php
- "A New Era in US India Ties" by Amna Ejaz Rafi, Assistant Research Officer IPRI was published in *Pakistan Observer*, January 30, 2015, http://epaper.pakobserver.net/201501/30/comments-2.php
- "Obama's Visit Raises Concerns in Pakistan" by Muhammad Munir, Research Fellow IPRI was published in *Pakistan Observer*, January 31, 2015, http://epaper.pakobserver.net/201501/31/comments-1.php
- "India-US Ties: Rhetoric Versus Reality" by Saman Zulfqar, Assistant Research Officer IPRI was published in *Daily Times*, January 31, 2015, http://www.dailytimes.com.pk/E-Paper/lahore/2015-01-31/page-7

IPRI Scholars Urdu Newspaper Articles in January 2015

- "Qaumi Action Plan Aur Bharat" by Asghar Ali Shad, Research Fellow IPRI was published in *Daily Pakistan*, January 6, 2015, http://dailypakistan.pk/newsarchive.php?search=06/01/2015
- "Maqbuza Kashmir....Phir Governar Raj" by Asghar Ali Shad, Research Fellow IPRI was published in *Nawa -i-Waqt*, January 12, 2015, http://www.nawaiwaqt.com.pk/E-Paper/islamabad/2015-01-12/page-14
- "Pak Afghan Taluqat" by Asghar Ali Shad, Research Fellow IPRI was published in *Daily Pakistan*, January 18, 2015, http://dailypakistan.pk/newsarchive.php?search=18/01/2015
- "Sri Lanka Kay Election Raw Ka Inteqam" by Asghar Ali Shad, Research Fellow IPRI was published in *Daily Pakistan*, January 22, 2015, http://dailypakistan.pk/newsarchive.php?search=22/01/2015
- "Bharati jamhuriat Obama Kay Naam Khula Khat" by Asghar Ali Shad Research Fellow IPRI was published in Nawa -i-Waqt, January 25, 2015, http://www.nawaiwaqt.com.pk/E-Paper/islamabad/2015-01-25/ Page-13

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Peshawar railway track are some of the other important projects to be implemented. In all, there are 37 projects of national importance with a total cost of more than \$39 billion that have been identified for completion.

President IPRI Addresses a Seminar on President Obama's Visit to India

President IPRI Ambassador (R) Sohail Amin delivered a presentation at the one-day Seminar organised by the Strategic Vision Institute at the Islamabad Club on 29 January 2015. The topic of the Seminar was 'US President Obama's Visit to India on 26 January 2015 and its Implications'. Ambassador (R) Ashraf Jahangir Qazi and Brig (R) Naeem Salik were the other two speakers. The Chief Guest at the Seminar was the Advisor to the Prime Minister on National Security and Foreign Affairs, Mr. Sartaj Aziz.

In his presentation titled 'the Developing Contours of China-India-US Relations', President IPRI said that securing vital economic interests is important for Modi as he has to fulfil the promises made during his election campaign. His main worry is about efforts that might be made by the Sangh Pariwar to discredit him with the purpose of removing him, in case he fails to deliver on the economic field. His emphasis is, therefore, on pursuing an economic agenda. With that in mind, he has hosted President Xi Jinping, President Putin and now President Obama during the last five months. President IPRI also highlighted Pakistan's strong reaction to the US support of bringing India into the UN Security Council and making it a member of the Nuclear Suppliers Group.

IPRI REVIEW MEETING

Foreign Direct Investment (FDI) and Trade Liberalization Policies in Pakistan



Mr. Khurram Abbas, Assistant Research Officer, IPRI gave a presentation on "Foreign Direct Investment (FDI) and Trade Liberalization Policies in Pakistan" on January 12, 2015. He

- government needs to focus on this region in order to attract FDI, particularly in agriculture sector.
- World Trade Organization has pointed out that Pakistan's heavy dependence on particular export items such as cotton can make it vulnerable to external distortions and restrictions. Pakistan's export market is dependent on European Union, US and Japan. Therefore, it is a dire need that government should diversify its export destinations.
- Since 2007, more than 50 per cent FDI has been attracted only in two sectors, i.e., Oil & Gas and Telecommunication. Though government had introduced energy emergency but it has yet to attract



highlighted definition of FDI, competing narratives, indicators of FDI in Pakistan which include market size, skill level, political stability and availability of infrastructure. Mr. Khurram also discussed brief history of trade liberalization policies in Pakistan, investment policy 2013 and incentives for foreign investors. The salient points of his presentation are as under:

- Discontinuation of previous economic policies with the change of the governments in Pakistan is one of the factors that result in low FDI.
- When 92 per cent of businesses are managed by the private sector, they should have a say in framing economic policies, too.
- Investment in physical and human capital is required for the growth of economy. Skilled labour is one of the major factors in developing a nation, which makes human capital as important as physical capital.
- Gulf countries are budget surplus.
 There is huge potential in attracting
 FDI from Gulf countries. The

FDI as much as was required. There is a need that government should also make other sectors more attractive and diversify FDI inflows.

- There is a need to reduce tariff percentage. However, this reduction should be gradual and industries which are not competitive should be exempted from this tariff reduction.
- Law and order situation is having a negative impact on inflow of FDI. The government has since introduced the National Security Policy in order to improve security situation in the country which will start showing positive results in due course.

Mr. Khurram concluded his presentation by saying that currently Pakistan was facing hard times. Internally, it was fighting a brutal war against terrorism and externally, its economy was resisting against lingering ill effects of global financial crisis for the last six years. Yet, the statistics of Pakistan's GDP, GNP and FDI of past few years suggested that its economy was resilient and there were hopes that Pakistan's economy would be able to flourish.

IPRI SCHOLAR'S PARTICIPATION

Emerging Scholarship on China in Pakistan



Mr. Muhammad Munir, Research Fellow, IPRI participated in a two-day conference on "Emerging scholarship on China in Pakistan" organized by the Institute of Policy Studies (IPS), Islamabad on January 26-27, 2015. He made a presentation on Pakistan-China Relations in the Post-9/11 period. He analyzed Pakistan-China relation in the context of imperatives of regional security in the post-9/11 period. While exploring the nature and status of Pakistan-China relations, Mr. Munir stated that in the Post 9/11 there had been enhancement of cooperation between the two countries in three main areas: a) Security/defense, b) Economic and trade cooperation and C) Cooperation in the regional organizations (SAARC and SCO). He also discussed the prospects of building China-Pakistan Community of 'Shared Destiny' in the context of Pakistan-China Economic Corridor. He concluded that economic corridor would not only be beneficial for the people of these two countries but would also be helpful in maintaining regional peace and stability.

The conference was chaired by Amb (R) Akram Zaki, former senator and chairman of senate



committee on foreign affairs, and commented by Abdul Salik Khan, Director General, East Asian and Pacific Department, Ministry of Foreign Affairs, Pakistan, Dr. Rizwan, Assistant Professor, Centre for International Peace and Stability, National University of Science and Technology (NUST), and Sr. IPS associates Brig (R) Said Nazir, Air Cdre. (R) Khalid Iqbal and Cdr (R) Dr. Azhar Ahmed.

Education System of Pakistan: Issues, Problems and Solutions



Mr. Aftab Hussain, Research Officer, IPRI gave a presentation on "Education System of Pakistan: Issues, Problems and Solutions" on January 28th, 2015. The main objective of the presentation was to review the Education System in Pakistan and to suggest recommendations. He explained that the education system of Pakistan is comprised of 260,903 institutions and is facilitating 41,018,384 students with the help of 1,535,461 teachers. The system includes 180,846 public institutions and 80,057 private institutions.

Mr. Hussain analysed the following issues and problems in connection with education system:

- The official data shows the allocation of funds for educational projects but there is no mechanism to ensure the proper utilization of those funds.
- The existing infrastructure is not properly utilized in several parts of the country. There are schools without teachers and students, while there are schools without any building.
- There are various challenges that include lack of expertise and

- institutional or capacity issues. Uniform standards for textbook development and quality assurance are also lacking.
- Inside schools, there are challenges which include shortage of teachers, teacher absenteeism, lack of basic facilities and friendly environment, and absence of toilets, drinking water, boundary walls, electricity and furniture.
- Out of school challenges include shortage of schools, distance to be from the schools especially for females, insecurity, poverty and cultural norms.

Mr. Aftab Hussain gave following recommendations to improve the education system of the country:

- Providing economic incentives to students may encourage the economically under privileged parents to send their children to school and may also help in reducing dropout ratio.
- Local government system is helpful in promoting education and literacy in the country as it envisages utilization of funds on a need basis to spend by the local community.
- An effective monitoring system is needed to check corruption in education departments.
- For any system to work it is imperative that relevant structures are developed. Legislation and structure should be framed to plan for the promotion of education in the country. After the 18th Amendment, education has become a provincial subject, therefore, the provinces should legislate and design educational policies which ensure

- quality education.
- Technical education should be made a part of secondary education. Classes for carpentry, electrical, and other technical and vocational education must be included in the curriculum.
- Educated unemployment is a major concern for Pakistan. There should be career counselling of students in schools so that they have an understanding of the job market and can develop their skills accordingly.
- Counselling of parents is required, so that they can choose a career for their child which is market friendly.



• The reforms required in the education system of Pakistan cannot be done by the government alone. Public-private participation and a mix of formal as well as informal education can pull out majority of country's population from illiteracy.

Is India Re-thinking its Policy on Kashmir

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Today Pakistan is confronted with genuinely trained RSS people in the Indian government under Modi.

- · Amit Shah is heading BJP who has been a colleague of Modi and both are RSS men. Current National Security Advisor of India, Ajit Doval, is an ex-IB chief having been stationed in Pakistan in the past and is well known for de-stabilizing Pakistan. The Foreign Affairs Advisor of Modi is ex-Army Chief V.K. Singh. Previously, if we look at Indian policy making circles closely, the military had nothing to say as it was never consulted before but now military has also become active.
- India now wants to show its muscles and is

using "smart power". Through smart power India is using its muscles in the immediate neighbourhood and using its soft power/ image in the rest of the world.

There are two internal and external dynamics which are making India re-think its policy on Kashmir. These are:

Internal:

- BJP government under Modi
- Rise of Hinduism
- Economic growth
- Defense modernization
- Military say in policy making
- Dominance of politicians from Gujarat and Maharashtra in Indian government



External:

- New geo-political realities
- Indo-US partnership

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