

*Allama Iqbal and the Quaid-i-Azam on Issue of Nationhood and Nationalism**

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Introduction

Pakistan, which arose as an independent state in 1947 from a partitioning of India, was herself dismembered in 1971. The larger part of her population broke away from the rest to establish a new state called Bangladesh. One way of interpreting this event is to say that the elite, who spoke and acted for the people of East Pakistan, came, or were driven to, the position that they did not wish to be Pakistanis any more. Certain political forces in parts of the "new" Pakistan are also said to have secessionist aims and one of them, the National Awami Party (NAP), was declared to be an unlawful organization on the basis of that allegation in February 1975. Earlier its top leaders were accused of fomenting an insurrection in Baluchistan in the summer of 1973 that raged for more than two years. It would seem then that Pakistan's crisis of national integration has not quite been resolved yet. Pakistani nationhood has not been made; partly because an influential school of thought maintains that to make it would be to repudiate the legacy of Allama Iqbal and the Quaid-i-Azam, the founding fathers of Pakistan. We will see below that this fear issues from a misreading of their legacy.

Cultural homogeneity, economic interest, shared remembrance of a common historical experience, satisfaction with the quality and levels of participation and distributive justice, and, on occasion, a judicious resort to coercive power are among the factors that help preserve a national community. Concepts of authority, rights, and justice are also involved. Individuals may be linked with one another in a nation because they agree on the definition of a just political order. It is in this sense, more than any other, that nationalism, such as Muslim nationalism, which many Pakistanis uphold, as distinguished from territorial nationalism of which some of the same Pakistanis are suspicious.

In their actual functioning the preservatives of national unity, referred to above, are interdependent. For instance, a common stake in the union will develop more easily among a culturally homogeneous people than it will among diverse group. The greater the cultural homogeneity and the sense of a common stake, the less the need for coercion. On the other hand, if resort to coercion has been excessive or if aspirations for participation and distributive justice have been frustrated, the ideological consensus may break down and even the sustaining role of cultural homogeneity may begin to decline.

Since early 1972 Pakistani commentators have debated issues of national identity, integrity, and survival. The "Islam-pasands"— meaning those who believe that Pakistan remains unfulfilled until her society and polity are Islamized — maintain that domestic conspirators and foreign interventionists succeeded in dismembering Pakistan mainly because the Pakistani ruling elite's persistent neglect

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of the ideology of Muslim nationalism — in whose name Pakistan was demanded and attained --- had disrupted the nation's sense of solidarity and cohesion. In this train of reasoning Muslim nationalism means that the common faith in Islam (rather than regional, ethnic, or cultural affiliations) suffices as a basis of political group-making, and that the group is to organize itself and function as an Islamic polity. When a Muslim community is free to choose, because it is politically independent, and does not choose to conduct its affairs according to the law of Islam, its behaviour amounts to nothing less than "a form of national apostasy."¹ It is asserted also that the obligation to establish an Islamic state in Pakistan is in the nature of a social contract. The founding fathers, Allama Iqbal and the Quaid-i-Azam, understood and projected Muslim nationalism in the above terms and envisaged that Pakistan would be an Islamic state. The generality of Indian Muslims struggled for Pakistan in the same expectation. They were "inspired by the ideology of Islam and the country was carved into existence solely to demonstrate the efficacy of the Islamic way of life."²

This is a familiar argument. After the emergence of Pakistan *Maulana* Maududi, one of the more eminent scholars of Islam in our time and, until recently, head of the Jamat-e-Islami, other *ulema*, the lay "Islam-pasands," including numerous Muslim League politicians, often asserted that none other than the original community-making impulse—that is, Muslim nationalism—would preserve independent Pakistan. They warned that a Pakistani nationhood or nationalism, embracing both Muslim and non-Muslim citizens, would ruin and disintegrate the state. In his well known work, *Islamic Law and Constitution*, the *Maulana* claimed that Muslims in pre-independence India had opposed a joint electorate with Hindus because they rejected the notion of territorial nationalism. They believed instead in a concept of ideological nationalism that transcended geographical, ethnic, and linguistic attachment. The establishment of Pakistan had in no way altered their way of thinking: they still opposed territorial nationalism, knowing that it would lead to the construction of a secular state, which they did not desire. For if that had been their goal, "what was the harm in a united India? What was the need of offering a heavy price of life and property for the establishment of a separate state?"³

Maulana Maududi and his associates make a valid, albeit insufficient, argument when they say that Pakistan was undone in 1971 because Islam had not been implemented. They do not take account of the possibility, perhaps the likelihood, that in the foreseeable future Islam's operationalization in Pakistan and elsewhere will continue to be partial. This is a predicament Islam shares with other *comprehensive* ideologies. Nor is this a new problem. Ever since the beginning of Umayyad rule in A.D. 661, Muslim politicians have been unwilling to subordinate their own pursuit of power to the restraints of Islamic law even though they were often willing to enforce that law in non-political spheres. Muslim nationalism, as a group-making principle in politics, has not functioned since the end of Umayyad rule, for since then the *ummah* has been politically fragmented instead of being united in a single polity as, according to Muslim nationalism, it should be. The chasm between Islamic law and actual Muslim political behaviour was so great that the medieval Muslim jurist had to go outside the Islamic framework to look for principles that might help him deal with the twin problems of political legitimacy

¹ Abulala Maududi, *Islamic Law and Constitution* (translated and edited by Khurshid Ahmad), Lahore: Islamic Publications, 1960, pp.5-6.

² *Ibid.*, p.11.

³ *Ibid.*, pp.331-332.

and the multiplicity of political authority. Al-Mawardi (974-1058), Al-Ghazali (1058-1111), and Ibn Jama'a (1241-1333), among others, invoked the logic of necessity and a theory of the primacy of power to legitimize the empirical reality.⁴

The position that if Pakistan does not become an Islamic state, Pakistan is not worth having, has obvious disintegrative implications. Since there is no assurance that in any foreseeable future Pakistan will become an Islamic state to the satisfaction of the *ulema*, this verdict subverts the Pakistani people's patriotism and their sense of solidarity with one another. It distracts them from introducing into their value consensus ingredients that would meet the needs of their particular situation. For while Muslim, they do have some other qualifications and characteristics also. It should be clear that if common attachment to a model of the good society, such as Islam, was the main community-making force, and if subsequently this model could not be implemented enough so that revived faith in it would act as a community-preserving agent, other preservatives must be activated to its assistance.

The historicity of the alleged social contract needs to be examined. It is true many Muslim League party workers and organizers of processions, demonstrations, and mass meetings during the Pakistan movement, made catching and rhyming slogans which seem to suggest that Pakistan would be an Islamic state. The position of Iqbal and Jinnah was much more complex as the following analysis of their writings and statements will show. But it should be recalled that *Maulana Maududi* himself did not, at the time, believe that the Muslim League and its leaders sought an Islamic state. He maintained that they were issuing a nationalistic call to unite Indian Muslims to protect their cultural personality and material interests. They wanted to free the Muslim majority areas from the dominance of the overall Hindu majority in the country. Pakistan, he thought, would be a non-religious nation-state like Iran or Turkey.⁵

⁴ Al-Mawardi, a judge in Baghdad who also undertook diplomatic missions for the Caliph (Al Kaim) insisted that there could legitimately be only one Muslim polity presided over by one *imam* (caliph). But he urged that the *amirs* and *sultans*, who had seized power and become independent rulers in their respective territories, should be considered legitimate if they recognized the caliph as a symbol of unity and the supremacy of the *shari'a*, and undertook to govern according to its norms. Then he advised the caliph to legitimize them, even if they did not govern according to the *shari'a*, and hoped that, some day they would be persuaded to submit to its authority. Al-Mawardi justified his doctrinal revisionism on the ground that "necessity dispenses with stipulations which are impossible to fulfil," and that the "fear of injury to public interests justifies a relaxation of conditions." Al-Ghazali, a professor at Nizam al-Mulk's *madrasa* in Baghdad, carried forward the same reasoning when he wrote: "Government in these days is the sole consequence of military power, and whosoever he may be to whom possession of military power gives his allegiance, that person is the Caliph." Ibn Jama'a, Judge and professor, also endorsed the role of military power as, the sole legitimizer of political authority. See Hamilton A. R. Gibb, *Studies on the Civilization of Islam* (edited by S. J. Shaw and W. R. Polk), Boston: Beacon, 1962, (chapters 8 and 9); Gustave E. von Grunebaum, *Medieval Islam*, Chicago: University of Chicago Press, 1954, pp. 156-57; Sir Thomas W. Arnold, *The Caliphate*, Oxford: Clarendon, 1924, and Erwin I. J. Rosenthal, *Political Thought in Medieval Islam*, Cambridge: The University Press, pp 42-45.

⁵ For a documentation of Maududi's interpretations of the intentions of Jinnah and his associates, as outlined above, see Mumtaz Ali Asi *Maulana Maududi aur Jamat-e-Islami: Ek Jaeza* (Maulana Maududi and the Jamat'e Islami: A Survey), Lahore: Maktaba-e-Jadid, 1964, pp. 27-60. This volume contains extended excerpts (extended enough so that a charge of tearing statements out of context would not seem to hold) from Maududi's articles and commentaries originally published in his journal, *Tarjuman-al-Quran*, and later collected in a 3-volume book, entitled *Musalman aur Maujudat Siyasi Kashmakash* (Muslims and Present Political Struggle).

It is a mistake not to distinguish between the forces that bring a national community into being and those which preserve it. The two may have much in common, but they are not identical. The Indian Muslims' identification with values and symbols provided by their common faith in Islam, and their regard of an Islam-related culture, sufficed to initiate the Pakistani union, but we know that these identifications did not suffice to preserve it. Additional values and symbols, even if unrelated to Islam, were needed to make up a national personality with which the regions might be able to identify. In other words, a Pakistani nationalism was, and is, needed to assemble a more viable cluster of preservative assets. I suggest that the ideological requirements of Pakistani national integrity are not met unless the concept of Muslim nationhood is integrated with that of Pakistani nationhood. Both Iqbal and Jinnah knew that an independent Muslim state would need more than a common faith in Islam to preserve itself. They were not opposed to the development of a Pakistani nationalism and they did not believe that Pakistan would be worth having only if it were Islamic in a pre-established measure. First and foremost, they wanted as many Indian Muslims, to be politically independent and free to determine their destiny undaunted and unhindered by a hostile and overbearing non-Muslim presence. They believed that an independent Muslim community must necessarily be Islamic to some degree. A half-loaf, they thought, was better than none.

Allama Iqbal

Mohammad Iqbal (1877-1938), the "poet-philosopher of Pakistan," began urging and explicating the idea of a separate Muslim nationhood in India long before Jinnah came to embrace it. In fact, during the 1920's and early 1930's, the two men stood on opposite sides of the political aisle, Iqbal being secretary of the Shafi group in the Muslim League which had separated from the Jinnah group. They differed with regard to outlook, goals, and strategy. Later, Jinnah adopting Iqbal's ideological exposition of Muslim nationalism, provided the negotiating skill, leadership, and mass mobilization which carried this nationalism to fulfillment. Iqbal and Jinnah are thus the founding fathers of Pakistan, and it is appropriate that we present the ideas of both men on Muslim nationalism and the role they envisaged for Islam in the state they demanded. The study of Iqbal should be especially rewarding. As a philosopher, he formulated ideals; as a politician and as a man of affairs, he applied them to concrete situations and, in the process, gave us an indication of the ideal's potential as an operating principle.⁶

As a young man, Iqbal was an Indian patriot as was Jinnah. He advocated Hindu Muslim unity and thought in terms of a united India. His *Bang-e-Dara*, which also includes his early poems, opens with an eloquent tribute to the beauty and grandeur of the Himalayas, "the great wall protecting the State of India." Several other poems reject the Brahmin's and the Mullah's narrow-mindedness, condemn communal strife, and plead for communal harmony and unity. Some poems—for instance, "Tarana-e-Hindi" (The Song of India), "Hindustani Bachon ka Qawmi Geet" (The National Song of Indian Children), and "Naya Shiwala" (The New Temple)—might even be interpreted to show him as an Indian nationalist. But these poems belong to a period when Iqbal was still in his twenties. By 1909, when

⁶ A select bibliography including Iqbal's own works, and books and articles others have written about him, may be seen in Hafeez Malik, ed., *Iqbal: Poet-Philosopher of Pakistan*, New York: Columbia, 1971, pp. 416-429. The Iqbal Academy in Karachi/Lahore and *Bazm-e-Iqbal* in Lahore respectively publish *The Iqbal Review and Iqbal*. See also Lini S. May, *Iqbal: His Life and Times*, Lahore: Ashraf, 1974, even though it devotes much more space to his "times" than to his life and work.

he was 32, he had already begun to think that “the preservation of their separate national entities is desirable for both the Hindus and Muslims.” Considering the prevailing conditions and the way the two communities were going, he concluded that, despite its “poetic appeal,” the goal of a common Indian nationhood would be impossible to achieve.⁷

At first glance, it may seem that Iqbal's position on Muslim nationalism is the same as that of Maududi. But, despite similarities, there are significant differences between the two as we will see below. Maududi is a fine scholar of traditional Islamic learning. Iqbal is much more complex. He is a profound student of Muslim theology, law, history, and philosophy; he is at home with Western law, philosophy, and literature. He is a philosopher himself, but he is also a creative artist, practicing lawyer, and politician.⁸ He is capable of high idealism, but he is no stranger to empiricism or pragmatism. First, consider his idealism:

The expression, “Indian Muhammedan,” however convenient it may be, is a contradiction in terms, since Islam in its essence is above all conditions of time and space. Nationality with us is a pure idea, it has no geographical basis. But in as much as the average man demands a material centre of nationality, the Muslim looks for it in holy town of Mecca, so that the basis of Muslim nationality combines the real and the ideal, the concrete and the abstract.⁹

Or this statement of a purely ideological nationalism:

It is not the unity of language or country or the identity of economic interests that constitutes the basic principles of our nationality. It is because we all believe in a certain view of the universe... that we are members of the society founded by the Prophet of Islam. Islam abhors all material limitations, and bases its nationality on a purely abstract idea objectified in a potentially expansive group of concrete personalities. It is not dependent for its life principle on the character and genius of a particular people. In its essence, it is non-temporal, non-spatial.¹⁰

Or, while referring to the Western imperial powers' exploitation of the Third World, Italy's suppression of Ethiopia, and the civil war in Spain, this assertion of the brotherhood of man:

Remember, man can be maintained on this earth only by honouring mankind...national unity too is not a very durable force. Only one unity is dependable and that unity is the brotherhood of man, which is above race, nationality, colour or language ... So long as men do not demonstrate by their actions that they believe that the whole world is the family of God, so long as distinctions of race, colour and geographical nationalities

⁷ Cited in Riffat Hassan, “The Development of Political Philosophy,” in Hafeez Malik, op.cit., p. 148.

⁸ For details of Iqbal's political career and his differences with Jinnah, see Hafeez Malik's own essay, “The Man of Thought and the Man of Action,” in *ibid.*, Chapter 4.

⁹ S.A. Vahid, *Thoughts and Reflections of Iqbal*, Lahore: Ashraf, 1964, p.51.

¹⁰ *Ibid.*, p.376.

are not wiped out completely...the beautiful ideals of liberty, equality and fraternity will never materialize.¹¹

But Iqbal could also be pragmatic. He could see, and respond to, the changing capabilities, needs, and aspirations of the Muslim world. He did not divide the Muslim community between the righteous and the sinful, the learned and the unlettered, as Maududi did. He was deeply attached to this community even in its “corrupt” state and wished to advance its moral and material well-being.

Iqbal’s concern with the unity and solidarity of the *ummah* and his rejection of the ethnic, linguistic, and territorial criteria for political group-making, are interspersed in his poetical works. Brief references to these matters will also be found in his major philosophical work, *The Reconstruction of Religious Thought in Islam*,¹² and his presidential address to the All India Muslim Conference on March 21, 1932 in Lahore. But for a sustained discussion one should turn to his presidential address to the 1930 annual Muslim League session in Allahabad, his rejoinder to Jawaharlal Nehru who had published some criticism of his stand regarding the Ahmadis, and his rejoinder to *Maulana* Hussain Ahmad Madani in March 1938.¹³ It cannot be over-emphasized that, in these addresses and rejoinders, argument issues from his anxiety over the destiny of Indian Muslims. His observations on nationalism are often preceded and followed by a discussion of how best the Muslim personality in India may be preserved. In espousing Muslim nationalism he wants to dissuade the Indian Muslims merging themselves in a Hindu-dominated Indian nationalism. Mis-understanding and distortion will result from ignoring this contextual relationship.

Iqbal’s presidential address to the Allahabad meeting of the Muslim League is important not only because it was on this occasion that he demanded the establishment of an autonomous Muslim state in northwestern India, the territorial dimensions of which, as he spelled them out, are virtually the same as those of today’s Pakistan. He was addressing a group of politicians, not academicians and philosophers. Despite the disclaimer—“I lead no party; I follow no leader”¹⁴—he himself was both a philosopher and a man of politics. He was to speak to them of Islamic ideals, but he was to do so with reference to the facts of Indian political life with which they must deal. On another similar occasion—The All India Muslim Conference in March 1932—he would speak to the difficulty inherent in such a role. But it is apparent that the same outlook informed his Allahabad address:

To reveal an ideal freed from its temporal limitations is one function; to show the way how ideals can be transformed into living actualities is quite another. If a man is temperamentally fit for the former function his task is comparatively easy, for it involves a clean jump over temporal limitations which waylay the practical politician at every step. *The man who has got the courage to migrate from the former to the latter function has*

¹¹ New Year Day Message broadcast by All India Radio on January 1, 1938; text in “Shamloo,” *Speeches and Statements of Iqbal*, Lahore: Al-Manar Academy, 1948, p.222.

¹² Lahore: Ashraf, 1962 (reprint)

¹³ The texts of “Presidential Address Delivered at the Annual Session of the All-India Muslim League at Allahabad on 29th December, 1930” (hereafter referred to as “The Allahabad Address”), “Reply to Questions Raised by Pandit J.L. Nehru” (hereafter referred to as “A Rejoinder to Nehru”), and “Statement on Islam and Nationalism in Reply to a Statement of Maulana Husain Ahmad (Madani) published in *Ehsan* on 9th March, 1938” (hereafter referred to as “A Rejoinder to Madani” will be found in “Shamloo,” *Speeches and Statements of Iqbal*, pp. 3-36, 111-114, and 223-239 respectively.

¹⁴ Shamloo, op.cit. p.3

*constantly to take stock of, and often yield to, the force of those very limitations which he has been in the habit of ignoring. Such a man has the misfortune of living in the midst of perpetual mental conflict and can be easily accused of self-contradiction. However, I gladly accept the difficult position in which you have placed me...*¹⁵ (Italics mine)

The empirical reality may itself be amenable to change. But if it is not, or if men must act before it changes, the ideal will have to bear a measure of modification. Alternatively, the idealist, while maintaining the ideal in its original pure form on the drawing board, will have to be content with its partial implementation on the ground.

At the level of general theory, Iqbal's position is essentially the same as that of other Muslim jurists and scholars. Islam is a polity and a society in addition to being an ethical ideal. It cannot be preserved as an ethical ideal unless it is maintained as a polity. The believers in Islam thus constitute a community not only for establishing worship but for organizing politics. The *ummah*, for which he uses the Persian equivalent "millat," is your "nation" if you are a Muslim. Iqbal thought of nationalism as a form of idolatry. Muslims could not then adopt as a community-making principle something that Islam meant to demolish. For them the entire earth was home.

Iqbal sees Islam and nationalism as rival principles for organizing the ultimate political group. Nationalism brings people together, but it also divides them and keeps them divided, for its criteria for solidarity among men—race, language, territory—cannot readily be met, by the outsider. One cannot change the place of one's birth and upbringing or the colour of one's skin and eyes at will. In its divisive aspect, nationalism generates pride in one's own group and low regard for other. It legitimizes one group's imperialistic control and exploitation of another. In its identification with secularism, it makes religion a private affair, consigning it to the individual's relationship with God. Thus, it authorizes rulers of majorities, kings, dictators to usurp religion's regulatory jurisdiction in social interaction. It makes coercive power the ultimate author and arbiter of morals. A Muslim community's acceptance of such nationalism entails a subversion of Islam.

While Islam also sees mankind as consisting of two groups—the Muslim and the non-Muslim—it does invite the non-Muslim to enter its fold. At least potentially, it is then a uniting, rather than a divisive, principle. Its ultimate aim is to bring all men into society that transcends ethnic, linguistic, and territorial distinctions. This remains the goal no matter how many centuries it may take to be realized.¹⁶

¹⁵ *Ibid.*, p.37.

¹⁶ A Rejoinder to Madani, *Ibid.*, pp. 236-237. Iqbal's argument here will not satisfy the non-Muslim. As a British reviewer of his *Asrar-e-Khudi* (Secrets of the Self) complained, in actual application his universalism will become particularistic and exclusive, for only the Muslims are admitted into the family of God. "The rest of the world is either to be absorbed or excluded." Iqbal's answer to this criticism may be noted. He reiterates that "all men, and not Muslims alone, are meant for the Kingdom of God on earth," provided they give up their "idols of race or nationality" and treat one another as persons. But he also admits the philosopher's difficulty:

The humanitarian ideal is always universal in poetry and philosophy, but if you make it an effective ideal and work it out in actual life you must start, not with poets and philosophers, but with a society exclusive in the sense of having a creed and well-defined outline, but ever enlarging its limits by example and persuasion. Such a society according to my belief is Islam. This society has so far proved itself a more successful opponent of the race-idea which is probably the hardest barrier in the way of the humanitarian ideal. Wahid, *Thoughts and Reflections of Iqbal*, pp. 98-99.

Let us now turn to Iqbal's Allahabad address. He began by telling his audience that Islam, as an ethical ideal and as a politico-legal value system, had provided generations of Indian Muslims "those basic emotions and loyalties which gradually unify scattered individuals and groups and finally transform them into a well-defined people."¹⁷ One might even say that Islam had functioned as a "people-building force" more effectively in India than any where else in the world. Laws and institutions associated with Islamic culture had given the Indian Muslim community a remarkable degree of inner unity and homogeneity. Its future as a "distinct cultural unit" would depend on the maintenance of this Islamic connection. He went on to say that Indian Muslims were far more homogeneous than any other group in the country. Indeed, they were the only Indian people "who can fitly be described as a nation in the modern sense of the word." Even the Hindus, he thought, had not yet achieved the cohesion necessary for being a nation, "which Islam has given you as a free gift."¹⁸

The "communal" problem in India was then not a matter of aggregating the varying interests of specific groups within a single nation. India was a land of many nations and her problems could not be resolved without the recognition that these problems were "international and not national." The Indian Muslim national personality would be stifled if it fell under the dominance of a non-Muslim national personality. Hence the demand for a "Muslim India within India":

I would like to see the Panjab, North-West Frontier Province, Sind and Baluchistan amalgamated into a single state. Self-Government within the British Empire or without the British Empire, the formation of a consolidated North-West Indian Muslim State appears to be the final destiny of the Muslims, at least of North-West India.¹⁹

In his rejoinders to Nehru and Madani, Iqbal distinguished between patriotism and nationalism, as some of his Arab contemporaries had also done. Madani, endorsing the concept of territorial nationalism, had said that "nations are formed by countries." True, answered Iqbal, in the sense that historically nations had been associated with countries and countries with nations. There was nothing wrong with loving one's land of birth and residence; it was a "natural instinct." But Iqbal felt he must object to Madani's proposition when it was urged upon Indian Muslims as a political concept, implying that they should put aside their faith, stop thinking of themselves as a separate nation, and sink their identity in a larger Indian nationhood. Madani was only echoing the Hindu leaders, who gave Muslims the same advice, with a view to securing their own "permanent communal dominance in the whole of India."²⁰

Though an exponent of Muslim nationalism, Iqbal does not advocate a worldwide Muslim state here and now. He welcomed the Turkish abolition of the caliphate which, according to him, had been a corrupt institution ever since the Umayyads' coming to power. He accepted the Mutazilite view that the caliphate, far from being divine or indispensable, was to be judged pragmatically. We should view it in the light of our past experience, which demonstrated that the "idea of a universal *imamate* has failed in practice." Now that many independent Muslim

¹⁷ The Allahabad Address, Shamloo, *op.cit.*, p.4.

¹⁸ *Ibid.*, p. 31.

¹⁹ *Ibid.*, p. 12.

²⁰ A Rejoinder to Madani, *Ibid.*, pp. 223, 229.

states did exist, it could no longer work “as a living factor in the organization of modern Islam.”²¹ For the foreseeable future, wrote Iqbal:

.... every Muslim nation must sink into her own deeper self, temporarily focus her vision on herself alone, until all are strong and powerful to form a living family of republics. A true and living unity.... (is) manifested in a multiplicity to free independent units whose racial rivalries are adjusted and harmonized by the unifying bond of a common spiritual aspiration. It seems to me that God is slowly bringing home to us the truth that Islam is neither Nationalism nor Imperialism but a League of Nations which recognizes artificial boundaries and racial distinctions for facility of reference only, and not for restricting the social horizon of its members.²²

Depending upon the possibilities that do exist, Islamic solidarity may take one of several forms ranging from a world state, which remains the ideal, to pacts and alliances made on purely political and economic grounds.²³ It is shaken only when Muslim states make war on one another or, in religious terms, when Muslims rebel against any of the basic beliefs (unity of God and the finality of Muhammad's (PBUH) prophethood) and practices of the faith.

Iqbal sees Islam more as a principle of social action than as a way of securing eternal bliss in the hereafter. The solidarity which it has given Indian Muslims is to be valued because it is the basis of their group cohesion for developing that “organic wholeness of a unified will” which is necessary for taking effective political action, especially in crisis situations.²⁴ Likewise, the two basic beliefs, referred to above, have a social function: they serve as pre-requisites of admission to the Muslim group. He, wants to place the Ahmadis outside the pale of Islam, principally because their denial of the finality of Muhammad's (PBUH) prophethood tends to disrupt the Muslim community's corporate life as a social organism. A Muslim state's attitude towards heresy, he says, is a political matter to be determined on the basis of whether the “heresy,” and the attitude towards it, are life-preserving or life-destroying for the community. Otherwise, disputation among the *ulema* may be healthy, and he would reinitiate them into the “function of logical contradiction as a principle of movement in the theological dialectic.”²⁵

It is of a piece with his position as set forth above that Iqbal does not worry over the tendency of some Muslim nations, such as Iran and Turkey, to embrace modern territorial nationalism. This nationalism, he says, becomes objectionable where Muslims are in a minority so that it can demand their “self-effacement” by establishing that Islam, or religion as such, cannot be a “living factor” in national life. But where Muslims themselves are in the majority, and therefore politically dominant, Islam accommodates nationalism and the two become “practically identical.” Even if a Muslim state declares itself to be secular, its legislature cannot disregard “the conscience of the people which has for centuries been trained by the spirituality of Islam”²⁶ It follows that nationalism is not an issue in a Muslim

²¹ *The Reconstruction*, pp. 157-58. Also see A Rejoinder to Nehru, in Shamloo, *op. cit.*, p. 137.

²² *The Reconstruction*, p. 159.

²³ A Rejoinder to Nehru, Shamloo, *op. cit.*, p. 142.

²⁴ The Allahabad' Address, *Ibid.*, p. 35

²⁵ A Rejoinder to Nehru, *Ibid.*, pp. 116-119.

²⁶ *Ibid.*, pp. 139-141.

country. Turkish, Iranian, and Pakistani nationalisms may flourish, for they pose no threat to the Muslim personality of the people concerned.

Again and again in his works, Iqbal asserts that Islam is a state more than anything else. Would the proposed Muslim state in northwestern India be an Islamic state? In his letters to Jinnah, Iqbal identified poverty as the Indian Muslims' main problem and looked to the law of Islam and "its further development in the light of modern ideas" for its solution. But the modernization and enforcement of this law, he said, would be impossible except in a free Muslim state in the Indian subcontinent.²⁷ He hoped that such a state would help Islam, "mobilize its law, education and culture and bring them closer to its original spirit and to the spirit of modern times." It might then be said that he would expect Pakistan to develop and enforce Islamic law. But once again this expectation must accommodate the world of reality.

It should first be emphasized that Iqbal thought the Muslim law, as formulated by the medieval jurists, needed massive reorientation and revision to be relevant to a Muslim community's needs in our time. Muslim lawyers, conversant with modern jurisprudence, working together with the *ulema*, might accomplish this task. He hoped that a Muslim polity might be led by men who had "a keen perception of the spirit and destiny of Islam" and "an equally keen perception of the trend of modern history."²⁸ In any case, this modernization would be an ongoing process in the fashioning of which the community must be self determining while remembering that "life is not change, pure and simple" but contains within itself "elements of conservation also." He denied any final or binding authority to the interpretations and judgments of the Prophet's companions or the founders of the various schools of Islamic law. "The teaching of the Quran that life is a process of progressive creation necessitates that each generation, guided but unhampered by the work of its predecessor, should be permitted to solve its own problems."²⁹ Iqbal maintains that Islam as a polity, demands loyalty to God, not to kings, but loyalty to God "virtually amounts to man's loyalty to his own ideal nature." The Islamic principle of the unity of God in effect means equality, solidarity, and freedom among men—ideals, which the state in a Muslim country should endeavour to actualize.³⁰

Iqbal's response to the innovations and reforms undertaken in republican Turkey is further illustrative of what he would regard as good enough behaviour on the part of a Muslim state. We have already seen that he welcomed the abolition of the caliphate. He praised the new Turkish leaders' materialistic outlook, saying that Islam had too much of renunciation. The spirit of Islam is not afraid of contact with matter; indeed, the Quran says "forget not thy share in the world." A dose of materialism would help counter "mullah-craft" and "sufi-craft" which had mystified and exploited the Muslim masses for centuries. Kamal Ataturk's decrees requiring his people to wear Western clothes and write their language in the Roman script were acceptable because Islam, as a society, had no commitment to any particular dress or language. Nor would he object to the licensing of the *ulema* or the abolition of polygamy, for under Islamic law the government could withdraw the permissions if it thought that, because of misuse, they were liable to produce social corruption. Recitation of the Quran in the vernacular was inexpedient though not un-Islamic,

²⁷ Letters of Iqbal to Jinnah, Lahore: Ashraf, 1942, p. 18.

²⁸ The Allahabad Address, Shamloo, *op.cit.*, p.33, *The Reconstruction*, p. 176.

²⁹ *The Reconstruction*, p. 168.

³⁰ *Ibid.*, p. 1-4.

since Arabic, of all the Muslim languages, had the greatest future. The adoption of the Swiss Code was a serious error, but even this might only be an excusable excess arising from the youthful zeal of a people "furiously desiring to go ahead. The joy of emancipation from the fetters of long-standing priestcraft some times drives a people to untried courses of action."³¹

Iqbal was just as pragmatic while addressing the Muslim League at Allahabad. He wished to reassure the Indian Hindus that the Muslim state he was proposing would not join hands with a Muslim invading force from outside the Indian subcontinent. But, more importantly, he declared: "Nor should the Hindus fear that the creation of autonomous Muslim states (in the subcontinent) will mean the introduction of a kind of religious rule in such states." By way of illustration, and further reassurance, he chose to refer to the fact— cited in a Times of India editorial on a recent Indian Banking Enquiry Committee report—that, while the state in ancient India had usually regulated interest rates, the Muslim states in India did not impose restrictions on the giving or taking of interest on loans despite the Islamic injunction against it.³²

Why then, as Maududi later asked, a separate Muslim state? It is clear that, unlike the purist, Iqbal thinks that a half-loaf is better than none. The first order of business for a Muslim community is to attain independence of political choice-making and action. Then it can Islamize itself to the extent, and at the pace, of which it is capable. A Muslim state is bound to be Islamic to some degree inasmuch as its value system has been influenced by the value preferences of Islam over a long period of time. Such a state, even if it is not fully Islamic at any given time, is worth having and Muslims should prefer it to the one where a non-Muslim majority dominates the making of value and policy choices. We have seen that Iqbal thinks of Islam as a dynamic agent for restructuring the social order on an egalitarian basis. More than the forbidding of "song and dance," Islamic resurgence means the unleashing of massive energy on the part of a Muslim people for building material prosperity subject to the overall framework of Islamic distributive justice. His aspirations regarding the goals and directions of an independent Muslim community may be gauged from the following statement he made while addressing the All India Muslim Conference:

The peoples of Asia are bound to rise against the acquisitive economy which the West has developed and imposed on nations of the East.... The faith you represent recognizes the worth of the individual, and disciplines him to give away his all to the service of God and man. Its possibilities are not yet exhausted. It can still create a new world order where the social rank of man is not determined by his caste or colour or the amount of dividend he earns, but by the kind of life he lives; where the poor tax the rich... where an untouchable may marry the daughter of a king, where private ownership is a trust and where capital cannot be allowed to accumulate so as to dominate the real producer of wealth. This superb idealism of your faith, however, needs emancipation from the medieval fancies of theologians and legists."³³

³¹ A rejoinder to Nehru, Shamloo, *op. cit.*, pp. 135-137.

³² The Allahabad Address, *Ibid.*, pp. 14-15, 23-25.

³³ Shamloo, *op. cit.*, p.54. Iqbal's understanding of the hierarchy of values in Islam bears a close resemblance to one of the definitions of righteousness in the *Quran* (2:177):

Beyond this matter of how far Indian Muslims might order their individual and collective lives according to the law of Islam, Iqbal was vitally concerned with the preservation of their cultural personality which, he feared, would be destroyed in a Hindu-dominated polity. The foregoing discussion would show that this concern was central to his case for Muslim political self-determination. By way of further substantiation, additional reference to this aspect of his thinking may be offered. At Allahabad, he reasoned that Muslims must have their own homelands so that they might develop themselves “on the lines of their *culture and tradition*.” He said he respected the customs and institutions of the Hindus and other Indian communities, but “I love the communal group which is the source of my life and behaviour and which has formed me.” He cautioned that India’s political problems would not ease until the Muslims were assured “*fullest cultural autonomy*.” And again: “the life of Islam, as a *cultural* force, in this country very largely depends on its centralization in a specified territory.”³⁴ At the All India Muslim Conference, he declared that one’s *faith, culture and historical tradition* were indeed the things worth living for and dying for. In closing his rejoinder to Nehru, he said he was certain that Indian Muslims “will not submit to any kind of political idealism which would seek to annihilate their *cultural* entity.”³⁵ On the other hand, he felt they might even drop their insistence on separate electorates if the Indian provinces were reconstituted so as to ensure “comparatively homogeneous communities possessing *linguistic, racial, cultural* and religious unity.”³⁶ In this connection, it is noteworthy that he excluded those parts of the Panjab, “where non-Muslims predominate,” from the autonomous Muslim state he was proposing. (Italics in this paragraph are mine).

Iqbal’s letters to Jinnah dated March 20, May 28, and June 21, 1937 are also relevant to an understanding of his position. He wrote that to most Indian Muslims the preservation of their culture was even more important than the advancement of their economic well-being. He again urged the formation of one or more autonomous states where Muslims would have “absolute majorities.” A separate federation of the Muslim majority provinces, he thought, was the only way “to save Muslims from the domination of non-Muslims.” In order to ensure that the Muslim majority, and thus the Muslim control of the policy realm, in the proposed state would be unambiguous and firm, he was not only willing to let go parts of the Panjab, as mentioned above, but urged the Muslim League to ignore, “at present,” the provinces where Muslims were in the minority and concentrate on organizing Muslim power in Northwestern India.

In sum, it may fairly be said that Iqbal was interested, first and foremost, in liberating the Muslim majority areas of India from Hindu rule in order that they might be able to safeguard their cultural personality and, in addition, have at least the opportunity of mobilizing the spirit of Islam according to their lights and capabilities.

Before we turn to Jinnah’s ideas on Muslim nationalism and related matters, two additional questions about Iqbal must be raised. In reconciling the ideal

It is not righteous that ye turn your faces towards East or West, but it is righteous to believe in God and the Last Day, and the Angels, and the Book, and the Messengers; To spend of your substance out of love for Him, for your kin, for orphans, for the needy, for the wayfarer, for those who ask, and for the ransom of slaves; to be steadfast in prayer, and practice regular charity; to fulfil the contracts which ye have made; and to be firm and patient, in pain (or suffering) and adversity, and throughout all periods of panic. Such are the people of truth, the God-fearing.

³⁴ Shamloo, *op. cit.*, pp. 11-13.

³⁵ *Ibid.*, p. 143.

³⁶ *Ibid.*, p.16.

on the drawing board with the empirical reality on the ground, has he fared any better than Ghazali and Ibn Jama'a had done in their times? I think the answer would have to be that, yes, he has. In accepting the primacy of power as a legitimizing principle in politics, Ghazali and Ibn Jama'a were in fact going outside Islam to look for their criteria of judgment. For one reason or another, they were declining to apply the Islamic criteria to the politics of their day. Iqbal is not content with leaving the Islamic political model on the drawing board. He applies it to real life and reformulates it in the process. He feels that, instead of being distorted or subverted, the model is now more capable of fulfilling its original purpose.

How different is Muslim nationalism from modern territorial nationalism which Iqbal opposed? In its "pure" form Muslim nationalism was wholly ideological. Ethnic, linguistic, and territorial affiliations were not only irrelevant but repugnant to its spirit. In its application to Indian Muslims, however, the same discarded components were put back to work: territory became crucial, ethnic and linguistic homogeneity and historical tradition became valuable, and Islam itself became virtually the same thing as "culture." This would seem to be almost like a metamorphosis. Once again, my own view is that this contradiction is more apparent than real. Muslim nationalism with Iqbal is the same that it has more often been: a Muslim community's unwillingness to be ruled by a non-Muslim political power. Territorial, ethnic, and linguistic appeals are to be rejected if they are being addressed by a non-Muslim group to a smaller Muslim group. Muslim nationalism is pre-eminently ideological in actually or potentially confrontational situations involving the non-Muslim. But when only a Muslim group is involved, territorial, ethnic, and linguistic sympathies may be summoned in aid of ideology to strengthen the group's inner cohesion necessary for plain survival as well as for undertaking significant collective action. Where Muslims are politically dominant Islam has no quarrel with modern territorial nationalism.

Quaid-i-Azam Mohammad Ali Jinnah

M. A. Jinnah (1876-1948), with whom the "two nation theory" is more generally associated, did not press it in its Pan-Islamic aspect and, to that extent, his position is simpler to handle. His interest is focused on the destiny of Indian Muslims. But the linkage between the idea of Muslim nationalism and that of Islam as a polity is present in his thought also and, therefore, has to be examined.

Jinnah's best known statement of the two-nation theory was made during his presidential address at the annual meeting of the Muslim League in March 1940, where a resolution demanding independent Muslim states in the subcontinent was adopted. His argument merits extended quotation:

The problem in India is not of an inter-communal character but manifestly of an international one, and it must be treated as such.... They [Islam and Hinduism] are not religions in the strict sense of the word, but are, in fact, different and distinct social orders, and it is a dream that Hindus and Muslims can ever evolve a common nationality.... The Hindus and Muslims belong to two different religious philosophies, social customs, literatures. They neither inter-marry nor inter-dine together and, indeed, they belong to two different civilizations which are based mainly on conflicting ideas and conceptions.... Hindus and Musalmans derive their inspirations from different sources of history. They have different epics, different heroes, and different episodes. Very often the hero of one

is a foe of the other and, likewise, their victories and defeats overlap.... Musalmans are a nation according to any definition and they must have their homelands, their territory and their state.³⁷

The Muslims, he said, would not accept an Indian polity in which a permanent Hindu majority—often hostile to their cultural personality—predominated. Beyond that, they wished to develop their spiritual, cultural, economic, and political life according to their “genius” and their own ideals. Jinnah exhorted his listeners at Lahore to “come forward as servants of Islam” and organize the Muslim masses for the attainment of these goals.

Numerous references to Islam, as a major factor in the Indian Muslims' personality and destiny, will be found in Jinnah's observations both before and after Pakistan's establishment. Addressing the Panjab Muslim Students Federation on March 18, 1944, he called Islam “our bedrock and sheet-anchor,” and asked the Communist Party to leave the Muslims alone for whom Islam was “the guide and a complete code of life.” A few days later, he observed that Pakistan alone could ensure the Muslims their own freedom and the greater “glory of Islam”. On June 18, 1945 he told Muslim students in Peshawar that they must help organize “our nation” to achieve independence and to be able to live according to Islamic ideals and principles. “Pakistan not only means freedom and independence but the Muslim ideology which has to be preserved, which has come to us as a precious gift and treasure and which we hope others will share with us.”³⁸

After independence Jinnah invoked the Islamic idiom to hearten the Pakistani people whose new state faced severe problems arising from mass migration of populations on both sides of the border, in addition to a variety of Indian pressures. In an *Eid* message on August 18, 1947 he hoped there would be a “renaissance of Islamic culture and ideals” in Pakistan. In another *Eid* message on October 24, 1947 he asked the people to show the spirit of sacrifice that Ibrahim (Abraham) had shown and then hope that “God would rend the clouds and shower on us his blessings as he did on Ibrahim.” He urged them to persevere in their objective of creating a state “of our own concept” and show the world that the state exists not to order life as such but to organize the “good life.”³⁹ In another statement he interpreted the Islamic requirement of fasting during the month of Ramadan as impressing upon Muslims the values of unity, discipline, and orderliness.⁴⁰ On October 30, 1947, referring once again to the Indian pressures and related problems facing the country, Jinnah said: “We thank Providence for giving us courage and faith to fight these forces of evil. If we take our inspiration and guidance from the *Holy Quran*, the final victory, I once again say, will be ours.” He reminded Pakistanis that their history—that is, Islamic history—was full of instances of heroism. He urged them to make whatever sacrifices might be necessary to save the “honour of Pakistan and Islam” and make Pakistan into a “bulwark of Islam.”⁴¹

Jinnah's use of the Islamic idiom was not limited to confrontational situations involving India but extended to domestic reconstruction policy. Thus, on February 4, 1948, he told a Sibi audience that in wanting to give Baluchis a voice in the administration of their province, he had been moved by his commitment to the

³⁷ Jamil-ud-Din Ahmad, *Speeches and Writings of Mr. Jinnah*, Lahore: Ashraf, 1960 (reprint), Vol. 1, pp.159-163. (Referred to below as *Speeches and Writings*, Vol. 1.).

³⁸ Jamil-ud-Din Ahmad, *Speeches and Writings*, Lahore: Ashraf, 1964 (reprint), Vol. II, pp. 24, 28, 175.

³⁹ *Quaid-e-Azam Mohammad Ali Jinnah: Speeches as Governor-General of Pakistan 1947-1948*, Karachi: Publications, n. d., P. 27. (Referred to below as, *Speeches as Governor-General*).

⁴⁰ *Speeches and Writings*, Vol. 11, p. 569.

⁴¹ *Speeches as Governor-General*, p. 30.

principle of Islamic democracy. God had taught Muslims that they should settle the affairs of state through mutual discussion and consultation. "It is my belief that our salvation lies in following the golden rules of conduct set for us by our great lawgiver, the Prophet of Islam (PBUH). Let us lay the foundations of our democracy on the basis of truly Islamic ideals and principles."⁴²

On the other hand, it may be recalled that in a speech in the Indian Legislative Assembly on February 7, 1936 he had asserted that religion as such, being "merely a matter between man and God," should not be allowed to come into politics⁴³. Soon after the adoption of the Pakistan Resolution in March 1940, he sought to assure the Sikhs that they would have a great deal more *political influence* in Muslim Pakistan than they could possibly have in Hindu India. After independence, he declared that Hindus were not unwanted in Pakistan and, on several occasions, deplored their mass migration from Sind. He urged Pakistani Muslims—in the name of Islam, ordinary decency, and the country's good order—to protect Pakistani Hindus. Repeatedly he declared that, as citizens, Hindus and other non-Muslims, had the same rights and obligations as Muslims. In a radio broadcast intended for American audience, recorded in February 1948, he said Pakistan's constitution should incorporate the essential principle of Islam which were good and relevant in our day as they were thirteen hundred years ago. But Pakistan would not be a "theocratic state" ruled by "priests." He went on to say that "we have many non-Muslims.... (and) they are all Pakistanis."⁴⁴

Jinnah's presidential address to the Constituent Assembly of Pakistan on August 11, 1947 deserves close attention. The partition of India, he said, had been inevitable. But it was equally unavoidable that minorities would be left in each of the successor states: Hindus in Pakistan, Muslims in India. Now that Pakistan had been attained, Muslims and Hindus in the country should "bury the hatchet" and work together to advance the wellbeing of the masses.

If you change your past and work together in a spirit that *everyone no matter to what community he belongs*, no matter what relations he had with you in the past....*is first, second, and last a citizen of this state with equal rights, privileges and obligations*, there will be no end to the progress you will make.

I cannot emphasize it too much. We should begin to work in that spirit and in course of time all these angularities of the majority and the minority, the Hindu community and the Muslim community.... will vanish.... You are free, you are free to go to your temples, you are free to go to your mosques or to any other places of worship in this state of Pakistan. You *may belong to any religion or caste or creed—that has nothing to do with the business of the State*⁴⁵. (Italics mine).

Now that Pakistan had materialized, would the idea of Muslim nationalism, and the two-nation theory, their work done, retire from the political scene and yield to a Pakistani nationhood to which not only Muslims but Pakistani Hindus and other non-Muslims might belong? It would seem that at the time of making the above address to the Constituent Assembly, Jinnah regarded this as a desirable

⁴² *Ibid.*, p. 56.

⁴³ *Speeches and Writings*, Vol. 1, p. 5.

⁴⁴ *Speeches as Governor-General*, p. 65.

⁴⁵ *Ibid.*, pp. 8-9.

development. But it appears also that his mind was not entirely made up. Hindus had equal rights as citizens; religion had nothing to do with business of the state—these were radical enough positions to take after all that had been, said, and was being said, about Islam and its connection with Pakistan. Jinnah could not bring himself to declaring flatly that the validity of the two-nation theory had been situational, and that henceforth Muslims and Hindus would belong to the same and one Pakistani nation. He went about it indirectly, telling the Assembly that the Protestants and Catholics in England, who once battled and persecuted each other, had changed their attitudes and, politically speaking, ceased to be Protestants and Catholics. Over time they had all become British citizens, “*and they are all members of the Nation. Now I think we should keep that in front of us as our ideal and you will find that in course of time Hindus would cease to be Hindus and Muslims would cease to be Muslims, not in the religious sense, because that is the personal faith of each individual, but in the political sense as citizens of the state.*”⁴⁶ (Italics mine).

Jinnah was not to make quite the same kind of a statement again. Note that it was made on August 11, 1947, that is, before the terrible massacres of Muslims in the Indian Panjab pushed millions of refugees into Pakistan. There were massacres of Hindus and Sikhs in Pakistan and refugees, again by the million, streamed into India. Jinnah believed that militant Hindu groups in India had deliberately planned the massacres to crush the new state of Pakistan under the weight of having to care for so many refugees. On the other hand, they had sought to disrupt the Pakistani economy by instigating the Sindhi Hindus to leave the country. He suspected that elements within Pakistan's Hindu population were participants in this conspiracy. He still asserted that non-Muslims in Pakistan had equal rights, but he did not return to the theme of a single Pakistani nationhood embracing citizens. He may have concluded, perhaps regretfully, that this was an idea of which the time had not yet arrived.

The problem of “provincialism,” which eventually broke up Pakistan, arose, within months of the new state's birth. The presence of non-Bengali higher civil servants, the status of the Bengali language, Bengali under-representation in the nation's armed forces agitated East Pakistani minds. In Baluchistan also the issue of non-Baluchis holding positions of power and profit became troublesome. Jinnah's response to this problem in the two regions was substantially the same. “We are all Pakistanis, we are all Muslims”—he would say. He placed more emphasis on Islam while addressing audiences in East Pakistan where Hindus constituted about 20 per cent of the population. Jinnah thought that some of the more influential among them were actively in league with their militant co-religionists in India for the purpose of disrupting Pakistan. By contrast, no credible threat to the Muslim personality existed in Baluchistan: the Baluchis were all Muslim and the non-Muslim were too few to be politically significant.

Responding to an address of welcome presented to him by the Quetta Municipality, Jinnah observed that it was right to love one's town or region and to work for its welfare but one must love one's country even better. “Local attachments have their value but what is the value and strength of a part except within the whole?” It was appropriate to demand provincial autonomy and local liberty to avoid British control. But now that they had their own government, it was folly to think and act in the old way, especially when their new state faced difficult external and internal problems.

⁴⁶ *Ibid.*, p. 9.

At this juncture any subordination of the larger interest of the state to the provincial or local or personal interest would be suicidal. . . . These whisperings of Mulki and non-Mulki (local and non-local) are neither profitable for the land (Baluchistan) nor worthy of it. We are now all Pakistanis and we should be proud to be known as Pakistanis and nothing else.⁴⁷

At the same time, Jinnah expressed great concern, and a sense of personal responsibility, for Baluchistan's welfare. He told his listeners that their affairs were not out of his mind even "for one moment." He was most anxious to hasten their material advancement to enable them to have the same degree of self-government as "their brothers in the other provinces" did.⁴⁸ As an immediate measure, he offered them an advisory council and assured them that plans for their political, economic, social and educational development would be made and implemented in consultation with this body.

In East Pakistan too, except in the matter of accepting Bengali as a national language, Jinnah identified himself fully with the people's aspirations for participation and equality of access to the means of material well-being. He sought to awaken in them a sense of Pakistani identity. He gave them the example of America where, he thought, the various ethnic groups had been sensible enough to overcome their sectionalism and think of themselves as Americans. "And so you should think, live and act in terms that your country is Pakistan and you are a Pakistani." But with even greater emphasis he appealed to their sense of Muslim identity. He warned them that Indian propagandists and their agents "in our midst", posing as champions of East Pakistani rights, were spreading the poison of provincialism to sabotage Pakistan by driving a wedge between Muslim and Muslim.

As long as you do not throw off this poison in our body politic, you will never be able to weld yourself into a real true nation. What we want is not to talk about Bengali, Panjabi, Sindhi, Baluchi, Pathan and so on. They are of course units. But I ask you; have you forgotten the lesson that was taught to us thirteen hundred years ago ?.... So what is the use of saying "we are Bengalis, or Sindhis, or Pathans, or Panjabis ?" No, we are Muslims.⁴⁹

His insistence that Urdu alone must be the national language of Pakistan was also linked with Islam. He argued that Urdu was understood all over Pakistan, and that the hundred million Muslims of the subcontinent had nurtured it. But above all it was a language "which, more than any other provincial language, embodies the best that is in Islamic culture and Muslim tradition and is nearest to the languages used in other Islamic countries."⁵⁰

Jinnah's prescription for preserving the national community may be said to have had the following ingredients. In both Baluchistan and East Pakistan he appealed to the people's Muslim personality for the defence and development of which Pakistan had been demanded and attained. At the same time, he attempted to

⁴⁷ *Speeches and Writings, Vol. II, p. 563.*

⁴⁸ *Ibid., p. 446.*

⁴⁹ *Speeches as Governor-General, p. 84.*

⁵⁰ *Ibid., p. 90.*

impart to them a sense of a Pakistani nationhood. Like Iqbal he saw no conflict between Muslim nationhood and Pakistani nationhood in a polity where the Muslims were bound to be dominant because of their overwhelming majority. Secondly, he linked his appeal to nationalism, Muslim and Pakistani, with the government's obligation to accommodate the popular urges for participation and egalitarianism. Pakistan broke up because Jinnah's successors ignored this second element in the mix.

We have seen Jinnah urging Pakistanis to follow the *Quran* and establish their affairs according to the ideals and principles it enunciates. Is this a plea for an Islamic state that the *ulema* might accept as the genuine thing?

Jinnah's reasons for demanding Pakistan, and his notion of the content of Muslim nationalism, are substantially the same as those of Iqbal. There is first the Muslim community's historic reluctance to be ruled by the non-Muslim. In the Indian context, this is heightened by the harshness of the alternative. Jinnah maintained that, its protestations of secularism notwithstanding the Congress Party was a Hindu organization, dedicated to the establishment of Hindu *Raj* in India, and that it had no intention of developing a non-sectarian, genuinely liberal polity which might value the diversity of religious and cultural expressions in the country. Hindu leaders had made it abundantly clear that "Hindustan is for the Hindus" and the Congress leadership, Jinnah thought, was "absolutely determined" to crush all other communities and cultures. The behaviour of Congress governments in the Hindu majority provinces between 1937 and 1939 had provided a clear indication of the treatment the Muslims might expect in a Hindu-dominated state. These governments had attempted to stifle Urdu and force Hindi on Muslims. They had adopted the *Bande Mataram* -- a "hymn of hate" against the Muslims -- as a national song. They had tried to impose Hindu ideals on Muslims, interfered with their religious and social life, and violated their economic and political rights. They meant to destroy the Muslim community as a distinct cultural entity in India. There could then be no honourable settlement with the Congress: Muslims must have their own governments in the two regions which they regarded as their homelands where they might live by their own culture.⁵¹

Pakistan was sought to protect and promote the political, economic, cultural, and religious interests of Muslims. Note that in Jinnah's justifications of the demand for Pakistan these four interests are almost invariably mentioned together. He sees the Muslim personality as a seamless whole in which several elements—religion, ethnicity, historical experience—are enmeshed. His view of the Indian Muslim culture as Islamic culture, "which we have inherited, is essentially the same as that of Iqbal: the cultural personality to be preserved and mobilized has, for many centuries, been the recipient of influences associated with Islam's journey through history. The interlocking nature of these relationship in forming the Muslim personality, as Jinnah saw it, is apparent from his speech in the Indian Legislative Assembly on February 7, 1935 referred to earlier. Addressing himself to the Report of the Joint Parliamentary Committee on Indian Constitutional Reforms, he observed that the minority problem in India was not a matter purely of language, race or religion. It was rather a "combination of all these various elements—religion, culture, race, language, art, music, and so forth [that] makes the minority a separate entity in the state, and that separate entity as an entity wants safeguards."⁵²

⁵¹ *Speeches and Writings*, Vol I, pp. 27-28, 30, 70-73, 77, 84, 99, 139, 185, 204, 220 and passim.

⁵² *Ibid.*, p. 5.

It will be seen that this position is vastly different from that of the purist such as Maududi. The Indian Muslim personality has Islamic elements. But it also has many other elements that are non-Islamic and some that are, strictly speaking, un-Islamic. The purist wants to throw them out. He would, for instance, be gratified if a Muslim community were to banish most, if not all, of its poets, playwrights, storytellers, jokesters, painters, sculptors, musicians, dancers, bridge players, coffee house chatters—to mention only a few categories. He rejects much of what he sees and wants to rebuild the Muslim personality in conformity to his own model. But Iqbal and Jinnah regard the existing Muslim personality, despite its imperfections, as something precious that deserves to be defended. They too seek its improvement. But the community itself, and not the purist, is to be the author and agent of this improvement. In the meantime, they love and cherish this personality as they find it, because they feel they belong to it. They identify with it while the purist looks at it with the attitude of a disapproving outside critic.

An insight into Jinnah's understanding of Islam should also be helpful in answering the question we posed above. He was not a scholar of Islam as Iqbal was. Yet, like Iqbal, he was inclined to regard Islam more as a social order, a basis of solidarity among men, and a principle of dynamic social action than as a prescription for securing tranquility in the hereafter. Islam to him was a civilization, a culture, a way of life. Islam was everything good and decent. Consider an *Eid* Day radio broadcast he made on November 13, 1939; "Islam, as you all know, really means action," which implies a societal context. In emphasizing action, the Holy Prophet (PBUH) was not thinking of "the solitary life of a single human being, the deed he accomplishes only within himself." The discipline of fasting, for instance, was designed to give Muslims the capability for social action. The obligation to pray also had a social significance. Congregational prayer, being the preferred mode, offered "many wonderful opportunities" to meet, study, understand, and serve our "fellow beings."

You will have noticed that this plan of our prayers must necessarily bring us into contact not only with other Muslims but also with members of all communities whom we must encounter on our way. I don't think these injunctions about our prayers could have been merely a happy accident. I am convinced that they were designed thus to afford men, opportunities of fulfilling their social instincts.

In the same broadcast Jinnah maintained that the value of self-discipline taught by Islam applied to all aspects of one's behaviour, including such mundane things as doing an honest job of one's work, eating and going to bed at the proper time, and abstaining from littering the road. At the loftier plane, he reminded his audience, "Islam expects every, Muslim to do his duty to people," serve them and, if necessary, make sacrifices for them. He went on to say:

If we have any faith in love and toleration towards God's children, to whatever community they may belong, we must act upon that faith in the daily round of our simple duties and unobtrusive pieties....I would ask you to remember.... that no injunction is considered by our Holy Prophet (PBUH) more imperative or more divinely binding than the devout but supreme

*realisation of our duty of love and toleration towards all other human beings.*⁵³ (Italics mine) .

In Jinnah's statements and speeches there are countless references to the Muslim community's right, and obligation, to fashion and conduct its politics according to Islamic ideals and principles. But it would be a mistake to think that in acknowledging this obligation he was issuing a call for the enforcement of Abu Hanifa 's *fiqah* (or that of any other Muslim jurist). He often identified Islamic ideals and principles as democracy, equality, social justice, tolerance, and brotherhood of man. The values he urged in the name of Islam are honesty, hard work, dedication to duty, discipline, orderliness, national solidarity and unity. His speech in Chittagong on March 26, 1948 is a good example of his understanding of Islam as a polity:

You are only voicing my sentiments when you say that Pakistan should be based on the secure foundations of social justice and Islamic socialism which emphasises equality and brotherhood of man. Similarly, you are voicing my thoughts in asking . equal opportunities for all. These targets of progress are not controversial in Pakistan.... Brotherhood, equality, and fraternity of man—these are all the basic points of our religion, culture and civilisation. And we fought for Pakistan because there was a danger of denial of these human rights in this sub- continent.⁵⁴

In defining what Jinnah would regard as good enough behaviour on the part of Muslim Pakistan the answer may be the same as that we gave with reference to Iqbal: a Muslim community, conscious and proud of being Muslim, endeavouring to implement the values of tolerance, egalitarianism, and democracy, and applying the values of dynamism, inventiveness, and hard work to improve its material environment, is Islamic enough. It should be noted that Jinnah, being more of a politician than Iqbal, was even more aware that in the actual conduct of affairs one may have to make concessions and compromises which detract from the ideal. In the *Eid* Day radio broadcast in 1939, to which we referred earlier, he said:

In the pursuit of truth and the cultivation of beliefs we should be guided by our rational interpretation of the Quran.... In the translation of this truth into practice, however, we shall be content with so much, and so much only, as we can achieve without encroaching on the rights, of others, while at the same time not ceasing our efforts to achieve more.⁵⁵

It is apparent that many of Jinnah's references to Islam are made in an exhortative context. Men are being asked to work hard, resist temptation, make sacrifices, fight, build, incorporate order and discipline into their lives, respect the opinions of others and consult with them before making collective decisions. But for these restraints and exertions no immediate material rewards are being offered. Then, can we expect that the desired values will be imparted to one's audience unless these are traced or related to a source the audience respects? Will a Pakistani, or for that matter a Korean or a Chinese, audience value equality, tolerance, or

⁵³ *Ibid.*, pp. 95-96.

⁵⁴ *Speeches as Governor-General*, p. 98, also p. 65.

⁵⁵ *Speeches and Writings*, Vol I., pp. 97-98.

discussion and debate on the ground that John Locke and Thomas Jefferson commended them as dictates of “reason”? Why should it pay any attention to Locke and Jefferson? They are not its men. Assuming their argument is sensible (even though Hume, Calhoun, Fitzhugh, and others say it is not), one may turn to it if the same or a similar argument is not available in one’s own tradition. But if it is, it would be inexpedient not to make the connection and forego the additional receptivity resulting from a people’s loyalty to their own heritage. Now it might be argued that the values being urged in the name of Islam are not uniquely Islamic and that they are upheld in other systems of thought also. But if some of the values advanced by Jefferson and Paine were also advanced by Confucius, this coincidence does not constitute a reason for Americans to drop their identification with their own tradition and, in the Fourth of July orations, start exhorting each other in the name of Confucius.

Conclusion

In the above discussion, we have made comparisons between the positions of Iqbal and Jinnah with regard to the rationale and destiny of a separate Muslim state in the Indian sub-continent. While there may be differences of emphasis between them, it is clear that they agree on essentials. Neither is willing to see a Muslim community subjected to non-Muslim rule if an alternative exists. They both feel a Muslim community derives its separate identity from having a cultural personality that combines local influences with an Islamic content, which is not only ritualistic but attitudinal and philosophic in character. A Muslim polity is therefore inevitably Islamic in some measure and is to be valued regardless of its stage of Islamization. In such a polity nationalism, even if it means dedication to a composite cultural personality, is acceptable and may be harmonized with the sense of solidarity the polity entertains towards the rest of the Muslim world. Both Jinnah and Iqbal are concerned with the problem of poverty and backwardness among Muslims for the eradication of which they look, on the one hand, to the urges of dynamism, struggle, and creativity in Islam and, on the other, to the Islamic principle of distributive justice. Both regard as Islamic the values of liberty under law, equality, and participation, and hope that these would be operationalized in a Muslim polity. Neither is a “secularist” in the sense of maintaining either that morals are irrelevant to politics or that the will of the ruling authority is the final arbiter of morals.

The foregoing discussion of the thought of the two men who contributed the most to the making of Pakistan, and the record of Maududi’s assessment of the intentions of Jinnah and his associates while the struggle for Pakistan was in progress, will not sustain the proposition that the establishment of an Islamic state, satisfactory to the *ulema*, was a part of the “social contract” that brought Pakistan into being. Nor can it be argued that the idea of Pakistani nationalism is repugnant to the nation’s Muslim personality and must therefore remain unavailable as one of the preservatives of its unity and integrity. ■

A Blueprint for Pakistan's Economic Revival¹

Ahmad Faruqi²

A Review of Pakistan's Present Economic Situation

With a capacity to affect regional and international stability, Pakistan is one of nine *pivotal* states in the developing world, according to Yale historian Paul Kennedy. “A pivotal state is so important regionally that its collapse would spell transboundary mayhem: migration, communal violence, pollution, disease and so on. A pivotal state’s steady economic progress and stability, on the other hand, would bolster its region’s economic vitality and political soundness and benefit American trade and investment.”³

However, unlike the nations of the Asia-Pacific region, which also gained independence during the post Second World War period, Pakistan remains a low-income country, with a per capita income of \$470. It has the world’s sixth or seventh largest population, of about 145 million. Its military, armed with nuclear weapons, is the most powerful in the Muslim world. However, in part because of its low rate of economic growth, and in part due to its complex history and geography, it has been struggling with ethnic strife and sectarian violence during the past two decades.

In the sixties, the Harvard Development Advisory Service viewed Pakistan as a model developing country. Growth in the gross domestic product (GDP) averaged six percent a year, about 50% higher than neighboring India’s four percent a year growth rate. The rate of growth dipped to four percent a year in the seventies, in the aftermath of the military debacle in East Pakistan, the Arab Oil Embargo, and the large-scale nationalization of industry, banking and finance by the government of Prime Minister Zulfikar Ali Bhutto. The rate of growth picked up again in the eighties, despite the Soviet invasion of Afghanistan. During the nineties, the economy slowed down to a crawl, as successive civilian regimes outdid each other in corruption and mismanagement.

Due to decades of economic mismanagement in which fiscal and international trade deficits were incurred, foreign debt obligations rose to \$38 billion, more than half of Pakistan’s current GDP of \$65 billion. Servicing of this debt consumes half of the national budget, and defense spending consumes about a quarter. This leaves just a quarter for government administration, and for much needed economic, social and human development. This amount is clearly insufficient to make a dent in these often neglected, non-traditional dimensions of national security.

¹ Without implicating them for any errors that remain, I would like to acknowledge comments from Rafi Ahmed, Ehsan Ahrari, Firoz Khan, Saifullah Khokhar and Mateen Thobani on previous versions of this paper.

² Fellow, American Institute of International Studies, and the author of a forthcoming book, *Rethinking the National Security of Pakistan* (Ashgate Publishing, 2002). Please send comments to afaruqi@hotmail.com.

³ Robert Chase, Emily Hill, and Paul Kennedy, “Pivotal States and U.S. Strategy,” *Foreign Affairs*, January/February 1996.

The economy has been unable to diversify itself from its heavy dependence on agriculture. About 70% of the population resides in villages, which employ 45% of the people, and generate 25% of the gross national product. Agricultural performance depends on factors that can be controlled and others that cannot be controlled. The former include the quality of seeds, fertilizer and farming practices. The latter include the quality of the soil, weather conditions and pest infestations. In the case of Pakistan, the uncontrollable factors have often dominated the controllable ones, resulting in marked volatility in agricultural performance.

During the 2000/01 fiscal year, problems triggered by the widespread drought in South Asia reduced GNP growth to 2.6%, not sufficient to cover the growth in population of 2.8%.⁴ About 38% of the population lives below the poverty line, defined by the World Bank as an income per person of less than one dollar a day. The incidence of poverty in China is 4.6%, while in India it is 35%.⁵ Despondent with the bleak economic outlook of the country, many Pakistanis are anxious to emigrate. A recent Gallup survey found that 62% of the adult population would like to go abroad to work, and that half of those wishing to work overseas do not wish to return home. A similar survey carried out in 1984 found that only 17% of Pakistanis were eager to settle abroad.⁶

Law and order is under stress in the urban centres, due to high rates of youth unemployment, increasing inequalities in the distribution of income, and corruption in the police force. Armed robberies, kidnappings and murders are not infrequent occurrence. Armed gangs that exploit ethnic and sectarian rivalries indulge in large-scale violence, some of which may well be placed at the door of the Indian Research and Analysis Wing (RAW). The mandate of the federal government do not exist in many rural areas, particularly in Sindh and the Federally Administered Tribal Areas that border Afghanistan. The situation contrasts dramatically with the vision laid out by the nation's founder, Mohammad Ali Jinnah, in his address to the Constituent Assembly, "The first duty of a Government is to maintain law and order, so that the life, property and religious beliefs of its subjects are fully protected by the State."⁷

Rivalries between Punjab, the largest province with 56% of the population whose members dominate the nation's military and civil services, and the three smaller provinces (Sindh, Frontier and Balochistan) have continuously increased. These rivalries have already delayed the implementation of the last diennial population census from 1991 to 1998. Problems in the allocation of water are now at the top of the list of contentious issues. The much-needed Kalabagh Dam project on the Indus River has been cancelled, due to the failure of Sindh and Frontier to resolve the issue of water rights with Punjab. Its cancellation means that Pakistan would be denied 3,600 MW of low-cost hydropower that would have eliminated the need to import 20 million barrels of oil per year. More importantly, it means that Pakistan will have to find other means with which to deal with the chronic problem of irrigation water shortage. Every year, around 32 million-acre feet of water goes into the Arabian Sea.⁸

⁴ Government of Pakistan, *Economic Survey 2000/2001*, Ministry of Finance, Islamabad, Pakistan and Government of Pakistan, "SBP Quarterly Report", State Bank of Pakistan, Karachi, Pakistan.

⁵ World Bank, *World Bank Atlas 2001*, Washington, DC.

⁶ IRNA, Islamabad, June 19, 2001.

⁷ Quoted by US Ambassador William Milam in a speech to the English Speaking Union, June 18, 2001, Karachi.

⁸ www.pak.gov.pk/public/Kalabagh_Dam.htm.

Until the recent Anglo-American war in Afghanistan, Pakistan's major problem in foreign policy was the 54-year old conflict with India, much of it involving conflicting visions of national identity. This conflict finds its most visible expression in the lingering dispute over Kashmir. This conflict has involved many major and minor wars, the last one of which took place in the icy heights of Kargil in the spring of 1999. Militarily, Pakistan's performance has not been impressive in her wars with India,⁹ whose continuous military expansion has led to complementary enlargement of Pakistan's military, particularly after the 1971 war with India that led to the loss of East Pakistan. Expenditures on the military, account for about five percent of the GNP. Because of the absence of strong domestic political institutions, and the presence of a strong feudal culture, the military has dominated Pakistan's political landscape for more than half of its existence.

Facing a 1:4 disparity in the conventional arms balance of power with India, Pakistan has been forced to develop a nuclear weapons programme. This programme operated under the doctrine of recessed deterrence till May 1998, when India's nuclear tests forced the government of Pakistan to respond with its own tests within two weeks. There was a general perception in Pakistan, triggered by remarks from hawkish cabinet members in New Delhi, that India may indulge in military adventurism unless cautioned of its cost.

Relations with the US

Geographically, Pakistan falls within the purview of the US Central Command (CENTCOM). In the fifties, Pakistan was the only country that belonged to both the CENTO and SEATO alliances formed to contain the expansion of communism in Asia. It also had a bilateral military alliance with the US, and was provided substantial military hardware through the MAP programme to equip five-and-a-half infantry divisions and a dozen air force squadrons. In the eighties, Pakistan served as a frontline state during the Soviet-Afghan war, and received \$3.2 billion of military and economic assistance from the US. Supplies included 40 F-16 A/B fighters, 20 AH-1S Cobra attack helicopters with TOW, heavy artillery, Sidewinder AAMs, Harpoon SSMs, and various infantry weapons including Stinger shoulder-launched SAMs.¹⁰

In the aftermath of the Afghan-Soviet war of the eighties, Pakistan became the accidental home to more than three million Afghan refugees. The arrival of these refugees, several of whom were reportedly armed according to their tribal traditions, heralded the arrival of the Kalashnikov culture in Pakistan. Some engaged in narcotics trafficking. And some others, had acquired a religious bias prompted and patronized during the US-funded *jihad* against the Soviet Union. Prior to the events of September 11, about 2.2 million refugees were estimated to be in Pakistan. This had led some analysts to write about the rise of a *jihadist* culture in Pakistan.¹¹ However, this analysis failed to recognize that a large portion of the educated middle class in Pakistan, and a major portion of the country's intelligentsia, has been schooled in western educational institutions, both domestically and abroad. It supports cooperation with the west, and actively

⁹ Ahmad Faruqi, "Failure in Command: Lessons from Pakistan's Indian Wars," *Defense Analysis*, Winter 2001.

¹⁰ "U.S. Will Sell Pakistanis F-16s, Attack Helicopters," *Aviation Week & Space Technology*, September 21, 1981, pp. 23-25.

¹¹ Jessica Stern, "Pakistan's Jihadist Culture," *Foreign Affairs*, November/December 2000.

opposes confrontation. In addition, the Pakistani business community abjures violence and is interested in promoting economic growth. General Musharraf was to tap into these segments of the Pakistani population to successfully forge a pro-US policy during the war against the *Taliban*, as discussed later in this paper.

Prior to the events of September 11, Pakistan found itself at cross-purposes with the US in three areas¹²:

- The deposition of democratic rule, however corrupt, with the military rule, which took place in October 1999, and the ascendancy to the presidency by General Pervez Musharraf in the spring of 2001.
- There was a perception in Washington [possibly Indian-fed] that Pakistan was allowing militant groups engaged in the Kashmir insurgency and connected with the *Taliban* and *al-Qaida* in Afghanistan to operate from Pakistani soil.¹³
- Pakistan's close military ties with China, including cooperation in the nuclear field, and the US interest in engaging India as the primary regional power in South Asia, partly with an eye to containing China.¹⁴

As discussed later in this paper, the Anglo-American war on the *Taliban* and *al-Qaida* militias in Afghanistan brought about a significant reversal in the frostiness that had set into US-Pakistani relations during the Clinton administration.

Pakistan's Future Outlook

One of the main reasons for Pakistan's abysmal economic performance is poor governance and corruption in the administration, caused by the failure to develop robust political institutions. As much as a quarter of the GNP may have been lost to these twin problems, representing a total of some \$15 billion.¹⁵ In a sample of 85 countries, Transparency International found that Pakistan in 1998 was more corrupt than 71 of the nations in the sample, with only Russia, Indonesia, Nigeria and some Latin American countries being more corrupt than Pakistan. India was ranked 66th.¹⁶

However, under enlightened leadership that uses the right set of policy instruments, Pakistan can once again attain the old level of growth performance, without exacerbating income inequalities.¹⁷ There is a regional precedent, represented by the turnaround in India's growth profile during the nineties when

¹² Khalid Duran, "Pakistan Versus the Last Superpower: Underestimated Pakistanis May be a Degree Too Self-Confident," *World and I*, March 2001.

¹³ Ehsan Ahrari, "Transnational Terrorism, Pakistan, and the U.S.," *Strategic Review*, Winter 2001, pp. 11-17.

¹⁴ Ehsan Ahrari. "Strategic Moves in Southern Asia," The 5th Column, *Far Eastern Economic Review*, June 28, 2001.

¹⁵ Based on a cabinet-level study conducted by Shahid Javed Burki and Hafeez Pasha in 1996-97. For the role of countervailing action by the losers in exposing corruption, and thus preventing its expansion, see M. Shahid Alam, "Corruption and Countervailing Action in Pakistan," in Silvio Borner and Martin Paldam (editors), *The Political Dimensions of Economic Growth*, Macmillan, 1998.

¹⁶ Cited in Vito Tanzi, "Corruption Around the World: Causes, Consequences, Scope and Cures," *IMF Staff Papers*, December 1998.

¹⁷ Burki, Shahid Javed, "Pakistan 25 Years from Now," *Pakistan Link*, May 25, 2001.

India raised its GNP growth rate from the historical average of three to four percent to six to eight percent.

Pakistan's future is predetermined to a degree by its demographics, its low levels of spending on human and social development over the past several decades, and by the need to pay off its staggering foreign and domestic debts. Additionally, Pakistan's future is determined by developments in its external environment. However, Pakistan's future is imprisoned by external events and past trends. Its leaders have a tremendous influence on Pakistan's future development, through the policy choices they make. For example, they may choose to follow a cooperative or confrontational policy toward their neighbours. They may choose to stay within the budget constraint or run budget deficits. They may choose to emphasize social and human development programmes that improve the economic welfare of the common man or buy expensive weapon systems that bring about no such improvement. Thus, in the final analysis, Pakistan's future development rests in the hands of its leaders. As stated in the Holy Quran, *God does not change the condition of a people until they change what is in themselves*.¹⁸ Some commentators interpret this verse to be saying, "God does not alter a nation's condition unless it changes its economic and social conditions."

Scenarios of Future Development¹⁹

Forecasting social, political and economic phenomena remains an inexact science, requiring much judgment and speculation. Given the wide variance in Pakistan's historical evolution, the possible futures that await Pakistan span a wide range. There is a temptation to focus on probable scenarios of the future, but this often eliminates high-impact scenarios that could occur under the right set of circumstances. Events such as the fall of the Berlin Wall or the first Arab Oil Embargo have no finite probability of occurrence, and thus tend to blindside analysts when they do occur. To avoid falling into this analytical trap, we have laid out five scenarios that encompass a range of possible futures for Pakistan. Two of the scenarios are extremely low probability scenarios, but would have a significant impact on the people of Pakistan if they were to occur. Thus, policy makers would be well advised to consider them, in addition to reviewing the other three more-likely scenarios.

- (1) *Super High Performance.* Pakistan will incorporate the best features of the "East Asian" miracle. In this Utopian scenario, GNP will grow at eight to nine percent a year, allowing per capita income to rise by five to six percent a year. Poverty levels will decline to less than 15% of the population.²⁰ While extremely unlikely, this scenario is still within the realm of possibilities. Pakistan's military has finally recognized that economic progress holds the key to the nation's future. In a recent speech, President General Pervez Musharraf noted that while Pakistan has military muscle and is a nuclear power, it does not

¹⁸ Surah 13 (Ra'ad, Thunder), Verse 11.

¹⁹ The author presented an earlier version of these scenarios at a workshop sponsored by the U.S. Army War College in July 2001 in Washington, D.C.

²⁰ Researchers at the World Bank have identified a strong and negative relationship between growth in per capita income and growth in poverty levels. The scenarios presented in this paper follow this relationship, which is summarized in William Easterly, *The Elusive Quest for Growth: Economists' Adventures and Misadventures in the Tropics*, The MIT Press, 2001, pp. 13-14.

have matching economic strength and is thus a weak state. "We have to strengthen our economy in order to create a balance with our military power."²¹ This scenario is likely if the following conditions prevail: a high investment rate in the range of 35-40% of GNP; fiscal surplus of two percent of GNP, brought about by expansion of the tax base and reduction in unproductive government expenditures; low levels of foreign debt; a liberalized economic system with significant incentives for private enterprise and a modicum of red tape; a booming IT sector; inspired political leadership and governance; institution of checks and balances between the three branches of government; democratic rule; domestic harmony; a foreign policy focused on cooperation and peace; defense spending at 2% of GDP; conversion of SAARC into a free trade area; extensive economic trade and commerce between Pakistan and India.²²

- (2) *High Performance.* Pakistan will have the features that characterized it in the early sixties, when it seemed primed to hit the "take off" stage and evolve into a middle-income power. The scenario will be characterized by GNP growth at six to seven percent a year, allowing per capita income to grow by three to four percent a year. Poverty levels will be around 25%. This scenario is likely if the following conditions prevail: an investment rate in the range of 30%; diminished income inequalities and regional disparities; foreign policy that seeks to move toward cooperation and peace, with just a few interludes of conflict with neighboring powers; defense spending at 4% of GNP; civilian government control; well developed physical and social infrastructure; successful economic cooperation with Iran, Turkey, and the Central Asian republics through the Economic Cooperation Organization.
- (3) *Medium Performance.* Pakistan will have the features that characterized it in the eighties, without the conflicts created by the Afghan-Soviet war. The scenario will be characterized by GNP growth at four to five percent a year, allowing per capita income to grow by one to two percent a year. Poverty levels will range from 45% to 55%. This scenario is likely to occur if the following conditions prevail: investment rates in the range of 20%; stabilization of macroeconomic imbalances; national security would continue to be equated with military muscle; a confrontational foreign policy with India would continue; there would be tacit support to militant groups in Kashmir; involvement in Afghanistan would continue with a desire to seek strategic influence; military rule; and defense spending at 6% of GNP.
- (4) *Low Performance.* Pakistan will have the features that characterized it in the fifties and nineties, with a change of government taking place every two to three years. There will be anemic growth in GNP of three to four percent a year, and per capita income will stagnate.

²¹ Address to the 25th National Seerat Conference at Islamabad, located at [www.pak.gov.pk/public/ chief/CE_Seerat-Conf.htm](http://www.pak.gov.pk/public/chief/CE_Seerat-Conf.htm)

²² Looney, Robert E. "Pakistani Defense Expenditures and the Macroeconomy: Alternative Strategies to the year 2000," *Contemporary South Asia*, 4(3), 1995, pp. 331-356.

Poverty levels will be in excess of 65%. This scenario is likely if the following conditions prevail: investment rates in the range of 15%; deterioration in macroeconomic imbalances; governments that lack the will to make tough decisions; rent seeking behavior by oligarchs (feudal lords and civil service); increased militarism; adventurism in foreign policy; defense spending at 8% of GDP; heightened inequalities in income distribution; civil discord; inter-provincial rivalries; ignorance and religiosity; serious deterioration in law and order; institutional meltdown²³; soaring foreign debt, leading to bankruptcy; government unable to pay salaries to government workers; erosion of national sovereignty.²⁴

- (5) *Super Low Performance.* Pakistan would face a desperate situation. In this dystopian scenario, GNP growth will be zero, and per capita incomes would decrease by two to three percent a year. Poverty levels will be in excess of 80%, and public services will become dysfunctional. The military will disintegrate. There will be complete break down of law and order in either urban or rural areas. Special interest groups will bring the political decision making to a halt. Social cohesion will break and leaders of tribes, clans, and sects will dominate and demand loyalty. There will be extreme inequalities of income. This scenario is likely if the following conditions prevail: investment rate under 10%; macroeconomic imbalances in excess of 10% of GNP; high population growth; rising levels of illiteracy; and no respect for minorities and women.

The US War Against Terrorism

Soon after the September 11, 2001 tragedy, the US identified Osama bin Laden as the prime suspect in the attacks on the World Trade Centre and the Pentagon. President George W. Bush asked the *Taliban* militia to hand him over, since it was widely believed they had given refuge to the *al-Qaida* terrorist network run by Osama bin Laden. Simultaneously Pakistan was given options to join the US in the war against terrorism. Within a few days, President General Pervez Musharraf offered Pakistan's "unstinted cooperation" to the US, and turned Pakistan's Afghan policy by 180-degrees. On the US request, Pakistan provided the Anglo-American coalition with the use of requisite air and recovery bases, logistical support, intelligence about the terrorist camps in Afghanistan, and airspace/corridor for carrier-based strike fighters and cruise missiles. Without this support, the US would not have been able to launch its war against the *Taliban* and *al-Qaida* network forces on October 7.

The US was unable to create a broad-based coalition of countries along the lines of what it had been able to create during the Gulf War of 1991. No hard evidence was presented, in order to preserve the intelligence sources that had provided the evidence. Only Britain joined with the US in the military campaign, creating a coalition of two. The Anglo-American coalition of forces pursued the bombing of Afghanistan with great zeal and intensity, from four aircraft carriers and several other surface and submarine platforms operating from the waters of the

²³ Robert D. Kaplan, "The Lawless Frontier," *The Atlantic Monthly*, September 2000, pp. 66-80.

²⁴ Jeffrey D. Sachs, "The Strategic Significance of Global Inequality," *The Washington Quarterly*, Summer 2001, 24:3, pp. 187-198.

Arabian Sea. In addition, B-52 bombers operated from the island of Diego Garcia and B-2 bombers flew missions from Missouri. By mid-November, this air campaign took its toll on the *Taliban* and *al-Qaida* forces. The *Taliban* yielded Mazar-e-Sharif without any significant resistance, and abandoned Kabul without a fight. Within a few weeks, they had surrendered the rest of the country including the strategic city of Kandahar, where the movement had began.

General Musharraf had predicted the defeat of the *Taliban*, even though it took a lot longer to occur than he (or any other analyst) had anticipated. The end for the *Taliban* came suddenly. It appears that several factors led to their sudden collapse. First, they had been heavily dependent on Pakistani supplies of fuel and logistics. Thus, when Pakistan decided to cut off that vital supply line, in the words of General Musharraf, their days were numbered.²⁵ Second, the US hit them with everything in its arsenal short of nuclear weapons. It dropped the 15,000 kg Daisy Cutter bombs to terrorize, demoralize, and kill the *Taliban* troops in their trenches and concealed positions and *Taliban* fighters were forced out in the open. Finally, it became apparent that for all the rhetorics, the *Taliban* were neither well trained or organized nor well equipped to fight a modern hi-tech war. The aerial decimation of their mortal enemy was a real morale boost for the rag tag fighters of the Northern Alliance, who had lost all but 10% of the country to the *Taliban* in 1996. They simply rested and watched the US air show, from the safety of the hills. In the meantime, the Russians had stepped in and supplied the Northern Alliance with T-54/55 tanks, truck-mounted multi-barreled rocket launchers, and new uniforms.

When the signal was given, these fighters began an offensive campaign against literally no opposition. Even in the mountains and caves of Tora Bora, which seemed to be an impregnable fortress when Osama bin Laden occupied the high ground, resistance was slight. Interviews with captives revealed that the fighters were poorly equipped, with limited supplies of food and heating arrangements.²⁵

Impact of the War on Pakistan

Pakistan's economy took a major hit from the war. Foreign companies suspended their investments in Pakistan, as it had become a war zone. There was a widespread expectation that terrorist acts would be committed in Pakistan by the *al-Qaida* fighters, but none occurred. Pakistani exports fell by a third. Experts estimate that the economy lost \$2 billion of business. The textile sector, accounting for more than 50% of Pakistan's \$10 billion annual exports and for 60% of the industrial workforce, was especially hard hit. The Pakistani economy grew at 2.6% in fiscal 2000/01, less than the rate of population growth. The official forecast for fiscal 2001/02 has been lowered from 4% to 3.7%. An independent foreign bank forecast that economic growth in fiscal 2001/02 would be even lower, at 2.5-3.1%.

In a recent press release, the International Monetary Fund commented²⁶:

Pakistan's economic outlook is now clouded by considerable uncertainty in view of the impact of September 11 events and the ongoing slowdown in world demand, which adversely affect Pakistan's prospects for growth, exports, and capital flows...

²⁵ Michael R. Gordon, "On Tora Bora, Horror Rained on Al Qaeda," *The New York Times*, December 23, 2001.

²⁶ Dated December 7, 2001, posted at <http://www.imf.org/external/np/sec/pr/2001/pr0151.htm>.

Available data point to a deterioration of the real economy. In the period July-October 2001, there was sluggish export growth of 1.9 percent in U.S. dollar terms, compared to the same period a year earlier...Cancellations of export orders since mid-September, especially from the United States, have affected export prospects and appear to have slowed investment and production. Imports dropped by 9.9 percent compared to the year-earlier period. Price developments through October have remained benign and the 12-month CPI inflation rate remained at 2.7 percent.

Preliminary indications are that the budget deficit for the quarter July-September 2001 was slightly higher than programmed, reflecting mainly shortfalls in non-tax revenue, and even though overall expenditure was on track. Tax collection in recent months has been negatively affected by the large decline in imports and higher-than-expected tax refunds to exporters, but was in line with program assumptions through October. Preliminary indications are that revenues in November were more adversely affected.

International reserves reached US\$2.8 billion in early December, the highest level in a number of years. This reflects large disbursements of foreign grant assistance and repatriation of holdings abroad by Pakistani residents in recent months, allowing the State Bank of Pakistan (SBP) to step up, in October-November, its foreign exchange purchases on the inter-bank market.

Initial UN estimates were that as a result of the war, Pakistan may have to absorb another 1.5 million Afghan refugees, but much smaller numbers have in fact moved into Pakistan. If the situation in Afghanistan stabilizes, with the advent of the interim administration, flow of refugees into Pakistan, may stop and those that had been resident there for a long time may in fact begin to go back. However, some uncertainty on this account may continue to prevail.

In addition, there is an apprehension that some hardcore elements of the *Taliban* militia and *al-Qaida* operatives may survive the bombing campaign, and find refuge in the "high country" of Afghanistan or Pakistan, regroup in due course of time to wage a guerilla war against the Northern Alliance, cause disruption in the process of normalization in Afghanistan and/or create internal problems for Pakistan. However, in view of the ongoing search and hunt operations and the casualties already sustained, their ability and potential are expected to be much limited.

The Need for Foreign Economic Assistance

The effects as enumerated above would be highly unfavourable to the war against global terrorism. Conditions of economic deprivation and social uncertainty breed terrorists, who see little to lose and a lot to gain by engaging in suicidal acts of violence that target civilians. Such outcomes can be prevented if the Western powers come to Pakistan's assistance and implement a massive programme of social, political and economic reconstruction. The money spent on such a reconstruction programme is money well spent, and should be regarded as a premium insuring against serious consequences.

Pakistan's national security and stability are a fundamental precondition to reviving business confidence and promoting economic growth. Given the complex

nature of Pakistan's domestic and international problems, its economic revival cannot simply be guaranteed by providing economic aid. It is, in fact, inextricably linked to implementing social, political and economic reforms.

Over the past several years, law and order in Pakistan's major urban centres has deteriorated to a serious level. Under such conditions, it is unlikely that foreign investment will come to Pakistan. In fact, there will be a flight of capital, as domestic investment goes offshore in search of safer havens. Without investment, economic growth will not occur, and the rising population will be unable to find jobs. Large-scale urban unemployment, especially among the youth, has led to frustration and discontentment in Pakistan, which in turn has given boost to crime and violence. Obviously such conditions ultimately spawn terrorism.

To reward Pakistan for its cooperation in the war against global terrorism, and to improve its national stability, U.S. President George W. Bush offered \$1 billion in economic aid to Pakistan at a joint press conference held in New York City on November 11, 2001 with Pakistan's President Pervez Musharraf. This amount however falls far short of meeting Pakistan's real needs. Measured in real purchasing power, the Bush aid package is similar to President Jimmy Carter's offer of \$400 million in 1980 to help Pakistan cope with the Soviet invasion of Afghanistan. Carter's package would be worth \$800 million in today's dollars. In 1981, President Reagan upgraded Carter's offer, and provided Pakistan \$3.2 billion in economic and military aid. The value of this package would be \$5.7 billion in year 2001 dollars, or \$71 per capita, since Pakistan's population then was 80 million. In contrast, the Bush's package of \$1 billion translated into about \$7 per capita.

There is a serious risk that Pakistan's economy may not be able to weather the after effects of the current Afghan war, since the war has come on the heel of a long period of economic stagnation, made worse by a multi-year drought that has affected all the economies of South Asia. To prevent the economy from sliding into the low-growth Scenarios 4 or 5 described earlier in the paper, Pakistan will need a significantly larger aid package than has been offered by President Bush. Pakistan now has an extra 60 million mouths to feed than it did in 1981, and its domestic social and political conditions are a whole lot worse, because of the chronic presence of almost three million Afghan refugees from the first Afghan war, and the expected arrival of several more from the current Afghan war. Even if the per capita amount were held at \$71 Reagan's package would amount to \$10 billion for a population of 140 million—10 times the Bush package.

While this may seem to be an unrealistic amount of money, it is commensurate with Pakistan's needs, size, and status as a "pivotal state". It is important to note that, on a per capita basis, this aid package would still be an order-of-magnitude lower than what the West has spent on other recent reconstruction projects. For example, costs have ranged from \$700 per capita in the case of East Timor to roughly \$1,500 per capita in the West Bank and Gaza. After a civil war ended in Mozambique in 1992, the West spent a total of \$6.5 billion on that nation of 17 million, or about \$400 per capita.²⁷ The US has recently offered \$4 billion to the Philippines, to reward it for joining in the global war against terrorism. During the Gulf War, it provided nearly \$8 billion in economic aid to Egypt, and

²⁷ Joseph Kahn with Stephanie Flanders, "U.S. and 21 Other Nations Vow to Spend Billions on Afghanistan," *The New York Times*, November 21, 2001.

additionally provided direct military support.²⁸ To put issues in historical perspective, it is useful to review the experiences of South Korea and Taiwan in the 1950s and early 1960s. The first had been hurt by war much worse than the second, but in both cases, the US wanted to help key security partners build up their economies in short order. The US provided roughly \$50 to \$75 per capita per year for more than a decade, making for an aggregate total ranging from \$500 to \$1,000 per capita.²⁹

Given its pre-eminent position in the world community, the US should take the lead in creating a consortium of all major western powers—including the British, French, Japanese, German, and Italian—to strengthen Pakistan’s national security. This is not to suggest that the Western powers should focus on the military dimension, since Pakistan is already militarized beyond its economic capacity. Instead, the package should be used to develop social, political and economic institutions that are the bedrock for national security. The funds should be funneled through the World Bank, the International Monetary Fund, and the Asian Development Bank, and would likely comprise a mixture of loans at concessional rates, debt rescheduling and possibly forgiveness of the principal amount of some debts. In a recent editorial, the *Financial Times* has argued against writing down the debt, since that would make it impossible to hold Pakistan to its promises. “Only after Pakistan has maintained good performance for several more years should the debt stock itself be reduced.”³⁰ To make the package affordable to the donor countries, and to allow Pakistan to use it efficiently, the package should be disbursed over several years.

Of Pakistan’s total debt of \$38 billion, only the bilateral portion can be rescheduled. Pakistan’s largest creditor is Japan, to whom Pakistan owes \$5 billion, and the next largest creditor is the US, to whom Pakistan owes \$3 billion. Working with the Paris Club, Pakistan is seeking to reschedule a total of \$12 billion of bilateral debt. The government is seeking lowering of interest rates, partial write-offs and debt for social sector swaps. The International Monetary Fund and the World Bank have committed to offer Pakistan a Poverty Reduction Growth Facility valued at \$1.3 billion. In addition, the international community has indicated its strong support for Pakistan’s package of structural reforms over the next three years, with exceptional financial assistance of about \$9.5 billion in the form of bilateral support, including debt relief, and assistance from international financial institutions. As of this writing, this commitment has not been put down in writing.

The Pakistani Quid Pro Quo

The aid package should be made conditional on Pakistan achieving several social, political, and economic goals that would contribute to the welfare of its people and to the security of the region. The package should provide strong incentives to achieving all the goals. As veteran US analysts Stephen Cohen and Dennis Kux pointed out at a workshop organized by the Georgetown University Center for Strategic and International Studies on November 27, 2001, aid money that is squandered or siphoned off can actually cause more damage. Five specific

²⁸ Nadeem Malik, “Pakistan seeks exceptional terms from Paris Club,” *Pakistan Today*, December 14, 2001.

²⁹ Michael E. O’Hanlon, “The Aid and Reconstruction Agenda for Afghanistan,” Analysis Paper # 13, Brookings Institution, December 19, 2001.

³⁰ Editorial, “Pakistan’s debt,” *Financial Times*, December 3, 2001.

goals that could form the blueprint of an “Aid to Pakistan” package are discussed below:

- *Political Reform.* A long-term relationship between the US and Pakistan is not possible unless Pakistan returns to democracy. National elections should therefore be held, consistent with the judgment of the Supreme Court of Pakistan. However, there should be checks and balances on the powers of the elected representatives. Democratic regimes during the 1990s headed by Benazir Bhutto and Nawaz Sharif proved to be among the most venal and incompetent in Pakistan’s history. The military government has tried to focus on devolution of power to local bodies and provincial governments. The experiment has still to show its positive results. During his recent visit to the US, President Musharraf indicated that even though he would not contest the national elections, he intends to continue as President. Specific provisions should be implemented that would limit his tenure as head of state to a five-year term. The constitutional separation of powers should be honoured, in order to strengthen the institutions of democracy in Pakistan. Steps should be taken to eliminate recurrence of military intervention in Pakistan. One option is to give the army a constitutional role in deposing a “rogue government,” and then holding elections within 90 days. Additional steps should be undertaken to create a more balanced distribution of powers between the four provinces that would eliminate inter-regional rivalries. These rivalries might diminish if the number of provinces is increased from four to twelve, and if the resulting population distribution is more balanced than the current situation where 56% of the population resides in one province.³¹ Two of Pakistan’s immediate neighbours—Iran and India-- have dealt with this issue by having two dozen provinces or states. A much smaller country, Switzerland, has more than 50 cantons.
- *Human and Social Development.* The recommendations of the Human Development Report, issued annually by Non-governmental Organizations such as the Mahbub-ul-Haq Centre, should be used to create guidelines for spending priorities. Wise government policies will heal societal divisions, and divisive policies will add to them. Policies that bring down the rate of population growth would have significant benefits. Educational programmes will improve the literacy rate, and improve the nation’s competitiveness. Public health programmes will improve the quality of life by bringing potable water and sanitation to a larger segment of the population, and preventing the spread of infectious diseases that can sharply diminish productivity. Illiteracy rates need to come down from their incredibly high levels: 67% for females (above age 15) and 38% for males. Corruption in Pakistan has been a recurrent problem, and has severely impacted the Social Action Programme (SAP). To prevent corruption from occurring in the first place, Pakistan should introduce business ethics courses in the education curriculum of Pakistan’s civil service academies. In addition, it should eliminate the incentive for corruption by directing the bulk of the monies to the private sector, Non-Governmental Organizations, and community organizations. This will

³¹ In some respects, the population distribution is similar to what prevailed in pre-1971 Pakistan, where one province, East Pakistan, accounted for 55% of the population.

ensure that the money is spent efficiently, and produces high returns that exceed the concessional interest rates that are promised by donors. If the multilateral financial institutions such as the World Bank and the Asian Development Bank bundle their soft loans with hard loans, Pakistan's debt situation would worsen if the soft loans do not produce returns that exceed the costs of the hard loans.

- *Economic Reconstruction.* A significant portion of the funds should be spent on economic development. The ideal set of policies would lead to speedy retirement of existing debt, the accumulation of foreign exchange reserves, increased rates of domestic savings and investments, leading to rapid but sustained economic growth, reduction in income inequalities, and reduction in poverty levels. Economic development would also lead to improvements in the nation's physical and social infrastructure, a prerequisite to Pakistan's transition to a middle-income country. It would be best if the government of Pakistan did not try to implement the development programmes through its various ministries, but instead focused on providing transparent subsidies for delivery of services by non-government institutions. Such an approach, often called "output-based aid," was the subject of a recent clinic sponsored by the World Bank. It takes the approach of delegating service delivery to a third party (such as a private company or Non-Governmental Organization) under contracts that link the payment of subsidies to the outputs or results actually delivered to target beneficiaries. The intended result is a sharper focus on objectives, better incentives for efficiency and innovation, more accountability for the use of public resources, and new opportunities for mobilizing private financing for basic service provision. The dual challenges of improving the efficiency and responsiveness of service delivery to the poor, and improving the targeting of subsidy support to those most in need, are considerable. Output-based schemes need to deal with a number of key design issues including: (a) Ensuring that the services reflect the needs and preferences of the poor and take account of their willingness to pay (b) Effective targeting of services in areas where information is poor, administrative capacity is weak, and corruption a very real threat (c) Designing incentives for service providers that inspire innovation and expanded service, while keeping risks at a manageable level (d) Economizing on administrative costs as we move from pilots to broader output-based schemes. Promising cases involving output-based aid include programmes to provide water services to the poor in Paraguay, rural electrification in India and Chile, and provision of rural payphones in Chile and Peru.
- *Peace with India.* Pakistan should be encouraged to adopt a flexible approach in resolving the dispute with India over Kashmir. This would include sustaining an active dialogue with the Indian government, preventing the activation of the Line-of-Control (LoC), reigning in the religious groups and hardliners for hostile rhetorics against India, and creating a demilitarized zone around the LoC that may eventually be expanded to include the entire region of Jammu and Kashmir. Clearly, this effort can only succeed if India cooperates in good faith with Pakistan. Thus, similar modalities should be inserted into aid programmes directed toward India.

- *Significant Cuts in its Defense Spending.* While many have recognized that the military is Pakistan's strongest institution, it is debatable if Pakistan's national security interests are served by having the world's sixth or seventh largest military. A major portion of the national budget, which could be spent on social and economic development, is devoted to military spending. Thus, no amount of the \$10 billion aid package should be used by Pakistan to purchase arms or munitions. A limited amount of training and organizational assistance may be provided to the Pakistani military. The US military, which has a long history of cooperation with its Pakistani counterparts, should consider reinstating its programme for exchanging senior officers with Pakistan. In addition, it should offer to participate in joint exercises with the Pakistani military. Pakistan should be encouraged to focus on the development of a professional military that pursues realistic goals that are within the means of the country. Operations should be characterized by true joint-ness, and inter-service rivalries that lead to fiscal excesses and turf wars should be eliminated. Most importantly, there should be transparency in fiscal matters, civilian oversight over military spending, and documented improvements in the efficiency of military spending. ■

SAARC in the 21st Century: Time to Re-examine

Pervaiz Iqbal Cheema*

Introduction

Theoretically SAARC was born in 1985 at the Dhaka Summit of seven regional countries though the work towards its creation had started much earlier. The association came into existence with a baggage of disabilities and constraints. The SAARC charter was devised first at Delhi Conference of the Council of Foreign Ministers on August 1, 1983 and was subsequently adopted at the first summit. More than 16 years have passed since its birth and the need for assessing SAARC's performance seems in order. Adopting a functional approach the association, during the last 16 years, has not only experienced the regional pressures but has also been able to acclimatise itself with the complexities of operative international political system. Indeed the record is a mixed one.

In recent times the organization is subjected to somewhat legitimate criticism. Just as the UN Security Council did not live up to the expectations of a vast majority of the member states, SAARC also disappointed many in the region especially in terms of tangible outcomes that could substantively affect the life of ordinary citizens of the member countries. However this does not mean that its existence, in any sense, is disapproved. Hailed as a much awaited panacea for many complex problems confronting the region, its performance remained far below the augured expectations.

This paper initially discusses the evolution of SAARC and then concentrates on the impediments which are slowing down its desired pace of progress followed by an examination of the positive factors that are pushing the region towards collaborative approach. Finally it attempts to answer the question whether or not it is time to re-examine its Charter.

The Main Evolutionary Features

The evolution of SAARC has not been all that smooth especially if compared with EEC or ASEAN. Many factors account for this. It continues to suffer from the hangover of the past along with its own structural complexities. Part of the impediments are the product of its own set of uniqueness and regional peculiarities. South Asia is one of the poorest, most illiterate, heavily over-populated, excessively militarized and incredibly conflict prone region of the world. According to one study the adult literacy rate is about 48%, per capita income around \$309, and has a population that far exceeds a billion mark (roughly 22% of the world population) and has two of the largest military establishments.¹ While global military spending has been constantly decreasing in the post-Cold War era, South Asia's military expenditure is on the rise.² This trend seems to be continuing. The incumbent BJP government in India has been raising the defence allocations

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¹ Mahbub ul Haq, *Human Development Report* (Karachi: Oxford University Press, 1997), pp.1-26.

² For a detailed analysis see Pervaiz Iqbal Cheema and Jasjit Singh, *Defence Expenditure in South Asia: An Overview*, (Colombo: Regional Centre for Strategic Studies, 2000).

regularly. In addition, three quarters of the total area consists of India which covers almost 70% of the total regional area, two third of its population, and roughly little more than two third of its GNP. The tyranny of geography has manifested in such a way that almost all the countries are the neighbours of India and none of them are neighbours of each other. This peculiar geographical factor coupled with the assertive and domineering Indian policies often generate fear and tension among other regional countries. In terms of size, apart from Pakistan, which can be classified as a medium size state, all others are small countries. South Asia accounts for one-fifth of the total population of the world. The quality of life revolves around the word 'poor' and ranges from poor to extremely poor.

The second unique feature is that unlike many regional organizations such as EEC or ASEAN where the existence of external threat contributed enormously towards the evolution of a common threat perception and developing a consensus view that a regional organization would prove to be an appropriate and essentially a correct response, the South Asians were not confronted with a common threat and consequently neither felt compelled to evolve a common threat perception nor motivated to respond in somewhat similar manner as was done by the members of EEC or ASEAN. However this does not mean that the South Asians were not facing any kind of threat. Indeed they were confronted with threats, which emanated either from domestic troubles or regional bickering or continuous state of miserable socio-economic conditions. While it is difficult to deny that harmony in strategic perceptions can make environment conducive for accelerated evolution of a regional organization, this does not necessarily mean that the quest for economic and social cooperation cannot be achieved without the existence of a common threat perception. The birth of ECO (Economic Cooperation Organisation) does not really reflect any compulsions generated by a common threat. On the contrary, the members of ECO seem to have been influenced by their quest for multinational regional cooperation with a view to creating conditions for sustained socio-economic growth.

Bilateral tensions prevented the evolution of desired harmony deemed to be so necessary for adopting a collective politico-strategic approach. Despite the non-existence of strategic harmony, the usefulness of collective approach in other areas was fully recognized by the regional countries and in consequence SAARC came into existence. It seems that South Asia could manage simultaneously both, conflict and cooperation. Unlike NATO, Warsaw Pact, SEATO, and CENTO, which were the product of a desire for collective efforts against perceived threats, SAARC was born as a genuine collective response to a desire for a regional organization that could facilitate the much-awaited cooperation and promote economic interaction among the regional countries. While the members had recognized the existing ugly realities confronting the region, it took almost four decades to accelerate the pace of incumbent march towards collective efforts in order to arrest the continuous deterioration and to attempt its reversal. Admittedly the SAARC came into existence in 1985 but the work towards its evolution had started much earlier. The earlier efforts could indeed be categorized into three stages; the first, consisted of the work put in by Foreign Secretaries and other senior officials, the second phase saw the contributions of the Foreign Ministers and in the third phase Heads of States and Governments met at the First Summit and decided to establish the South Asian Association for Regional Cooperation.

The third significant characteristic of SAARC is that unlike many regional organizations it was not established by the efforts of the leading countries of the region. It was the result of smaller countries' concerted efforts. The initiative came

from the late Bangladeshi President Gen Zia-ur-Rahman. It took two years' continuous efforts to institutionalize the idea of a South Asian regional organization. Cognizant of cultural and ethnic commonalities, the former Bangladeshi President visited most of the South Asian capitals with a view to ascertain the thinking of regional leaders regarding the establishment of a regional organization. After a series of initial discussions and consultations, the first preparatory meeting of the Foreign Ministers of the seven regional countries was held in Colombo that identified four areas (out of total of 11 areas contained in the working paper), which included telecommunication, meteorology, agriculture and rural development for immediate study and also established five study groups.³ The Katmandu meeting in November 1981 discussed the reports of the study groups and endorsed the recommendations.⁴

The fourth significant factor reflecting uniqueness, revolves around indigenous efforts. Unlike SEATO and CENTO, SAARC was the product of local endeavours. No outsider was involved either directly or indirectly. While many regional organization were born in response to the efforts of the interested superpowers and survived under their patronage, SAARC is not only the product of gradually increasing importance attached to the principle of regionalism but more specifically its realization by the regional states. Despite the existence of complex disputes in the region, the realization of cooperative ventures rapidly gained ground in South Asia. The need to cooperate in various non-political fields was acutely felt, which in turn accelerated the process that gave birth to SAARC.

The fifth unique aspect of the SAARC is that its main focus of emphasis is primarily on socio-economic development. However, the emphasis has to be viewed in the light of ongoing complex disputes that have frequently caused major wars and upheavals in the region. Mutual antagonism consistently trailed by exploitation of others' difficulties had been the name of the game for both the Indians and the Pakistanis. Neither state missed the opportunities to make things difficult for the other. Yet one finds that the regional countries also felt the acute need of establishing a regional organization.

SAARC is an effort not only to cement ties among South Asian states in diplomatic, social, economic and other fields but also to promote collective self-reliance and to improve the quality of life for the South Asians. To attain these objectives seven South Asian countries decided to launch a cooperative regional organization and soon developed an understanding to apply a step-by-step collaborative approach. Within a span of less than ten years SAARC was able to identify many areas of cooperation including agriculture, forestry, health, population, meteorology, rural development, telecommunication, transport, science and technology, postal services, sports, arts, culture, women, drug trafficking, tourism etc. Admittedly most of these areas belong to peripheral region, but it was expected that successful cooperative march in these areas would influence the members to move into the core areas of cooperation. While cooperative efforts were rapidly being evolved to undertake either promotional strategies or rectifying pursuits (whatever was deemed necessary with regard to identified areas), SAARC's progress is impeded by not only divergent attitudes of member states but also by operative political and economic constraints.

³ See 'South Asian Association for Regional Cooperation: A Nepalese Perspective' by Narayan Khadka in *The Round Table*, No 309, Jan. 1989, pp. 65-87.

⁴ Ibid.

Regional/Bilateral Impediments to Growth

The last 16 years have seen many hurdles that have effectively hampered progress of SAARC including the regional bilateral disputes, internal instabilities, differing security perceptions, Charter's problematic clauses and India's self image along with some of its policies. Perhaps the most important impediment on road to collective self-reliance is not the incumbent asymmetry and the overwhelming stature of India but how other members perceive Indian intentions, attitudes and policies. Most members of SAARC viewed Indian future intentions with reservations and apprehensions. Some are even convinced that India is out to establish its hegemony in the region. South Asia's structure is such that there exists the overwhelming predominance of India constrained by the presence of Pakistan, which is strong enough to resist domineering attempts of India. The feelings of being subjected to hegemonic system are indeed not conducive to the accelerated evolution of collectivity. With India's growing military might along with a significant component of nuclear capability and accompanying elaborate missile programme, it is not difficult to see why many in the region are subscribing to hegemonic theory, especially if one analyses the whole scenario within the context of ongoing bilateral disputes. Compared to India's armed forces of 1,303,000, the total armed forces of other regional countries amount to 905,000.⁵ Since the region is Indo-centric and India has built up a massive military machine, the responsibility of eroding the impression of perceived Indian hegemonic pursuits devolves upon the Indian leaders. The Indians need to make extra efforts to remove such adverse impression for the greater good of the region. Besides, India must develop a framework in which it can find a style of regional leadership that the smaller regional states find palatable.

The desired level of pace towards collective efforts is also influenced by the lack of common threat perceptions. For both EEC and ASEAN, the existence of common threat perceptions acted as a cementing force. Since there exists no common threat, the security policy of member states have been evolved in congruence with individual country's own threat perceptions. And as most of them perceive security threat from regional sources, there exist differing security perceptions. To evolve a common South Asian security perception, not only one needs to identify the common threats confronting all the South Asian states but also resolve bilateral disputes and remove the unnecessary irritants.

The idea of South Asian security has evoked as many viewpoints as there are member countries in SAARC. Most security interpretations vary from country to country in congruence with their domestic political developments and geopolitical conflict involvements and neighbourly patterns of relationships. Persistent differing security approaches are not really conducive to attain the desired level of regional cooperation. Besides, visible divergent pursuits are prone to outsiders' exploitations. What is perhaps extremely disappointing but not surprising is that no effort to narrow down the gap between the security perceptions seems to have been undertaken by member countries. Even the radical global transformations have not been able to adequately impress upon the SAARC members to take cognizance of operative trends causing changes of far-reaching consequences in today's world and accordingly make allowances in order to adjust to new realities.

⁵ For details see-175 *The Military Balance*, The International Institute for Strategic Studies (London: Oct.2000), pp.167-75.

India constitutes the core of the region. While many smaller powers are fearful of Indian future designs and want to contain India, India wants to contain the extra-regional intrusions. For its own policy objectives, India has turned to powers like USSR, USA, UK, whenever the need arose, but it has always sought to minimize the role of extra-regional powers if they are in the area because of linkages with other regional countries or if they are perceived to impede Indian policy pursuits. For the smaller countries, SAARC appears not just an association that promotes mutual cooperative ventures in economic field but also a means that could provide an alternative route to security. Concerted and collaborative efforts on the part of smaller SAARC countries may be able to cause a behavioral change in Indian attitudes and policy pursuits paving a way for collective security approach. Even the Prime Minister of India, late Rajiv Gandhi, once observed that 'SAARC can become an approach to regional security in South Asia'.⁶ But the subsequent development along with the Indian policy pursuits points towards other directions.

Three Security models have evolved in most developing countries: dependency, autonomy cum partial dependency and autonomous or totally self-reliant. The first implied heavy dependence upon the outsider equalizers that made weapons and financial inputs. The second model tends to reflect a strong desire to be totally self-reliant but because of financial and technical requirements a totally autonomous status remain somewhat elusive. The third model is totally self-reliant. This model can be divided into two categories; self reliance attained through sheer hard work or self-reliance pursued either because of compulsions generated by denials and sanctions. The current thinking in most SAARC countries leads us to believe that the autonomous self-reliant model has been gaining grounds over the years. Perhaps the incumbent's pace of development is making its desired impact on other areas as well. However, this does not mean that the option to allure the extra-regional powers is totally abandoned. While almost all smaller members of SAARC would like to retain some credible security option to seek help from outsider equalizers, the level of dependence in many ways continues to be linked with the behaviour and policies of the core country, India. This is more visible in the post Cold War era.

Undoubtedly the most important factor hampering SAARC's progress is the ongoing bilateral disputes between different countries. Can progress be achieved in the areas of regional economic cooperation without progress in political relations? Two responses are frequently advanced. Generally it is believed that the progress would be either totally halted or be extremely slow if the political relations are not normal. But on the other hand there are some who argue that the increased economic interaction can facilitate the amelioration of political relations. In South Asia it seems that the political relations seem to enjoy ascendancy over economic interactions. Unresolved bilateral disputes and conflicts not only effectively impede economic progress but also continue to cast a heavy shadow on the prospects of regional cooperation. It needs to be mentioned here that almost all the present disputes are India-centered. Not only India occupies 72% of the area but is also inhabited by 77% of the total population of South Asia. Among the disputes that deserve to be pointed out there are Indo-Bangladesh tensions, Indo-Sri Lankan problems, Indo-Nepali discords over transit trade, border issues, smuggling etc. and the Kashmir dispute between India and Pakistan. Indo-Bangladesh tensions were

⁶ See Ravinatha P. Aryasinha, *South Asian Association for Regional Cooperation (SAARC): The Potential for Regional Security*. (Colombo: Bandaranaike Centre for International Studies, 1990) p.34.

accumulated over the years because of water-sharing problems, illegal cross-border migration of Bangladeshis into neighbouring Indian states and control of coastal island of Talpatty. Indeed the most complex Indo-Bangladeshi problem revolves around the sharing of Ganges water. The normal flow of Ganges water into Bangladesh has been severely curtailed by India's construction of the Farakka Barrage and the withdrawn waters are diverted through a man-made channel network to flush the silt afflicting Calcutta (Kolkata) harbour. With rapidly increasing population that is traditionally dependent upon river-based economy, deprivation of waters during lean seasons is indeed a great loss. Another significant development that has acquired prominence recently is periodic border clashes.

Indo-Sri Lankan problems were of recent origin if compared with other Indian neighbours. Indo-Sri Lankan problems are the direct outcome of India's assertion of self-visualised domineering role in South Asia. Historically, Indo-Sri Lankan relations have remained cordial and tension-free. However, the last two decades have witnessed gradual deterioration of relationships primarily because of 'India's hegemonic interference in the domestic affairs of its weak southern neighbour'. With the covert and overt support to Island's Tamils by both the Central and State (Tamil Nadu) governments, a situation of armed confrontation developed initially, which was latter transformed into an armed conflict. The conflict managed to survive even with the arrival of the IPKF under the 1987 Accord and its subsequent departure from the Island. Indo-Nepali complications are a product of India's continuous desire to maintain a tight control over Nepalese trade with other countries. In addition, the presence of large numbers of Indians in the Southern regions of Nepal has also caused periodic frictions.

Finally, the dispute that has dominated the region since India's independence is the ongoing dispute with Pakistan over Kashmir. It is neither necessary nor intended to give a detailed history of this dispute here but it needs to be stressed that this dispute can be easily resolved if both parties agree to have sustained negotiations with a resolute determination not to allow it to take any further time-toll. Besides, the negotiations need to employ innovative approaches and come up with rational and feasible options. An honest and concerted effort could produce something that can be regarded as long awaited panacea. The magnitude of the cost involved in denying the right of self-determination to the people of Kashmir is indeed enormous for India as well as for the region. The Kashmir dispute embittered relationships between India and Pakistan since partition in 1947 and has caused three major wars (1948, 1965, 1971) and innumerable border clashes. Over the years enormous resources have been allocated to military preparedness primarily because of the impending danger of war stemming from the ongoing dispute over Kashmir. With the advent of intensified indigenous struggle for the exercise of their right of self-determination, the situation in Kashmir has become acutely complex and the tensions between India and Pakistan have also acquired alarming proportion. The tragedy of the situation is that the magnitude of economy-wrecking cost involved is fully realized by both parties, yet a major sustained effort to resolve this dispute appears to remain somewhat elusive. Hopes were raised to unrealistic levels at the time of Agra Summit in July 2001, that substantive progress would be made towards the desired resolution of the dispute but once again the domestic Indian politics took a very heavy toll of anticipated progress. While one had to recognize the fact, that Agra did initiate a positive process which was not allowed to reach its logical crescendo, the future efforts need to be concentrated to involve SAARC also in the desired peace process.

Limited Benefits Against Unique Potentials

To deny the existence of the above-mentioned powerful impediments that are hampering progress is indeed an exercise in futility. Many forceful factors exist that are exercising influence to accelerate the desired progress towards collaborative approach. Among the positive factors that are pushing the region towards collective pursuits include quest for accelerated economic development, realization of futility of continuous conflicting relationships and emerging imperatives of the post-Cold War era. First, South Asia is one of the poorest regions of the world where further strains are generated by the rapid population growth. Increased realization of developmental needs have pushed all the seven member countries towards a collective approach. SAARC is probably one regional organization that owes its origin to such realization rather than being a product of political compulsions. Programmes like poverty alleviation or SAPTA (South Asian Preferential Trade Agreement) and SAFTA (South Asian Free Trade Area) are indicative of emerging consciousness. With the radical global transformation and shrinking of external funds, efforts are being directed to resolve the major problems such as poverty through local resources or vis-à-vis, the collective regional efforts. Not only is the burden of poverty spread unevenly throughout the world but also almost half of the developing world's poor live in South Asia. Compared to the total number of poor people in the developing world, 1,214 million, the number of the poor in South Asia in 1998 was 522 million. It was projected to register a marginal decrease by the year 2000 and is likely to be around 511 million.⁷

All of the South Asian countries are viewed as relatively poor states. South Asia's average per capita income of \$309 is much below the \$555 for sub-Saharan Africa and \$970 in all developing countries.⁸ Indeed not only the collective SAARC approach is probably a practical way to deal with such an overwhelming problem but also basic rationale of regional cooperation is an effective strategy to solve common problems and to promote common interests of a given region. One constructive approach to eradicate poverty is to move ahead with a balanced overall development strategy. Indeed this strategy requires walking unambiguously on two legs, two equally strong strategic legs; one, that of modernization; and the other that of poverty alleviation. A critical review of this strategy clearly indicates that it makes sense. The existence of a large section of a society living under poverty conditions is bound to take a heavy toll of developmental processes. Climbing up the mountain with a heavy load attached to the legs makes the progress rather difficult and painfully slow. Nevertheless concentration in most Third World countries was upon growth-orientated strategies. It was thought fit to accord top priorities to modernization and industrialization and the poor were compelled to wait for trickle-down effects. At some later stages somewhat unsuccessful efforts were made to speed up the trickle-down effects. Various other strategies were also employed periodically but the end-result was once again somewhat frustrating.

The poverty alleviation pursuits of SAARC are indeed commendable and need to be supported whole heartedly. However it needs to be stressed that no poverty alleviation programme is likely to pay desired dividends unless the target sector of society participates and no poor person is likely to be an active participant unless she/he acutely realizes the need to improve her/his lot. Awareness,

⁷ See Ruth Legar Sivard, *World Military, and Social Expenditure 1993* (Washington World Priorities, 1993) p.25.

⁸ Haq, op cit. pp. 1-26.

realization, encouragement and opportunities could transform such efforts into a real success story. In addition attention needs to be also focused on the elimination of corruption and internal violence.

The emerging realities of the post-Cold War era are markedly different from those of the Cold War era. This is the second significant factor. The Cold War era was predominantly influenced by political imperatives in which economic instruments were used as tools to cater for the eventual attainment of political objectives. The ground realities of the post-Cold War era point towards the emergence of economic imperatives. The climate governing international aid and trade has undergone a radical transformation and the emerging change appears to be more detrimental to the interests of Third World countries. Such realities compel not just an increase in the South-South trade but also to accord high priority to trade within the region. Almost all SAARC countries are acutely aware of the restricted financial outflow from developed countries, the reduction of aid, rapidly increasing the debt burden which is taking an unacceptable toll of indigenous resources, adverse terms of trade, the tendency of the rich countries to introduce more and more barriers against the struggling Third World countries.

At the time of SAARC's birth, it was agreed in the Dhaka Declaration of 7 December, 1985 to liberalize trade as early as possible through a step-by-step approach and to prevent marginalisation of South Asia's trade in the larger global interest, yet it has taken almost a decade to arrive at a feasible and practical approach to encourage trade within the region. During the Seventh SAARC Summit, SAPTA was signed to facilitate free trading within South Asia. SAPTA allowed member states to import commodities from one another with 10 per cent lower tariff than those imposed on items from non-SAARC countries. The fundamental principles governing the agreement are reciprocity and natural advantages for all member nations taking into account their respective levels of economic and industrial development and other relevant factors. Excessive cautiousness by the regional governmental leaders had somewhat inadvertently slowed the movement towards the preferential trading arrangement. But given the operative protective trading practices over the last few decades and the periodically emerging bilateral disputes, the slow progress in field of economic relations is quite understandable. The draft for SAFTA was also approved in 1999, which was supposed to have been presented to the Heads of Government in 11th Summit at Katmandu.

The gradual realization of benefits that can accrue from a collective approach is the third important factor. Individual efforts may not produce the desired level of dividends whereas the collective approach may generate benefits much beyond expectations. Collective approach is far more conducive to the optimization of regional resources than individual panaceas. An integrated management of Himalayas water resources could usefully satisfy the needs of many involved countries at a much cheaper cost and without any political toll. Sharing of experiences and technological skills could enormously enrich the member countries. While the shared heritage and geographic proximity generated fear and concerns for smaller regional neighbours, it is also recognized by smaller states that the most productive and constructive path is via SAARC's collective pursuits. Admittedly, sometimes projected apprehensions are somewhat exaggerated and geared to suit domestic compulsions of the smaller neighbours, but it is equally true that at times India's inept handling of sensitive issues accentuated their fears.

Growing realization of not to be left behind and miss the race for progress through multilateral efforts is now gripping the region. Quest for joint ventures and

emphasis on speedy movement towards a free trade area, customs union and common market is the product of newfound comprehension of emerging realities. Despite the fact that the current levels of trade within the region are minimal and items agreed for preferential tariff are few and somewhat unimportant, the move to introducing the concept of preferential treatment in trading area and the quest for SAFTA are indeed welcome steps.

Need for Re-examination to Enhance SAARC's Benefits

While the underlying notion of regional organization is to foster comprehensive cooperation within the region, the future of any regional organization is heavily dependent upon the goodwill of the participating nations. And goodwill is often the product of incumbent political and economic conditions. What one has to recognize is that regional cooperative organization is a form of multilateral interaction guided by the principle of collective advantage. South Asia must develop a framework in which both the big and small countries of the region can work harmoniously with a vision of collective benefits in the 21st Century. While the obsession with the size and dominance of the larger regional country needs to be shredded, the powerful regional neighbour also needs to opt for a more realistic outlook giving due considerations to smaller regional countries' sensitivities. Indeed there are problems that are going to adversely affect the pace of cooperation but it must be stressed that the time has come to overcome the shackles of troubled heritage.

India's request for postponement of 11th SAARC Summit, which was supposed to have taken place in Katmandu from 26-28 November 1999 because of the advent of a military regime in Pakistan, was indeed unnecessary. It needs to be pointed out here that the first SAARC Summit in Dhaka in 1985 was hosted by General Ershad and attended by military ruler, General Zia ul Haq in which India enthusiastically participated. Besides, India seems to have a dual policy with regard to military regimes. While India has strengthened its trading relations with the military regime of Myanmar, it used the excuse of military regime in Pakistan for securing the undesired postponement of SAARC's 11th Summit. Perhaps that is why even some Indians also viewed the postponement of SAARC Summit on India's insistence as 'South Bloc's fit of morality'.⁹

The postponement of SAARC Summit in 1999 was the second in its 15 years old history. SAARC is not expected to promote any particular kind of political or economic system. It is up to the member state to accept or reject any system they deem fit in their wisdom and in congruence with their own requirements and developments. SAARC is not expected to involve itself in the internal affairs of a member state. Not many SAARC countries shared the Indian view as they thought that the unwanted delay in holding the Summit amounts to undesired setback for regional cooperation generating further strains in Indo-Pakistan relationships.¹⁰

Not only the SAARC Charter specifically stresses strict adherence to the principles of the UN Charter and Non Alignment but also it repeatedly asserts the application of the principle of non-interference in the internal affairs and political independence. Yet India in its wisdom deemed fit to sacrifice the collective interests of the SAARC countries in order to cater for its own interests. While all other members were keen to attend the Summit, India decided to opt for postponement.

⁹ *India Today*, November 15, 2000.

¹⁰ See EIAS (European Institute for Asian Studies) Bulletin, Dec. 15, 1999, <http://11 www. Eias.org>.

To pursue its own policy, India appears to be more than willing to impose and override all other considerations in order to secure and advance its own interests. The nature of any regime in any member country can be approved or disapproved on a bilateral basis. Perhaps the underlying principle of Article X that excludes the bilateral contentious issues from the formal deliberations was to avoid the unnecessary impediments that could effectively arrest the progress. If a member is going to seek the postponement of SAARC Summit on the basis that it does not like the colour of a regime's clothes, perhaps then it is time to seriously ponder over the efficacy of Article X and re-examine and modify it in congruence with the dictates of time. Article X states that decisions at all levels shall be taken on the basis of unanimity. Decision to postpone the SAARC summit was not taken unanimously. Perhaps there is a need to reformulate the Article X in order to cater for such eventualities in which one state wants the postponement while many other members may desire the holding of the summit on the already agreed dates.

It is indeed strange that SAARC excludes discussion on bilateral contentious issues whereas most of the problems in South Asia are of bilateral nature. While the Male summit recognized the usefulness of informal political consultations, 'there is no formal institutionalized process of discussion of bilateral political disputes among member states within the existing framework of SAARC'.¹¹ Indeed political discussions do take place on a wide variety of matters including contentious bilateral issues. What is lacking is the mechanism for formalizing and regularizing the informal discussions on contentious bilateral issues. The preamble seems to be no more than a decoration of the Charter especially if you read the third clause stressing to enhance cooperation within their respective political and economic system. Nowhere it mentions that a particular form of political or economic system is preferable or more sanctified than the others. Besides seeking unnecessary disruption of a collective endeavor to suit one's own political taste does not augur well for future development of a regional organization.

The two general provisions that are impeding SAARC's progress are part of Article X and revolve around the 'unanimity of decision' and the exclusion of 'bilateral and contentious issues' from its deliberations. Unanimity is deemed to sine qua non for any decision-making in SAARC and indeed it has merits but the 'dogmatic application of the principle of unanimity has considerably reduced the intra-SAARC cooperation'.¹² As stated above that almost all of the troubles within South Asia fall within the ambit of bilateral relationships, time has come to re-examine or even amend the Charter. If both provisions that are effectively impeding progress cannot be modified, at least efforts need to be directed to modify provisions relating to discussion on bilateral contentious issues. Unless and until bilateral disputes are allowed to be subjected to some form of regular collective discussions, the chances for improving atmosphere would remain somewhat clouded unnecessarily and periodic setbacks would continue to take a much heavier toll than what the actual situation warrants. It is also possible that allowing the discussion on bilateral issues may generate tensions and give birth to undesired hurdles but then it is still much better than pushing the contentious issues under the

¹¹ See 'Attempts at Regional Cooperation in South Asia', an interview with SAARC's Secretary General Nihal Rodrigo in *World Affairs*, vol.3, No.1, Jan.-March 1999, pp.12-26.

¹² See 'Reforming SAARC: In spite of Governments' by Iftekharuzzaman in *Regional Cooperation in South Asia: New Dimensions and Perspectives*, edited by Shaheen Afroze, Bangladesh Institute of International and Strategic Studies, Dhaka, Bangladesh, 2001, pp.17-28.

carpet. For how long can we opt for evasion and avoid facing the real issues? Continued avoidance of bilateral contentious issues or disputes reflects the weakness of commitment to enhance the strength of a multilateral regional organization. Time has come to re-examine the Charter and revamp the SAARC structure with a view to making it a more effective multilateral regional organization. The challenge of transforming the incumbent conflict situations into one of complementarity of interests require concerted efforts and deserves sincere cooperation of all the governments as well as of the people.

One way to make SAARC more effective is to formalize the informal meetings of leaders prior to formal discussion under Charter obligations. Adversarial relationships can be made less potent by holding meetings on contentious issues. Seminars, Conferences and Press Conferences need to be encouraged and arranged before the Summit with the expressed intentions of providing options to the leaders. Not only the regularizations of informal meetings of heads of adversaries' governments need to be strengthened but also the options discussed in seminars should be tabled for considerations.

As far as the principle of unanimity is concerned, time has come to suitably modify it. For the time being the unanimity principle may be retained at the Summit level only but at all other levels (Council of Minister and Standing Committees) the principle of two third majorities may be employed. Alternatively provisions need to be made to cater for such eventualities like the postponement caused by one member's desire. During the Summit the unanimity principle may continue to be applied for all decisions but to apply the consensus principle even for the holding of the Summit needs to be subjected to a process of re-examination.

Another development that can be extremely useful for future work of SAARC is to consider the expansion and strengthening of the SAARC Secretariat. Increasing realization of the importance and usefulness of collective approaches and cooperation warrants that the Secretariat be made more meaningful and effective. While major policy decisions and guidelines should continue to remain within the domain and responsibilities of the Council of Ministers and Summits, there is a need to invest the Secretariat with more authority and expertise in order to initiate and undertake new projects, research studies and dynamic initiatives.¹³

Given the internal tensions of the South Asian countries as well as their regional disputes, a regional consensus approach through an institutionalized structure may appear to be desirable but in practical terms this approach is likely to hamper progress rather effectively. Admittedly each summit contributes, however marginal it may be, towards progress in different areas of SAARC activities, the need of the hour is to accelerate the dividend paying process. To effectively revive and sustain the SAARC process, not only all positive measures need to be enthusiastically supported but negative development should also be subjected to arresting mechanism. Any development that can damage the SAARC spirit should be effectively checked. Time is certainly ripe for rethinking with the objective of improving the SAARC process. ■

¹³ Ibid.

APEC and SAARC: Economic Cooperation in Making

*Saleem M. Khan**

Introduction

Asia Pacific Economic Cooperation (APEC) was launched in 1989. It is currently aiming at redefining itself within the broader scope of “open regionalism” (in socio-economic policies of trade, investment and human capital) and the economic challenges of the 21st century. South Asia Association for Regional Cooperation (SAARC) has an identical economic agenda. APEC’s concept is anchored in the Treaty of Rome, the founding document of the European Community (EC). Its formative phase extends over two decades - 1980s and 1990s. During this short period, APEC has made substantial progress towards establishing itself as a strong regional economic group. It has achieved its initial goals of strengthening multilateral trading, promoting investment flows, and determining common economic interests. It has also played a critical role in containing the adverse effects of the Asian financial crisis of 1997.

In adherence to its future direction, APEC continues to promote its objectives of open trade, investment, and a strong sense of regional community. It appears to be ready to meet “new challenges in the New Century,” in particular the challenge of the “new economy”.¹ Its readiness to look beyond 1990s, and accepting the challenges and opportunities in the 21st century, suggests its future direction. The approaches of deeper integration and progressive industrialization and continent-based grouping within the framework of liberal economic reforms and geo-economic factors are APEC’s core issues. These are the keys to meeting its agenda for “building the future of Asian economies.” These approaches aim at promoting the well being of the people in Asia Pacific countries, and expanding the economic potential of the region in the decades ahead. The road map of economic development is a dynamic concept for improving the South Asian socio-economic profile. This paper is an attempt to put into perspective these approaches and issues because they are critical to the success of “open regionalism” which are part of APEC and SAARC strategies.

The approach of open regionalism is a modified version of the original concepts of economic regionalism and free trade area. It is considered the forerunner of outward-looking policies and a leading vehicle for achieving the objectives of economic growth, open trade, and global investment.² Initially, the European Community adopted the doctrine of economic regionalism in 1958.³ At

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¹ APEC Economic Committee, *APEC Themes in Year 2001*. (<http://www.apecsec.org.sg/body.htm>).

² A. Melo, & A. Panagariya, *The New Regionalism in Trade Policy*, (Washington: The World Bank, 1992).

³ Economic regionalization has had its most robust expression in Western Europe, where the European Union led to economic activity that has enriched all 15 members. The populations in most countries have become richer through free trade, free investment and free movement of labour. The EU has worked. The EU, a unique model of economic regionalization, has encouraged the rest of the world to develop some form of intra regional economic grouping. However, economic regionalization in the Asia-Pacific, or for that matter in Europe, or in any other continent, must be an “open” – not a

that time, economic regionalism outside Europe was viewed as an instrument of inward-oriented policies and “fortress mentality.” By the 1970s, when outward-looking policies had begun to succeed, economic regionalism was upgraded to “new regionalism” embodying the concepts of open trade and export-led growth. Since the late 1980s, this term has been modified to “open regionalism” to promote deeper integration and formulate creative policies toward open trade, investment, growth, and development. The paradigm of open regionalism suits APEC’s vision and agenda for 21st century, which is largely a framework of openness and is conducive for SAARC’s socio-economic agenda.

In the contemporary environment of global interdependence and competitiveness there is general recognition that the framework of open regionalism would be instrumental for APEC in developing and modifying its agenda based on “geo-economic” considerations, continent-based grouping, and short- and long-term economic imperatives in the region.⁴ It is in the context of advancing APEC’s vision and agenda that the debate on the relevance of open regionalism and its instruments has become even more crucial. APEC’s vision and agenda of region-based integration and free trade and investments when examined closely provides likely opening for SAARC’s membership. Indeed South Asian leadership should recognize this opportunity and prepare the SAARC to achieve this goal in a timely manner. This initiative has the potential for an economic break through for South Asia.

The scope of the paper is a narrow one, specifically focusing on a few key challenges regarding APEC perspectives beyond 2001. It begins by describing the recent trends in regional integration, followed by discussion on APEC and SAARC’s rapidly evolving frameworks, and the issues of deeper integration and progressive industrialization. It then examines the issue of potential transition from an intercontinent to a continent-based cooperation and studies the case of economic regionalism in SAARC. The paper concludes with a few suggestions.

World Trends in Regional Integration

In the contemporary international economic environment, the trend towards regionalism and economic globalism is on the rise. At a time when the division of the world into major trading blocs is emerging as the trend of the future,

“fortress” – regional block. Regionalism without globalism is an antithesis for maximizing the global output and therefore for global economic welfare. Thus, regionalization is no substitute for inter-regional cooperation M.Dutta, *Toward Our World: Economically (US: Rutgers University 1999)*.

⁴ Geo-economics is the core concept that provides the foundations of an economic regionalization model in the post-Cold War era. The core of this model is five key features: (a) a map-of-the-world view of a region, (b) a well specified economic agenda ensuring macroeconomic monetary and fiscal stability, and optimization of economic gains for all micro units, (c) de-emphasizing the role of the factors such as race, religion, language, life-style and political system in the process of economic regionalization, (d) refrain from playing superpower games in order to promote individual geo-economic agenda, and (e) freeing the potential of geo-economic intraregional grouping from any tactical/strategic considerations. It will lead to some variation of deep integration. Moreover geo-economic model is an instrument of economic stability by way of intraregional economic cooperation and facilitates a degree of economic freedom to the sovereign nation-state-based economies. It rejects the superpower hegemony; instead, its focus is on supranational, multilateral co-ordination of monetary-fiscal policies for the sovereign member-economies in a regional compact. It is the anti-thesis of geo-politics that anchored itself to superpower hegemony, which assumed the responsibility of providing free “international public goods,” a defense and security umbrella as well as monetary and fiscal stability. The push for geo-economic considerations and continent-based economic cooperation with open inter-regional borders is obvious from the 1985 single European Act adopted by the Western European economies M. Dutta op.cit.

open regionalism is emerging as a continent-based framework. The orientation of EU, the most successful regime of economic integration, from the very outset has been a continent grouping. The guidelines for enlargement, agreed upon at its Summit in Nice in December 2000, confirm the continuation of this trend. All thirteen candidate countries for EU membership are from central and eastern Europe. The economic integration of the European continent will eventually stretch from Ireland across to the Baltic States and to Bulgaria in the South East.

The newly emerging regional groups are embracing a continent-based paradigm, as is obvious from the recent developments in the field. The proposed integration of the Americas into a single market, to be completed in January 2005, will be a continent grouping including all countries of North and South America. The Americas' single market will stretch from the Bering Strait to Cape Horn, encompassing 34 countries with a total population of 800 million and a combined GDP of almost \$12.5 trillion.⁵

On July 11, 2001, the African leadership endorsed a plan to launch a continent-based African Union model similar to the EU and the other emerging economic unions. Economic integration among Africa's 53 countries, with a population of about 850 million and an estimated GDP of \$800 billion, is aimed at substantially reducing import tariffs and dismantling non-tariff barriers to trade and investment. It is also planning to create a central bank and common currency for the entire African continent.⁶

Lately, even some smaller regions are coming aboard economic integration. The Caribbean Community (Caricom) announced on July 12, 2001 that it would integrate its 14 member countries, with a cumulative market of 13 million people, by the end of this year. It will promote trade in services, free movement of capital, progressive dismantling of barriers to trade, and a regime of common tariffs on imports from non-member countries. Plans are also being drawn to establish a regional court to adjudicate trade disputes and to create a common currency administered by a regional monetary authority.⁷

On the basis of these global trends, it is reasonable to expect that the future Asian regime of economic integration will be a continent-based one. It's likely membership would comprise Asia Pacific countries, East Asia and South Asia.⁸ The Asian Economic Union (AEU), as it most likely would be named eventually, will bring into its fold more than 30 countries with a combined GDP of over \$9.5 trillion and more than half of the world's population – 3 ½ billion people. It is interesting to add here that South Asian economies have found the expression of their aims in SAARC. Its programme is consistent with WTO rules and continues to make progress toward its broader goals of economic liberalization.

A chronology of other events across the world since economic integration was introduced as an experiment, indicate strong trends in economic regionalism. The enlargement of the EU, the establishment of a monetary union in Europe, the launching of the North American Free Trade Agreement (NAFTA) in December,

⁵ "Bet on Free Trade," *Business Week*, New York: McGraw-Hill, April 23, 2001.

⁶ *Ibid.*

⁷ "Single Market for Caribbean", *Financial Times*, New York: July 13, 2000.

⁸ In a map-of-the-world view and in geo-economic terms, South Asia comes within the fold of APEC. As an economic unit South Asia is a region-specific institutionalized cooperation of seven sovereign-state-based economies known as South Asia Association for Regional Cooperation (SAARC) – Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka. In 1999 South Asia population was 1,329 million and total GDP was \$2.7 trillion measured at PPP (World Development Report 2000/2001) Washington DC: World Bank, 2000). It is a region with massive potential, and will be a contributing partner in an APEC grouping.

1993, the ongoing negotiations for an Asian Free Trade Area (AFTA), and in July, 1994, creation of the ASEAN Regional Forum (ARF) – a multilateral security group with regional economic aims that includes China, Russia, the United States and 15 other members, and the 1994 initiative towards free trade area arrangements in the Americas, point toward widening and deepening regionalism around the world. Most of these economic blocs are being promoted in the spirit of open regionalism, and to strengthen their respective competitive positions in global markets.⁹

Parallel developments in the success of the Uruguay Round of the GATT and the initiatives of World Trade Organization (WTO) are proving to be balancing instruments to any threat of inward-looking regionalism, trade retaliation, or indirect protection. How well these institutions will succeed in achieving their goals of liberalizing trade services and investment flows, given the restrictive trade practices of both the US and the Europeans, is not yet certain. In any case, all these events reveal mixed progress on the restructuring of trade patterns, foreign direct investment (FDI) liberalization, and the achievement of competitiveness in the global economy.¹⁰

No less significant is the impact of economic globalism on a wide range of economic issues, including regional integration. The forces of economic globalism are creating a rush toward economic integration through rapidly changing global economic relations and patterns in the context of the changing relations. The economic marginalization of the poorest countries in the wake of economic globalism is a vivid example. The inadequacy of current trade, investment, and debt relief arrangements is obvious from their failure to lift poor countries from poverty. They have apparently been helped little by the benefits of economic globalism that are so apparent in the industrialized economies. The gulf between rich and poor nations is actually widening. Poor nations had expected that such undesirable trends should have been reversed through more liberal measures for trade and investment, but the process is awfully slow, painful, and clearly inefficient.

The changing patterns of trade and investment liberalization, the deregulation of international financial flows, the internationalization of technology transfer and production systems, demographic factors and labour movement across international borders, and a trend towards the harmonization of economic institutions are pivotal impulses of economic globalization. These changes in economic pattern have not produced the long-awaited effects of accelerated growth and rising income in poor countries. On the contrary, the poor countries consider these patterns in particular, impediments to their growth and development prospects.¹¹ Protests such as those in Seattle against the ill effects of economic

⁹ S. Khan, "South Asia and APEC: Potential for Growth Enhancement", *Research in Asian Economic Studies*, Vol VII, USA: (Greenwich, Con, Jai Press, 1996).

¹⁰ Ibid.

¹¹ The emphasis of this argument is that not all the emerging relations, trends and patterns in the wake of globalization are desirable, especially inequality. The statistical evidence that per capita income in East Asia (prior to the financial crisis) has risen by about 350 percent since 1960, while that of Latin America is significantly lower than it was in 1975, is used to support this argument. A large majority in the sub-Sahara region and South Asia subsists on less than a dollar a day. Despite the remarkable success of the world market system in economic terms in the post war years, the degree of global inequality has been on rise since 1960. Demographic changes especially in the poor regions, the adverse effects of the Asian financial crisis on employment and growth, and the current global economic slowdown dampen the optimism of many. Therefore, coordination of international economic and social policies is essential to accelerate growth and income distributions in all regions of the world and to construct an equitable world order.

globalism are not uncommon these days. The violent events in Genoa, Italy show that frustrations are building due to such slow change in the status quo.

These relations and patterns, if they evolve on a basis of providing mutual gains to rich and poor countries alike, should go a long way to address the current global concerns about slow development and increasing poverty. Such trends should serve as a stark reminder to the Asia-Pacific leaders as well as other countries as they review their strategies and search for innovative approaches to achieve greater regionalization, enhance development dynamism, gain a higher degree of competitiveness in world markets and shared economic prosperity. Familiarity with the existing APEC framework is the key to gaining a more accurate perspective beyond 2001 for the Asia-Pacific economies. It also describes the perspective for South Asian membership.

The Evolution of APEC and SAARC Frameworks

APEC's framework from the very outset has been called flexible and formative. Some students of integration describe APEC as a "moving target".¹² The roots of economic cooperation in Asia can be traced to pre-1989 period. The current phase merits its beginning to increasing interdependence of regional economies and recent negative effects of economic globalism in Asia Pacific indicate a need for practical remedies and effective economic cooperation. The obvious preference among APEC economies was for a more consultative approach to cooperation, and some sub-regional groups were not in favour of EU style integration. For instance, ASEAN group opposed the creation of a EU style institutional and legal structures and supranational bureaucracies which could erode national sovereignty.¹³

Table-1 Profile of APEC Framework

Year	Major Event/Subject	Objectives/Outcomes
1957	Treaty of Rome	- Launching European Community - Road map for other regions
1980's (early)	New regionalism	- Achieving economic liberalization
Pre- 1989	APEC established Meeting site - Canberra	- Achieving greater economic cooperation among APEC economies - Promoting open trade and investment - Strengthening on-going market reforms
1990	APEC ministerial session Meeting site – Singapore	- Providing support toward the successful outcome of the Uruguay Round
1991	APEC declaration of objectives Meeting site – Seoul	- Ensuring APEC membership to three giants in Asia Pacific— U.S.A., Japan and China - Granting of APEC membership to China, Hong Kong, Taipei
1992	APEC's Secretariat established Meeting site – Bangkok	- Establishment of APEC Secretariat - Formation of an advisory Group –

¹² M. Dutta, *Economic Regionalization in the Asia-Pacific*, (Cheltenham UK:Edward Elgar, 1999).

¹³ T.Y, Lee, *APEC 1996: An ASEAN Perspective*, *Journal of Asian Economics*, (Greenwich, Con, JAI Press Inc., 1996).

		Eminent Persons Group (EGP)
1993	Inaugural meeting of seventeen leaders of the Asia Pacific economies Meeting site – Blake Island, USA	-Declared the vision of creating a community of Asia Pacific economies -Discussed contentious issues opposition to the creation of a European Community-like organization
1994	Bogor Declaration Meeting site – Bogor	-Achievement of the free and open trade and investment goal by the end of 2010 for industrialized economies and 2020 for developing economies.
1995	Osaka Action Agenda to implement Bogor Declaration Meeting site – Osaka	-Achieve liberalization and facilitation -Promote economic and technical cooperation
1996	Manila Action Plan Meeting site – Manila	-Begin liberalizing trade and investment starting in 1997
1997	Asian financial crisis started in Thailand	-Crisis was the result of structural weakness in Asian economies, such as – weak financial sectors and poor corporate governance, and underdeveloped and often neglected social sectors.
1998 – 2001	New APEC Themes – -Meeting new challenge in new century -Achieving common prosperity through participation and cooperation	-Achieving sustainable growth and equitable development -Meeting the challenges of the new economy – information technologies -Formulating government sanctioned schemes to assist the poor affected by sharp economic down turn -Investing more in education, health and training
2001 and beyond	Continent-based cooperation Deeper integration Progressive industrialization	-Using geo-economic map-of-the-world view -Liberalization of trade in services -Free movement of labour -Product standardization -Adopting catch up strategies

* Dutta, M., Economic Regionalization in Asia-Pacific (1999)

In many respects, APEC's framework in regard to vision and agenda is significantly unlike EU and NAFTA, such as being open and non-discriminatory. A yearly profile of decisions and events that highlight their progress toward economic cooperation in the Asia Pacific region is given in the Table above.

It is obvious from this profile that progress on developing an APEC framework, and identifying and determining potential avenues of economic cooperation among the membership, has been rapid and remarkable. From the start, APEC leadership has aimed at three core issues of economic significance, namely reinforcing multilateral trading relations, promoting investment flows, and determining common economic interests in the Asia Pacific region economies across the Pacific Ocean. However, the agenda did expand in the years following APEC establishment and more is needed to meet the future challenges.

The present APEC framework should expand to fully realize the immense potential of the region and to meet all the challenges and opportunities to be found in the 21st century. For this purpose, a rapid movement on far deeper integration

and more progressive industrialization and continent-based integration in the region is needed. There are similarities between the framework of APEC and SAARC. For example, SAARC also aims to work toward open regionalism and improvements in socio-economic conditions. The charter of SAARC aims to “promote the welfare of the people of South Asia and to improve their quality of life; to accelerate economic growth, social progress and cultural development in the region; to contribute to mutual trust, understanding and appreciation of one another's problems; and to promote active collaboration and mutual assistance in economic, social, cultural, technical and scientific fields”.¹⁴ This evolving framework not only supports a well functioning economic union in South Asia but also shows strong identities with the current and future agenda of APEC as evident from the yearly profile of events and framework of economic integration in South Asia:

Table-2 Profile of SAARC Framework

Year	Major Event – Subject	Objective – Outcomes
1947	Economic union in the subcontinent comes under strain	-Trade disruption
1949	Devaluation of Indian Rupee breaks down economic union in the subcontinent	-Trade halted
1983	Declaration of South Asian Regional Cooperation (SARC)	-Promote trade, investment, cultural ties
1985	South Asian Association for Regional Cooperation (SAARC) established	Areas of intra-regional cooperation -Agriculture, rural development, tele-com, meteorology, health and population, postal services, science and technology sports, arts and culture, transportation
1987	SAARC Secretariat established	- Effective coordination of SAARC
1995	SAARC Preferential Trading Agreement (SAPTA) became operational	- Streamlining intra-regional trade arrangements
2001	Target date for South Asian Free Trade Area (SAFTA)	- Promoting intra- and inter-regional trade relations
Beyond 2001	New regionalism, trade in the free area	- Liberal economic regime, geo-economic goals

Source: SAARC, 1988-95 SAARC Summits, Vols I & II, and Khan, S., SAARC, Journal of Asian Economics (1999).

Deeper Integration and Progressive Industrialization

APEC's vision of building “the future of Asia Pacific economies” appears to be compatible with its themes of “meeting new challenges in the new century” and “achieving common prosperity through participation and cooperation.” The question is what programmes and approaches APEC should adopt to achieve its objectives. Would such measures be beneficial for SAARC economies? Several factors within the framework of deeper integration and progressive industrialization

¹⁴ *From SARC to SAARC*, vols I & II, (Katmandu Nepal: SAARC Sect..)

appear to be critical: pursuing the old path of “effective development,” meeting APEC’s “policy challenges,” creating opportunities for the development of poor countries, developing a concrete framework of macroeconomic stability, good corporate governance, and adopting creative development approaches. For establishing a closer regional relationship and dynamic development this vision and agenda of APEC is critical for SAARC to pursue.

In regard to deeper integration the current pace and scope are both slow and limited in contrast to the earlier enthusiasm for economic cooperation in the APEC region. This trend may reflect the effects of the Asian financial crisis and the current slowdown in the global economy. A stronger commitment and increased efforts are needed to make worthwhile progress on the various issues in the area of deeper integration before APEC. These issues include harmonization of interregional tariff rules, common external tariffs, formulation of an investment code, standardization of products in trade, liberalization of trade in services, free movement of labour, human resource development, environmental renewal and sustainability, employment and growth, convergent macroeconomic targets and deadlines for reaching them, coordination of monetary-fiscal policies to achieve macroeconomic stability, monetary union and single currency, and dispute resolution mechanisms. However to negotiate mutually beneficial agreements on these difficult issues is very time consuming as the lessons from EU experiences have revealed.

APEC should reinvigorate the old path of effective development. The continuing focus on the development of human capital, open trade and investment, old-fashioned hard work and sacrifice, and saving and investment in combination with new approaches would surely restore a high rate of growth.¹⁵ Meeting “APEC’s future socioeconomic policy challenges” is the key to evolving a process to achieve sustainable growth and effective development in the long run. Special attention should be paid to the APEC Economic Committee’s work that helps enhance understanding of the domestic and international causes of the Asian Crisis and its recommendation for future directions.¹⁶ Domestic problems, according to the committee report, have been associated with weaknesses in the domestic financial sector, inflexible exchange rates, and poor corporate governance. The international problem is inherently unstable financial markets. Future strategies to fix these structural weaknesses should be to strengthen the financial sector and corporate governance and to develop a comprehensive set of social policies. Strong social policies are crucial for achieving sustainable and equitable growth over time.

The development of the poor countries in the APEC region is linked with the economic opportunity available to them in the union. They have not only to develop rapidly but also to succeed in “catch-up” goals. For this purpose they need new opportunities in trade and investment, access to wider markets, and relatively free movement of labour within the union. Only a liberal economic framework and

¹⁵ R Dornbusch, S. Fisher, & Startz, R., *Macroeconomics*, (New York: Irwin, McGraw-Hill, 1998).

¹⁶ The Asian financial crisis that turned into a full-fledged economic downturn was initially perceived as a currency and debt crisis. More recent analysis has shown that it was the ultimate result of interplay among multiple factors over a number of years. Most important of them were gradual erosion of competitiveness, weakness in the financial sector, especially the banking system, poor corporate governance, and the lack of a proper regulatory framework. The consequence of this crisis has been recession in most of the East Asian economies, which have experienced massive unemployment, widespread bankruptcy, extensive poverty, and balance of payment deficits. The fast pace of globalization has been given part of the blame for this Asian financial crisis.

generous help from the richer partners can help move this process as former West Germany committed to its eastern partner after reunification in 1989. APEC should adopt a model of macroeconomic stability through coordination of monetary-fiscal policies in a regional compact. As a strategy it should aim at macroeconomic criteria of manageable inflation rates, lower budget deficits as percent of GDP, lower current account deficits, and maintaining strong and stable economic fundamentals. The EU has successfully used this approach for macroeconomic stability in the past. The outcome of the monetary union and single currency regimes in the EU can serve as a guide for further policy directions for the APEC. In order to achieve efficient corporate governance, the challenges of managing corporate businesses should be handled in partnerships between managers and investors. The investors together with managers are well positioned to improve baseline rules for high performing investment portfolios. Better and stricter baseline rules can deliver a worthwhile change in the APEC region since current business management lags behind the governance curve.

The process of progressive industrialization within the scope of the “convergence theory” and “flying geese” model can be initiated by dividing APEC’s current/proposed membership of 21/30 economies, into three proposed groups: (1) **industrially advanced economies**, (2) **newly and other industrialized economies** and (3) **industrializing economies**. Industrially advanced economies refer to those that have reached post-industrial status and are the richest societies in the union. Many industrialized economies in APEC are at a relatively high stage of development, but need catching up in order to reach the status of industrially advanced economies. Industrializing economies within the union are on the lowest rung of the economic ladder. Most of them need market access, capital resources, and know-how for “take off” and “catch-up” strategies. They need support in realizing “growth convergence” in order to succeed in closing gaps in income and technology levels. Under each group, the proposed membership by country:

- (a) **Industrially Advanced Economies:** Australia, Canada, Japan, New Zealand, United States
- (b) **Newly and Other Industrialized Economies:** Chile, Chinese Taipei, Hong Kong, Korea, Mexico, Russia, Singapore
- (c) **Industrializing Economies:** Brunei Darussalam, Indonesia, Malaysia, Papua New Guinea, Peoples Republic of China, Peru, Philippines, Thailand, Vietnam.

This grouping helps to streamline trade flows, identify investment locations, and select development regions. Enhanced activities in these areas would not only improve economic performance in each economy, but also promote effective development in the entire region on the pattern of the convergence theory of growth.

Considerations of the Asian contributed model (Kaname Akamatsu) of “flying geese” for achieving rapid growth rates and shared economic prosperity throughout the APEC region are constructive. The underlying assumption of the “flying geese” approach is that the sophistication of domestic production will move forward one category at a time.

Also, the flying geese pattern can be seen as the natural outcome of market forces: labour-abundant, capital-scarce economies will be internationally competitive in labour-intensive sectors, such as apparel, and will graduate to more capital or skill-intensive sectors as savings and education deepen the pool of capital and skilled workers.

The application of this doctrine has close similarities to the concept of progressive industrialization and fits well into the development agenda of the APEC economies. In a hypothetical case of three proposed categories in which all member economies are placed, each economy in a designated category according to its level of development would gradually move up to the next level of development. This is possible by following the pattern of economies just ahead of them in the APEC industrialization process. In their scheme of the arrangements, for example, category B economies of Hong Kong and South Korea take over leadership from Japan (category A economy) in automobiles and electronics as Japan moves into higher tech sectors of information technology and advanced capital goods. Within the course of time, when Japan enters into advanced high tech sectors (super computers) and the space sector, the field becomes open for Hong Kong and South Korea to establish themselves in the production of high tech sectors and capital goods, while China, India, Vietnam (category C economies) move into automobiles and electronics.

While the above changes are in progress, flying-geese strategies invigorate trade and investment activities. Radelet and Sachs note that the flying-geese approach, working through export-led activities, creates:

An enclave economy hospitable to foreign investors and integrated into the global economy, without the problems of infrastructure, security, rule of law, and trade policies that plague the rest of the economy. Asian governments introduced several variations of the export platform, including export processing zones (EPZs), bonded warehouses, special economic zones, and duty drawback systems. Governments supported these institutions with macroeconomic policies that strengthened the incentives for labour-intensive exports, especially via appropriate exchange rates.¹⁷

These programmes and approaches can substantially enhance short-run and long-run growth prospects in the region.

APEC's current framework incorporates most of these objectives. It has made substantial progress in pursuing the goals of economic cooperation, expanding trade, liberalizing investment, and creating a greater sense of community. It has already paid needed attention to the issues of deeper integration and more progressive industrialization. Currently it is engaged in tackling the remaining problems of financial crisis and dealing with the new challenges posed by the present global economic downturn and the emergence of a new economy. These experiences and lessons are of great value for SAARC. One of the urgent issues for the APEC leadership is choice of the future model of economic cooperation – should it embrace the concept of continent-based integration and geo-economic considerations or continue to work with the present one?

Potential Transition from Inter-continent to Continent-based Cooperation

The rise of a nation's economic status as the dominant force in the world affairs especially after the breakup of the Soviet Union is an event of historic importance. It signifies a turning point in economic thinking from the

¹⁷ S. Radelet, & J. Sachs, "Asia's Re-emergence", *Foreign Affairs*, Vol 76, No. 6, (November – December 1997).

predominance of the Cold War influences to an era of relative peace and prosperity under the approaches of democracy and economic liberalization. Since the old “imperial economic regime” founded on geo-politics started diminishing, the new liberal economic regime based on geo-economics has begun to emerge. In the new thinking, a country or a region’s ability to improve economic positions is being linked to an inter-play between the geographic and economic factors in place of geographic and political factors. This strategic change was deemed essential due to the rising demands of democracy and economic uplift in the new century.

It is interesting to note that in the post World War II era super powers under imperial economic regime adherent to geo-political agenda pursued macroeconomic policies of monetary and fiscal stability and the supply of free “international public goods.”¹⁸ These policies eventually led to superpower hegemony. In a world at conflict that emerged in the wake of superpower rivalry, precious economic resources were wasted for containment strategies and war purposes. The doctrine of liberal economic regime based on geo-economic considerations does not promote hegemonic tendencies. It is a development-oriented concept furthering the goals of economic liberalization, deeper integration, and progressive industrialization.

Geo-economics at least in practical terms is rapidly becoming the core concept, which provides the foundation for an economic regionalization approach in the new global economic order. Professor Dutta emphasizes this point stating that in the new era “if global cooperation is yet to be operational, the next best choice is regional economic cooperation. Geo-economics, maps a common economic space on to a common geographic space, replacing geo-politics”.¹⁹ Geo-economics redefines the framework of regional economic cooperation by articulating a common vision of economic development and a sense of belonging together to a region for dynamic development and economic pluralism. It also meets the criteria of freedom and peace that focuses on 21st century vision of democratic societies, economic reforms, free trade and equitable development.

In consideration of these economic changes on the world landscape the importance of providing the foundation for an economic regionalization paradigm in the APEC region during new era lies in adopting and influencing a programme of geo-economics. A closer examination of the map-of-the-world view of a region underlines the significance of open regionalism, and builds a strong case for continent-based cooperation for APEC and other regions.

The geo-economic oriented continent model facilitates a degree of economic freedom and development potential which outweighs the benefits of free “international public good” such as defense, security, and monetary-fiscal stability provided by the geo-politics oriented Cold War model of imperial economic regime. Also, from the perspective of geo-economic reality, the practicality of a close economic relationship “between the western and eastern edges of the Pacific” is now in doubt.²⁰ In other words, supposing if trans-atlantic cooperation is not effective than the longer-term chances of the trans-pacific cooperation are not encouraging. This is why continent-based cooperation offers to be a more practical model of open regionalism. Therefore, emerging landscapes of economic integration in Africa, Asia, Europe and Americas, if modeled on continent-based grouping, should result in strong intra-regional as well as inter-regional

¹⁸ M. Dutta, *Focus 1999*, Rutgers University, New Burnwick, NJ. *op.cit.*

¹⁹ M. Dutta, *Economic Regionalization in the Asia-Pacific*, *op.cit.*

²⁰ *Ibid.*

arrangements. These are expected to become an effective vehicle for promoting growth and development, not only just in those continents but also around the globe.

The future economic prospects for an APEC continent grouping embracing South Asia and other economies within the fold of Asia are very promising. This conclusion is supported by historical experience when growth rates in Asian sub-regions are compared to other groupings in the world economy. Prior to the Asian financial crisis, the economic achievements of most Asian regions were held up as models of effective development. For example, from 1965 to 1995, per capita income increased more than seven fold in the Asian tiger economies and about four fold in Southeast Asia and China.²¹ South Asian countries also exhibited respectable growth in their per capita income. During the decades of 1980s and 1990s, per capita GDP average growth rates in the Asian sub-regions were substantially higher than those of lower and upper income countries and the rest of the world.

Table -3 Asia-Pacific Sub-Regions
(Per Capita GDP Growth Rate – 1980-1999)

Sub-regions	1980-90	1990-99	1980-99
East Asia & Pacific	8.0	7.4	7.7
South Asia	5.7	5.7	5.7
China	10.1	10.7	10.4
Australia	3.4	3.8	3.6
New Zealand	1.7	2.9	2.3
Lower middle income	4.0	3.4	3.7
Upper middle income	2.5	3.6	3.1
World	3.2	2.5	2.9

Source: World Development Report 2000/2001, World Bank.

These indicators of economic performance not only reveal the high level of past achievements, but also point towards the strong future potential of Asian sub-regions. The past record of their achievements has been credited to “old fashioned hard work and sacrifice” of the people of the Asia-Pacific region. They saved and invested, employed more workers, concentrated on education and better economic management.²² This is an exceptional performance and attests to the Asia-Pacific region as an area of dynamic development and exceptional economic potential.

Trends regarding future growth and trade in the APEC region are indeed encouraging indicators. Estimates of long run growth rate of 2.7 percent indicate that APEC economies have the potential to continue to grow dynamically over the next ten years. This strong growth will help move the APEC economies to higher level of industrialization and economic development and further narrow income gaps among member countries.

²¹ Radelet & Sachs, op.cit.

²² R. Dorubusch, S. Fisher & Startz, op. cit.

Table-4 Estimated Future Economic Growth

(Annual real GDP growth rates, %)

	APEC		
	Total	NIEs	ASEAN
Projection (2000-2010)	2.7	5.3	6.1
Actual (1990-1996)	2.8	6.8	7.2

Source: APEC Economic Committee Staff Estimates 2001.

Projection of future trade in the Asia Pacific region, as compared to world totals, is also promising. Total trade (measured by exports of APEC economies) will expand by 6.9 percent a year over the next decade. APEC economies with an annual growth rate of 6.9 percent in trade will significantly outpace the growth in the world's total trade – 3.6 percent a year. As a result, the projected share of APEC trade in the world will be 66 percent in 2010, rising from 47 percent in 1999. Supposing these targets will be realized, we will find strong performance and expanding economic potential in the APEC economies.

Table-5 Estimates of Future Trade

(Annual export growth rates, %)

	APEC	World
	Total	Total
Projection (2000-2010)	6.9	3.6
Actual (1990-1996)	10.1	7.7

Source: IME, International Financial Statistics

Note: Only exports of goods, export of services not included.

Export growth is measured in nominal terms.

Moreover, the economic interests of the Asia-Pacific region and North and South America are better served by staying exclusively within a continental framework, as the EU model has proved and geo-economic conditions confirm. Australia and New Zealand are natural economic partners of the Asian economies, while the US and Canada are better suited to an Americas grouping. In a geo-economic sense it is worthwhile for Asia-Pacific to enlarge eastward to include South Asia, while the future of the Americas lies in integrating all the economies of the Americas into a single free trade area and linking South American economies to the massive North American economy. Also, the US and Canada in their Quebec Declaration, have pledged a leadership role in advancing the cause of NAFTA and its enlargement to include the 34 countries in North and South America that shows their commitment and economic interest are now linked more to the American continent rather than to Asia.

Focusing on Asia or transforming into a continent-based grouping within regional economic cooperation appears to be a strategic choice for APEC. This

potential change from inter-continent to continent-based grouping would be expected to create an immediate need to tackle the issue of costs of integration.

The restructuring and spreading out of APEC within the framework of a continent grouping from Pakistan to Philippines, will entail substantial costs, and funding issues will dominate the future agenda. Huge funds will be needed to help industrializing economies to catch up, such as Papua New Guinea, Vietnam, and South Asia. APEC will have to **create a structured funds account** that would be earmarked for supplying intra-regional public goods and for accelerating the process of economic development in the poorer regions. Other issues, such as liberalizing trade in services and the movement of workers from new member economies to jobs in the industrially advanced economies in the region, would need an early resolution. In the context of restructuring and enlargement, other regions can learn from the experiences of the EU and the role of its rich members in providing funding for costly yet worthwhile initiatives.

Approaches to Economic Regionalism in SAARC

Examining the scope of the South Asian regional cooperation, within the framework of a map-of-the-world view of Asian continent and geo-economic factors, entail improved economic prospects for the region. Being part of the map-of-the-world view is a core argument for geo-economics. This means SAARC by adopting the guidelines of geo-economics in its trade and investment policies and taking advantage of opportunities in the global economy can bring closer its aims of accelerated developments in the south Asian region as well as APEC membership.

Fortunately, with the end of the Cold war the imperial economic regime is being replaced by liberal economic regime as re-arrangement of the global economic affairs is accelerating. There is also a gradual movement away from geo-political to geo-economic considerations. These developments offer excellent opportunities for the South Asian countries especially India and Pakistan to enter into new compacts of peace and cooperation and join hands together on advancing the SAARC vision and agenda. A worthwhile starting premise should be an early action on South Asian Preferential Trading Agreement (SAPTA) and South Asian Free Trade Area (SAFTA). Without question the continued commitment to the strategy of new regionalism and WTO rules improve SAARC's profile in the international community.

After these initial steps and other events of economic significance may soon follow which will make South Asia an active partner in the APEC group and in the global economy. For this purpose the logical next step for the South Asian countries will be to promote the goals of deeper integration and progressive industrialization. Deeper integration in South Asia will entail providing macroeconomic core in terms of monetary and fiscal stability, friendly climate for microeconomic units such as households and business firms, and intra-regional public goods (developmental infrastructure, regional economic institutions, financial services, business and economic education). Simultaneous advancement of progressive industrialization will reinforce regional development. This process will require the establishment of intra-regional industrial parks, chemical complexes, and companies in the technological sector; export zones, and financial centres.

A matter of equal importance for the South Asian leadership is to articulate arguments in favour of winning the membership of APEC. It can aim at emphasizing such factors as, (1) the regional concept of the "Asian economies" warrants considerations for redefining continent-based integration in Asia. The present Asian Pacific economic integration should extend beyond its current

boundaries. There is a strong case for including the SAARC economies along with China since the Asia Pacific regions have developed strong trade and investment links with the South Asian economies with India and Pakistan in particular, (2) Significance of intra-Asian trade, including SAARC region, (3) South Asia's vast markets, enterprising population and productive economic potential especially India and Pakistan economies and, (4) a contrary scenario in which South Asia would stand deprived of APEC membership and the benefits of the global trade and investments, irrespective of reasons, would be very disturbing.

Once in the APEC fold it will be convenient for the SAARC economies to freely pursue the objectives of liberal economic regime and adhere to the principles of geo-economics. For example, the map-of-the-world-view of the South Asian region is identical to the vision and agenda of APEC. APEC policies and programmes will enable the South Asian economies to pursue the goals of new regionalism and intra as well as inter-regional free trade. South Asian countries will be beneficiaries of APEC's investments and expertise in development economic and human capital since their economic agenda is consistent and complementary to the economic programmes of APEC. Individual South Asian countries will be able to adhere to strict guidelines of economic management as APEC's rules and policies will have to be complied with. The outcome in South Asia will be accelerated process of economic development.

Unfortunately economic potential and regional development in the South Asian countries has been overwhelmed by the political and territorial disputes. These disputes are not new and there are no quick solutions to resolve them. A tactical approach to addressing economic and social issues can be taken up in the region with a great sense of urgency while political and diplomatic efforts are expedited to tackle the protracted issues India and Pakistan should rethink seriously to separate Kashmir from economic issues. Parallels for this approach exist in the contemporary world. For example, China-Taiwan and Russia-Japan are vigorously pursuing trade and investment activities on a bilateral basis despite long grown political and territorial claims. South Asian leadership showing vision, wisdom, and political will should pursue a similar road map.

Conclusions

Economic regionalism as a concept and as a strategy has been recognized as a practical solution to the major international problems of trade and development. Initial opposition and reservations to the effectiveness of regionalism have largely disappeared. Today most countries across the world are already in the fold of a continent-based regionalism and others are planning to sign in. Economic regionalism appears to be the order of the day and will stay that way till another theory or approach has been developed to ensure economic stability. In recognition of these factors it is not surprising that the APEC and SAARC vision and agenda conform to the broader road map of economic regionalism.

APEC's policies and performance in the areas of socio-economic development have won international praise. New challenges in 21st century such as building the "future of Asian economies" and an active partnership in the global economy points to its worthwhile programmes. The strategies of deeper integration, progressive industrialization, and continent-based grouping under the framework of liberal economic regime and geo-economic factors are seriously being debated to implement APEC's future economic programmes.

In addition, there are other issues of equal importance before the APEC leadership. One of them is extending APEC membership to other sub-regions and

sovereign economies in Asia. For example, the case in support of South Asian membership is reinforcing. Countries like Laos, Cambodia, and Myanmar are also waiting to win the membership of APEC. These expectations concerning membership in APEC are real for several reasons. First, the expectations are within the scope of a map-of-world view of Asian continent and regional geo-economic factors. Second, all major regional groups such as EU and NAFTA are enlarging within continental boundaries. APEC will benefit from including other Asian countries as new members. Third, South Asia offers vast markets, enterprising population and productive economic base. Other countries also possess enormous economic potential. Fourth, in the emerging 21st century global economic order, the concept of building regional communities is taking roots. It would indeed be a disturbing development if developing regions and poor countries in Asia stand deprived of APEC membership. It will also be contrary to the spirit of “Asian Community”.

Overall, APEC’s success in the long-run will depend upon evolving a homogeneous “Asian Community” with strong economic foundations. Therefore, to advance its agenda the APEC leadership should aim at (1) deeper integration, (2) progressive industrialization, (3) continued grouping inclusive of South Asia, (4) geo-economic factors, and (5) open regionalism. In implementing this enormous undertaking the proposed **Asian Structured Fund Account** will be a critical factor. This agenda may seem overwhelming, and in accomplishing its objectives the programme will take decades to complete but, in the end, its rewards will be very tangible and enormous in size. ■

Globalization and South Asia

*Dr. Maqbool Ahmad Bhatti**

Introduction

The main trend in the world since the end of the Cold War in 1989 has been towards economic globalization. The process involves “the inexorable world integration of finance, market, nation states and technologies within a free market capitalism on a scale never witnessed before, in a way that is enabling individuals, corporations and nation states to reach around the world faster, cheaper and deeper”.¹

An extraordinary paradox exists in the world as mankind enters a new century and millennium. The two fundamental value systems that triumphed at the end of the Cold War were those of democracy and the market economy. While democracy lays stress on equality and values of social justice, the market economy system as it operates, increases inequalities and fosters an unjust order. The share of the developing countries in international trade, as well as in the global economy, has been shrinking steadily. There is growing realization that while political imperialism suffered an eclipse in the second half of the 20th century through the demise of colonialism, the world has entered the new century with most of the former colonies now held in economic bondage by the same group of former colonial powers which dominate the globe even more completely.

Though political globalization, through an increased role for the UN system, has not come about, economic globalization is turning into a reality, mainly with help of the globalization of communication.² Therefore, when we talk of globalization, it is primarily in the economic context.

Since the 1990s, globalization has become a major economic factor and has been marked by a shift from a world of national economies to a global economy. Its principal manifestation has been a quantum growth in world trade by 55% between 1990 and 1998, from \$ 4300 billion to \$ 6700 billion. Whereas the world growth in GDP has been about 3% annually, trade volume has grown by 6.7 percent per year. The openness of national economies increased significantly, and the ratio of global trade to GDP rose from 19% in 1990 to 23% in 1998, the figure for developing countries being over 30%.³

Globalization has become an unstoppable phenomenon, as it is driven by the universal desire of people everywhere to increase their prosperity. There is a widely held view that the process has “dramatically increased inequality between and within nations”. However even analysts critical of capitalism view “globalization as something to be tamed, not killed”.⁴

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¹ Friedman, Thomas L, “Lexus and the Olive Tree”, New York, Farrar Stranss and Giroud, 1999.

² Beabout, Gregory R, “The World at 2000”, *The World and I*, Vol 15, No 10, October 2000, p 261-87.

³ World Economic Outlook, 1999, Washington D.C, IMF, 1999.

⁴ Wright, Robert “Will Globalization Make You Happy?” *Foreign Policy*, Sept/Oct 2000 pp 55-64.

Role of the World Trade Organization

The phenomenon of globalization is not entirely new and existed at the start of the 20th Century, when falling transportation costs stimulated global trade. This trend was halted by the First World War in 1914, after which the world witnessed fierce protectionism by major trading countries, accompanied by restricted capital movement. This ended with the Great Depression of 1929. The creation of GATT soon after the Second World War represented the first institutional attempt to stimulate trade by lowering trade barriers. GATT created in 1947 primarily served the interests of the industrialized nations that dominate world trade. It ran out of steam in the 1970s. Negotiations that began in 1986 through the Uruguay Round led to the emergence of the World Trade Organization, WTO, in 1995.

The stated purpose of WTO is to stimulate world trade, and to make it truly global by reducing tariff borders, and promoting an international division of labour. What has emerged since the establishment of WTO in 1995 is that no proper mechanism has been evolved to introduce factors of equity in the global competition in trade. This is a competition between two unequal groups. The West is rich, powerful and armed with the latest technology and also exercises worldwide influence through the multinationals. The developing countries are weak and technically backward, the bulk of their production coming from small industrial units and land holdings. The outcome of unregulated competition is that the big fish eat the small fish, and inequalities are further accentuated as the management of local units in the developed countries passes to outside forces. The West also imposes high costs on the transfer of technology, and the poorer countries face an increasing debt burden, as the rich countries become richer, while the poor countries face growing destitution. With aid transfers being replaced by investment, the developing world attracts less and less investment.

The developing countries utilize only 10% of the world's borrowing. The result is that the developed countries share of the world trade grew steadily, while that of the developing countries declined from 27% in 1958 to 13% in 1991. The future trends as of this time are not reassuring at all. Out of annual world gain of \$ 510 billion in world trade projected under WTO for 2005, only 22.7% will go to developing countries.⁵

The World Trade Organization (WTO) charter commits its members to a policy of opening their markets progressively to goods from all over the world by lowering tariffs and eliminating other import restrictions. WTO has adopted this strategy as a result of long years of discussions among the representatives and experts of all countries, developed as well as developing, at the Uruguay and Tokyo rounds. In practice, however, the trends and results produced by globalization have worked in such a manner that it is being dubbed as disguised neo-colonialism. The developed countries, with their rich capital resources and a decisive edge in technology have been the main beneficiaries while the developing countries, already groaning under heavy debt, and lacking technical skills have been further impoverished.

The basic reason for the failure of the world trade system envisaged by the WTO Charter is that the principle of creating a fair, equitable, multilateral trading system through reduction in tariffs under various agreements has not been

⁵ Farzana Noshab, "WTO, Critical Issues for Pakistan's Agriculture and Textile Industries", *Strategic Studies*, Vol XX, Aug 2000, No 4.

implemented. This principle has been amplified through specific agreements providing “special and differential treatment” for developing countries. However, these agreements have been virtually ignored in the implementation, so that the developing countries face a serious challenge through increased competition in capturing markets.

The global market does not offer a level playing field to developing countries. The rich countries levy tariffs on manufactured products from developed countries that are on the average four times higher than those they levy on products from industrialized countries. Anti-dumping duties and non-tariff barriers are also imposed to exclude goods from developing countries.⁶

Violent protests and demonstrations are becoming a feature of all conferences of international trade and economic organizations, and some significant amendment of existing strategies appear unavoidable. It is necessary to carry out an objective analysis of how the process of globalization is functioning, and to identify the measures that need to be taken to make sure that the existing inequalities in the world are corrected rather than exacerbated. Above all, the goal of ensuring a modicum of welfare and social justice which guides national governments needs to be ensured also at the international level.

Global Ground Realities

The 20th century saw a quantum increase in economic and social inequalities in the world. At the start of the century the disparity between the poorer and richer countries in terms of per capita income was estimated to be about 1 to 3. By the end of the century, it stood at 1 to 300 (the lowest per capita income being \$100 while the highest one was \$ 30,000). What is more, the sense of deprivation and disadvantage was much greater owing to the revolution in communications.

The market economy system is proving to be exploitative notwithstanding its buzzwords of ‘privatization’ ‘deregulation’ and ‘decentralization’, the markets are not proving poor friendly, with global economic growth hardly trickling down to the poor people. Here are some startling revelations:⁷

- i) Developing countries are denied \$ 500 billion in economic opportunities every year because of trade restrictions, immigration controls and uneven capital flows. This is ten times the annual foreign assistance they receive.
- ii) The poorest 20% of the world’s population receives 0.2% of global commercial credit, 10% of world trade and 2.7% of global foreign private investment.
- iii) Capital markets operated in such a way that lowering of the value of primary commodities led the Sub-Saharan African countries to lose \$ 50 billion in export earnings between 1986 and 1990. The share of Sub-Saharan Africa in global trade declined from 3.8% in 1970 to 1% in 1989, despite trade concessions.

The “Global Village” that the world has become as a result of the revolution in information technology, and economic globalization, is characterized by a great divide. Whereas the developed world is getting richer at a phenomenal

⁶ Farzana Noshab, “Globalization: Opportunities and Challenges for Pakistan’s Economy”. Paper read in 2000 at Seminar by Institute of Strategic Studies.

⁷ Mahbub ul Haq, “*Reflections on Human Development*”, Oxford University Press, 1999, p 142.

pace, the inequalities between the rich and the poor have been increasing. Two billion people earn less than \$ 2 per day, with 1 billion earning less even than \$ 1 per day. The main causes for this are the barriers to immigration and agricultural imports erected by the richer countries, and the failure of the developing countries to attract investment.⁸

In the aftermath of the end of the Cold War, the US, now the unique superpower, was successful in achieving unprecedented growth with exports accounting for one third of that growth. However President Clinton realized the need to improve the management of the world's economy towards the end of his tenure as a result of the backlash against globalization.⁹ In his farewell Foreign Policy Speech at Nebraska on 10 December 2000, he urged his successor to address the issue of global trade but with a human face, and address disparities between the rich and the poor.

South Asian Scenario

South Asia has the largest concentration of the world's poor. Though its area is 3.3% of the world, it has 22% of the world's population and produces only 1.5% of the world's GNP. Of a total population of 1.3 billion, India alone has 76% or over 1 billion, while Pakistan comes next with 10.6% or 140 million. Bangladesh has 9.7%, Sri Lanka 1.6%, the rest being shared by Nepal, Bhutan, and Maldives. India has the largest economy (GDP \$ 400 billion) followed by Pakistan (\$ 62 billion). All the countries have low per capita incomes ranging from \$ 600 for Sri Lanka, to \$ 180 in the case of Bhutan. The figures for India and Pakistan are around \$ 430.

Though possessing an ancient culture, and a rich history, the various countries acceded to independence fairly recently, about 54 years ago in the case of India, Pakistan and Sri Lanka and 30 years ago for Bangladesh. Most countries have inherited socio-political differences which remain to be resolved.¹⁰ The most serious of these is that over Kashmir between India and Pakistan which fought three wars in the first twenty five years of their independence. While having their own political, economic and social aspirations, all South Asian countries have similar problems of unemployment, deficit finance, trade imbalance and inflation. All tend to rely upon industry as an answer to unemployment.

Absence of good-neighbourly relations that are essential to promote development, has kept them mired in poverty and even their regional grouping, SAARC, has remained dysfunctional owing to the indifference of its largest member, India.

Taking up the numbers specifically for Pakistan, its most critical problem is that of fiscal imbalance, with budget deficits running as high as 7%. Low tax revenues and a low rate of savings have compelled dependence on borrowing, so that the debt burden has grown to a point where it eats up 75% of national revenues. Pakistan's national debt, which stood at 66% of GDP in 1980, increased to 88% of GDP in 1990 and 100% of GDP in 2000.¹¹ The growth rate of the economy, that averaged 6% per year till 1990, has slowed to 3-4% in the 1990's. As a result, the

⁸ Scott, Bruce R, "The Great Divide in the Global Village", *Foreign Affairs*, Jan-Feb 2000, Vol 80, Issue 1, p 160.

⁹ Cutter, W. Bowman, Spero Joan, Tyson, Laura D. 'Andrea, "A Democrat Approach to Globalization", *Foreign Affairs*, March-Apr 2000, p 80-99.

¹⁰ Shirazi, Yusuf H., "Economic Integration of South Asia", paper read at International Seminar in Tokyo, 26-27.

¹¹ Dr. Mahnaz Fatima, *The Dawn* Karachi, 31.5.2000.

poverty ratio has grown from 17% in 1977 to 35% in 1999. With a high population growth rate of 2.6%, the country needs to speed up its rate of growth by comprehensive measures to address its problems.

The post May 1998 developments, namely the imposition of sanctions after Pakistan's nuclear tests highlighted the structural problems and vulnerabilities of its economy. Despite some positive indicators, such as growth of GDP, single digit inflation, and reduced fiscal and external deficits, the country's macro-economic situation deteriorated. The situation was prevented from disrupting economic activity through adroit domestic management and international financial assistance. However, the country's credibility with the multilateral and bilateral donors was affected.

Pakistan's economy entered a state of recession, with a steep fall in exports, and slower growth owing to poor performance in agriculture and the manufacturing sector. Agriculture accounts for 25% of GDP and 60% of employment. The dependence of the economy on a narrow agricultural base has made it highly vulnerable to vagaries of agricultural performance.¹²

Since the end of the Cold War, Pakistan has had to adjust to the change from the protected environment of the Cold War to a world of competition resulting from globalization. The liberalization obligations resulting from various agreements of WTO demand institutional and regulatory arrangements to open up its economy to volatile foreign capital.

With a knowledge-based world business environment, the productivity of Pakistani labour has to be upgraded. The role of information technology has increased, and to remain competitive, innovation and productivity are both important. A belated start has been made to promote technology, and it is expected that the situation will be ameliorated. However, the developed countries are likely to maintain their edge in technology through patents and property rights under the rules of WTO.

The obligation for trade liberalization through lower tariffs results in some initial costs specially in lower customs revenues. Financial liberalization which is also a part of globalization, exposes weak economies to the unpredictable movements of capital. Such developments as East Asian crisis of 1997 and the Russian crisis of 1998 can cause serious destabilization and economic downturns. This weakness as evident from lack of transparency in Pakistan's banking sector, has to be overcome before the domestic financial sector can be opened to foreign capital.

The IMF and World Bank have been used to exert pressure in favour of privatization, and over the past two decades, more than a hundred governments have sold stakes in state companies to private investors, raising \$ 1 trillion and transforming their role in the global economy. Pakistan also launched an ambitious privatization programme and over 70 units were sold to the private sector by 1996. The best use of the proceeds is debt retirement, in order to diminish the fiscal imbalance.¹³

Foreign direct investment has assumed a major role in generating growth, specially as aid flows have tapered off. Inflows to developing countries have exceeded \$ 100 billion, with China, Brazil and Mexico taking the lion's share. However, Pakistan has had difficulty in attracting foreign capital.

¹² Farzana Noshab, "Globalization" op cit.

¹³ Ibid.

Regional cooperation has emerged as a parallel trend, which is regarded as a second tier in the process of easing the passage towards globalization. However, the bodies to which Pakistan belongs, ECO and SAARC have not contributed significantly to its development. There is great potential for activating these organizations, provided the political problems between the member states can be resolved.

Challenges for the Future

UN study on poverty in South Asia stated, the South Asian “landscape of poverty is simultaneously static and dynamic, transient and chronic, sporadic and systemic”.¹⁴ The region suffers from endemic poverty and sense of deprivation. Poor consumption, nutrition, education and health create insecurities and vulnerabilities of all kinds.¹⁵

National, regional and institutional mechanisms have to be devised to reverse the vicious circle of poverty which breeds all kinds of social evils and lowers the quality of life. Unfortunately, lack of political stability in most South Asian countries has hampered the pursuit of long term policies oriented towards economic growth, and the workings of an unjust international economic order have exacerbated the difficulties. After the end of the Cold War in 1989, the external sources of finance have begun to dry up. In real terms, development aid has fallen by 20% since 1992.¹⁶

The developing countries not only have to face the challenges of domestic poverty and backwardness, they also have to tackle the constraints arising from globalization. They have to chart strategies that operate at all different levels, regional, national and local. Indeed, while they labour under the pressure of domestic compulsions to overcome poverty, they also have to cope with the inexorable demands of globalization.

What is needed to cope with the challenges facing the developing countries is “globalization with a human face”. Amartya Sen, the Nobel Prize winning economist who has studied famine and poverty, has argued that “globalization can be a boon only if it is coupled with credible social sector safety nets.”¹⁷

The most meaningful steps towards an equitable distribution of the benefits of globalization have to be taken through trade. The fiasco at the Seattle ministerial conference of WTO highlighted the need for a considerable revision of strategies and goals in a broad agenda covering trade and competition, labour, environment and investment policy. These came up at the Doha round in November 2001.

Doha Development Round

The Fourth Ministerial Meeting of WTO at Doha in November 2001 assumed a critical importance. By then, the harmful effects of WTO had come to world wide notice, notably in the developing countries. It had hardly conferred any tangible benefits on them, and the undemocratic way in which its charter had been adopted under US pressure was having a negative impact on labour and human rights, the environment and even local development. There was mounting resentment as the principal beneficiaries were seen to be the transnational

¹⁴ A Rahman, and Sen B., *South Asian Poverty Monitor* Nov 1998. Bangladesh Institute of Development Studies, 1998, p 6.

¹⁵ “Challenges of the Age of Globalization”, Institute of Regional Studies, Islamabad, 2001, p 10.

¹⁶ “Global Inequality. Gap Widens between Rich and Poor”, *Financial Times*, 24 Sept 1999.

¹⁷ *The Dawn*, Karachi, 24.10.1998.

corporations, with intellectual property rights defended at the cost of health and human rights. The supra national court system undermined national sovereignty, with three trade bureaucrats deciding whether domestic laws were barriers to international trade. A backlash against corporate globalization was the result, and the tide of opinion was turning against free trade and the WTO itself.¹⁸

South Asia, containing the bulk of the world's poor, was particularly agitated, and the SAARC members decided in May 2001 to put up a united front at the Doha Ministerial meeting. They were resentful of the way issues of "environment, governance and labour standards were used to limit market access". They decided to press for "increased access for textile and clothing sectors", and to oppose "arbitrary anti-dumping, anti-subsidy and other protective measures by the developed countries". Another major issue was that of greater access for their manpower exports.¹⁹

Mike Moore, the Director General of WTO, gave an assessment of the Doha meeting that was upbeat. He recalled that the fiasco at the Seattle round in 1999 had highlighted the growing disenchantment with the functioning of WTO. The terrorist attack on the US on 11 September 2001 had resulted in a sharp economic downturn all over the world, and caused a growing sense of international insecurity. "Another debacle at Doha would have condemned WTO to irrelevance".²⁰

The Doha round saw Ministers from 142 member governments gather to engage and cooperate, "to craft a balanced agenda" that would give everyone enough, and no one too little. Confidence was revived in the multi-lateral trading system, especially among the developing countries, many of whose concerns were met. The meeting approved a two-stage 3 year work programme, including negotiations on market access. A major decision was to override drug patents to enable the poor countries to utilize generic drugs to fight such menaces as AIDS, and to run affordable public health programmes.

The highest immediate priority for the developing countries was that of implementation of WTO's provisions in their favour, which were addressed in a separate Declaration at Doha. These included extension of exemptions for smaller developing countries, and longer phase out period for some types of export subsidies. The remaining implementation issues are to be addressed during the next work programme of standing WTO bodies.

Major areas of concern that will be tackled over the next few years are agriculture services and access to markets. The rich countries pay \$ 1 billion a day to subsidize their farmers, which is six times all development assistance. Negotiations are to be held to phase out subsidies, and to open markets to the produce of developing countries. So far as greater employment of labour from the developing countries is concerned, such opportunities will be opened up in the areas of telecommunications finance, transport and business management, provided tariff protection is reduced by a third. The richer countries will reduce or eliminate tariffs on products of export interest to the developing countries, with special assistance to the least developed countries. Non-tariff barriers would also be addressed. According to the World Bank, complete liberalization could add \$ 1.5 trillion to the incomes of developing countries.

¹⁸ *The News*, Islamabad, 11.2.2001.

¹⁹ *The Dawn*, Islamabad, 26.5.2001.

²⁰ *The Dawn*, Islamabad, 3.12.2001.

The broad goals adopted at Doha are expected to reduce the number of the poor by 300 million by 2015. Global income is expected to expand by \$ 2.8 trillion in the next ten years. In the words of Mike Moore, the Doha Development Agenda involved “willingness by all countries to work together flexibly and constructively, to overcome considerable differences”.²¹

Assessment in South Asia

In an editorial entitled “Success at Doha”, the Dawn, Pakistan’s leading English daily,²² evaluated the results of the Doha round positively. The paper considered that the entry of China into WTO had added enormously to the inherent strength and jurisdiction of WTO; China had shown sagacity by not keeping Taiwan out. Though the outcome represented “some gains and some pains”, it constituted a “boost to the foundering world economy.” The problems of development in the poorer countries had been dealt with “perfunctorily” and many issues remain to be tackled in a new round of “broad and balanced negotiations” on further lowering of tariff and reduction of direct and indirect barriers to free trade. The new round will begin in January 2002 and conclude by January 2005. The ticklish issues tackled at Doha included the phasing out of farm subsidies, and liberalization of trade. The compromise on TRIPS (Traditional Intellectual Property Rights) represented a substantial gain for developed countries. Labour and environmental issues remain to be taken up comprehensively by the concerned organizations (ILO and UNEP).

India has been a strong critic of WTO, and some Indian economists had questioned the value of remaining in the organization, specially as the entry of China was likely to pose new challenges to India. However, the Indian strategy at Doha was to promote unity among the developing countries with a view to winning concessions for the longer term,²³ and commentators thought this had been achieved to a substantial degree.

Conclusions

The prevailing disenchantment with the process of globalization relates largely to “the failure of the industrialized countries” in implementing the promises made at the time of the launching of WTO that would provide them a fair deal in international trade.²⁴ On the other hand the poorer countries paid a high price in honouring copy rights and patents for drugs and other products. The Doha round addressed some of the concerns of the developing countries by agreeing to phase out agricultural subsidies. The US played a major role in revising enforcement of patent rules to enable the third world countries to produce their own generic drugs at lower cost, even though the American firms stand to lose the most. Some of the other third world complaints, such as the enforcement of tough environmental standards to block competition were also addressed.

The WTO alone cannot address all the problems and inequalities of the existing economic order. The World Summit on Social Development held at Geneva in 1995 had witnessed 117 heads of state declare war on poverty, unemployment and other side effects of globalization. The follow up session of the UN General Assembly in Geneva in July 2000 had issued broad guidelines to intensify the anti poverty effort. These included annulment of debts of the poorest

²¹ Ibid.

²² *The Dawn*, Islamabad 16.11.2001.

²³ *The Times of India*, New Delhi, 10.11.2001.

²⁴ Michael M. Weinsbein, *New York Times*, 20.11.2001.

countries, whose interest payments exceed budgets for health and education, transfer of information technology and medical assistance to developing countries, provision of social safety nets, and enforcement of transparency and accountability in national policies.²⁵

All round social development can be achieved only if strong governments pay attention to the needs of weak ones. The dynamism of the private sector is an indispensable engine of growth. However, a robust private sector must be balanced by an effective public sector at the national level, and effective institutions at the international level. These institutions have not paid adequate attention to human rights, poverty reduction, protection of the environment and health.²⁶

Globalization is emerging as the most advanced form of capitalism. However it must not merely be seen as a commercial phenomenon to get rich. There has to be a sense of international responsibility, to ensure that the benefits of globalization as indeed of scientific and economic progress, are shared equitably among all segments of mankind. ■

²⁵ Langmore, John, Director UN Division for Social and *Political Development*, Dawn, Karachi 10.7.2000

²⁶ Ibid.

Current Issues in the Afghan Refugee Debate

*Dr. Ijaz Hussain**

Introduction

Pakistan is back on the map of the refugee-recipient countries as the haven for the largest number of displaced Afghans in the world on its soil. With the presence of an estimated 3.1 million¹ and many more expected to cross the border into Pakistan, the total figure is expected to touch, if not exceed, the number which obtained in 1989, the peak period in terms of the presence of Afghan refugees in Pakistan.² However, as opposed to the situation during the period of the Soviet occupation of Afghanistan when Pakistan welcomed, indeed encouraged displaced Afghans on its soil, this time around, particularly since November 2000 when they again started to move into Pakistan in droves as a result of the continuing draught, civil war and Taliban repression, the latter, amid protests from UNHCR, UNOCHA and other human rights organization and activists, decided to close its border to stop their mass influx onto its territory.

Contrary to what Pakistan did last time, this time it asked the concerned UN agencies to provide assistance to displaced Afghans inside Afghanistan. The UNHCR, which is the lead agency in the matter, refused to go along with Pakistan's suggestion on the ground that it was outside its mandate to look after internally displaced persons (IDPs) which resulted in a deadlock between the two. First, Kofi Annan, the Secretary-General of the United Nations³, and later, Ruud Lubbers,⁴ the head of UNHCR, during their visit to Islamabad tried to resolve the issue but failed to do so. The matter was, however, subsequently resolved through the conclusion of an MoU⁵ between Pakistan and UNHCR by virtue of which the former agreed with the latter to jointly screen the newly arrived Afghans in order to register genuine refugees for "temporary stay" and deport those who were merely economic migrants. It is noteworthy that as opposed to Pakistan's earlier stand the MoU did not incorporate the idea of the establishment of refugee camps inside Afghanistan. And the fundamental question of the closure of the Pakistan border to displaced Afghans that was an anathema to UNHCR receded into the background as the MoU did not touch it at all.

Following the American bombardment of Afghanistan in the "War on Terrorism", the refugee question which seemed to have been taken care of by the

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¹ Naveed Ahmad, "Government not to Open Afghan Border: Minister", *The News*, 15 October, 2001.

² There were 3,272,000 Afghan refugees in Pakistan in 1989. *The State of the World's Refugees*, UNHCR, 2000, p.119

³ The Kofi Annan mission failed as Pakistan's understanding on the basis of talks between the latter and Pervez Musharraf that Pakistan would register the newly arrived Afghans in return for the establishment of refugee camps inside Afghanistan was denied by UNHCR. See Syed Talat Hussain "Islamabad, UN try to help DPs at Jalozai", *Dawn*, 28 April, 2001.

⁴ See "Talks on Refugee Status Fail: UNHCR", *The News*, 7 March, 2001.

⁵ "Agreed Understandings for the Screening Process for Afghans in Jalozai Makeshift camp, Nasirbagh camp and Shamshatoo camp to Determine which Persons are in need of International Protection and which are not, along with Operations Plan I and II," *UNHCR Screening Team*, Peshawar, Pakistan, 25 July, 2001.

MoU got a new lease of life as mass exodus of refugees towards Pakistan started once again. The latter however refused to open its border despite repeated calls by UNHCR and other refugee welfare agencies except to those individuals whom it called the “vulnerable cases”.⁶ Additionally, a good number of refugees termed as “invisible refugees” were able to enter Pakistan through the unfrequented routes. At the height of the war in Afghanistan by the International Coalition, UNHCR, by virtue of a letter addressed to President Musharraf, agreed to provide assistance to displaced Afghans inside Afghanistan under certain conditions.⁷ At the same time, Pakistan, following the example set by Iran but in consultation with the Taliban authorities, asked private NGOs to establish refugee camps inside Afghanistan.⁸

The current phase of the Afghan refugee situation as described above gives rise to a large number of questions, some of which the present paper proposes to answer. First, is Pakistan legally justified in closing its border to the fleeing displaced Afghans? Secondly, is Pakistan justified in insisting on the establishment of refugee camps inside Afghanistan? Thirdly, is Pakistan under any legal obligation to accept the expanded definition of a refugee as incorporated in the MoU signed between Pakistan and UNHCR?

Pakistan and the 1951 Refugee Convention and the 1967 Protocol

Before dealing with the questions of the closure of Pakistan border, we propose to say a word about a prior question as to whether the obligations enshrined in the 1951 Refugee Convention and the 1967 Protocol are *opposable* to Pakistan. This is important in view of the persistent demand made by UNHCR, other refugee welfare agencies and the Western countries asking Pakistan to observe the obligations meticulously, particularly those relating to non-refoulement contained in the above-mentioned instruments.

Pakistan, like other countries of South Asia, is not a party to the said instruments. Hence the obligations flowing from them are clearly not binding on it in terms of conventional law. Following the conclusion of the above-mentioned MoU, UNHCR representative Mr. Peter Nicholaus contended⁹ that its acceptance showed that Pakistan was under obligation to implement the 1951 Refugee Convention. On the other hand, the advocacy and protection coordinator for the International Rescue Committee, Mr. John Sifton has argued¹⁰ that “by signing the screening agreement, the government of Pakistan has subscribed to some parts of customary international law promulgated through the 1951 Refugee Convention.”

In our opinion, the contention by the UNHCR representative on the first question is untenable. There is no principle of international law on the basis of

⁶ By “vulnerable cases” the Government of Pakistan meant those individuals who were women, children, orphans, sick and wounded. See Naveed Ahmad, “UNHCR Agrees to set up Camps in Afghanistan”, *The News*, 16 November, 2001. See also “Reopening of Border Ruled Out”, *Dawn*, 12 November, 2001.

⁷ The stipulation to work inside Afghanistan was contingent on the following four conditions: a) safety of refugees as well as aid workers; b) availability of water; c) access to sites; d) non-use of camps for military purposes. See Naveed Ahmad, “UNHCR Agrees to set up Camps in Afghanistan”, *The News*, 6 November, 2001; Tariq Butt, “UNHCR seeks Security to set up Camps in Afghanistan,” *The News*, 10 November, 2001.

⁸ Funded entirely out of its own resources, Pakistan proceeded to establish camps in the Spin Boldak area of Afghanistan by involving many NGOs, including Saudi crescent, Edhi Foundation and Islamic Relief Organisation. Pakistan was thinking of shifting not only the recently arrived Afghans but also those living in the Jallozai camp.

⁹ See “Differences between Government and UNHCR on the Question of Screening of Afghan Refugees”, *Jang*, 4 September, 2001.

¹⁰ “Controversy over Refugees Screening Process”, *The News*, 22 August, 2001.

which it could be argued that acceptance of certain provisions of a treaty amount to an acceptance of that instrument in its entirety. Consequently, acceptance of the MoU incorporating certain parts of the 1951 Refugee Convention cannot be equated with acceptance of the latter as a whole. It cannot therefore be said that by accepting the MoU, Pakistan has become a party to the 1951 Refugee Convention.

As to the argument advanced by Sifton that acceptance of the MoU signifies acceptance by the Government of Pakistan of parts of customary international refugee law is not tenable either. This is so for the reason that the so-called customary international law which Mr. Sifton has in mind is at best no more than regional in character and *ipso facto* has no applicability to South Asia (more of it under the next rubric).

Principle of Non-Refoulement

The question as to whether Pakistan is under any legal obligation to open its border to the fleeing Afghans seeking refuge on its territory is the most fundamental bone of contention between the latter and UNHCR. The call for opening the border was articulated by the head of the UN Office of the Coordinator for Afghanistan (UNOCHA), Mr. Eric de Mul, who, in November 2000 when Pakistan closed its international border with Afghanistan, made the following statement:¹¹ “If people are forced to leave their homes to survive, they have the right to decide where their best chance for survival rests.” Mr. Hashim Utkan, the head of UNHCR office in Islamabad, made a similar statement when he said:¹² “I would fail in my duty if I would not regret the fact that the border was closed. It is a matter of reconciling legitimate interests of States with the need to maintain international principles of asylum.”

The question of opening of the border relates to the principle of non-refoulement, enshrined in article 33 of the 1951 Refugee Convention¹³, which is couched in these words:

- (1) No contracting State shall expel or return (“refouler”) a refugee in any manner whatsoever to the frontiers of territories where his life or freedom would be threatened on account of race, religion, nationality, membership of a particular social group or political opinion.
- (2) The benefit of the present provision may not, however, be claimed by a refugee whom there are reasonable grounds for regarding as a danger to the security of the country in which he is, or who, having been convicted by a final judgment of a particularly serious crime, constitutes a danger to the community of that country.

The principle of non-refoulement encompasses¹⁴ two concepts, namely, non-return and non-rejection. It is contended that at the time of the conclusion of the Refugee Convention in 1951, the principle had the conventional law status and did not include the concept of non-rejection at the border. It is argued that today the principle has assumed the status of customary international law and incorporates the concepts of both non-return and non-rejection.

¹¹ Ijaz Hussain, “New Economic Refugees from Afghanistan”, *Dawn*, 28 November, 2000.

¹² “UN Regrets Closure of Pak-Afghan Border”, *The News*, 30 January, 2001. See also the statement of the UNHCR head on the same lines. Hasan Akhtar, “Afghan Border not to be Opened”, *Dawn*, 7 May 2001.

¹³ See *Collection of International Instruments concerning Refugees*, UNHCR, Geneva, 1990, p.22.

¹⁴ Guy S. Goodwin-Gill, *The Refugee in International Law*, Clarendon Press: Oxford, 1966, pp.117-171.

It has been contended that keeping in view the requirement of widespread and representative participation including that of States whose interests are specially affected in the conventions which supposedly embody the putative customary rule as underlined by the World Court in the *North Sea Continental Shelf* and *Nicaragua* cases, the extent of State participation in the 1951 Refugee Convention, 1967 Protocol, Torture Convention, International Covenant on Civil and Political Rights and other conventions which enshrine the principle of non-refoulement, indicates its near universal acceptance.¹⁵ Messrs. Lauterpacht and Bethlehem in their opinion on the question of non-refoulement submitted to UNHCR have pronounced that participation in conventions embodying non-refoulement is more than simply “widespread and representative. It is in fact near universal including by States whose interests are specially affected”.¹⁶

Additionally, it is argued that the wide recognition of the principle in instruments such as the Declaration on Territorial Asylum, Asian-African Refugee Principles and Cartagena Declaration is also important because the State practice and *opinio juris* that these instruments reflect support to existence of a customary principle of non-refoulement¹⁷.

Lastly, the Conclusions of the Executive Committee of UNHCR are cited on this point because the latter is composed of representatives of States whose interests are specially affected by issues concerning refugees. Messrs. Lauterpacht and Bethlehem have concluded on this point as follows¹⁸: “With a membership of 57 States having a declared interest in the area, Conclusions of the Executive Committee can be taken as expressions of opinion which are broadly representative of the views of the international community.”

Taking up the argument of the near universal acceptance of the principle of non-refoulement, including by States whose interests are specially affected, we observe that this is not borne out by the facts on the ground in the refugee context as opposed to the human rights context. Thus writing separately in 1982¹⁹ Feliciano, Hyndman and Kalin expressed cautious reservations against the principle of non-refoulement having attained the customary international law status. For example, Feliciano basing his argument on the non-acceptance of the principle by the socialist countries stated:²⁰ “Thus it appears the non-refoulement is a principle not of general customary law but of regional or hemispherical customary law, being widely or generally acknowledged in the non-socialist part of the globe.”

Hyndman equally doubted the idea of non-refoulement as a principle of customary international law on the ground that many States had made reservations in the case of threats to national security or in situations of mass influx. He expressed his disagreement in these words:²¹ “...The oft-repeated...exceptions cannot be ignored and may be indicative that if non-refoulement has become a binding principle it has become so with these limitations.”

¹⁵ Sir E. Lauterpacht and D. Bethlehem, *The Scope and Content of the Principle of Non-Refoulement*, Opinion tendered to UNHCR, 20 June, 2001, pp.63-68.

¹⁶ *Ibid.*, p.68.

¹⁷ *Ibid.*, p.69.

¹⁸ *Ibid.*, p.69-70.

¹⁹ See Guy Goodwin-Gill, *supra* note 14, p.135.

²⁰ F.P. Feliciano, “The Principle of *Non-Refoulement*: A Note on International Legal Protection of Refugees and Displaced Persons”, 57 *Philippine Law Journal*, 1982, pp. 608-09, cited in Guy Goodwin-Gill, *supra* note 14, p. 135.

²¹ P. Hyndman, “Asylum and *Non-Refoulement*: Are these obligations owed to Refugees under International Law” 57 *Philippine Law Journal*, 1982, pp.68-69 cited in Guy Goodwin-Gill, *supra* note 14, p.135.

Kalin maintained²² that the principle had the status of regional custom in Europe, the Americas and Africa only and was in the process of becoming customary international law. He drew attention in particular to the fact that in the course of the debate in the Sixth Committee of the General Assembly on the UN Declaration on Territorial Asylum where this issue was discussed, the great majority of delegates emphasized that the draft in hand “was not intended to propound legal norms, but to lay down broad humanitarian and moral principles upon which States might rely in seeking to unify their practices relating to asylum”. In his opinion the inconsistencies and divergences in State practice including application of the refugee definition and its exceptions further narrowed the scope of the principle.

In the opinion of the present writer, it is doubtful if the principle has a customary law status in parts of what was previously termed as non-socialist world. For example, the South Asian countries which have a population of about 1.3 billion people do not accept this principle as testified by the fact that in the two major events of refugee migration which took place in this region, namely, of Afghans in Pakistan during the Soviet occupation of Afghanistan and of Bengali Hindus in India on the eve of the 1971 Indo – Pakistan War, the element of *opinio juris* crucial to the formation of customary international law, was clearly missing. This is so because in the case of Afghan refugees who came to Pakistan during the Soviet occupation of Afghanistan, the former categorically stated that it was admitting them on its territory out of “Islamic and humanitarian considerations,”²³ whereas India refused to accord refugee status to displaced Bengalis found on its territory and accepted them on condition that they would return to East Bengal within a six-month period and referred to them as “evacuees” to emphasize their temporary status.²⁴

As to the argument of the wide recognition of the principle based on instruments such as the Declaration on Territorial Asylum, Asian-African Refugee Principles and Cartagena Declaration, the proposition is highly doubtful for the reason that these instruments are not legally binding. Therefore, the principle that they embody can at best be an evidence of emerging customary law but not customary law itself.

Finally, the argument of the emergence of the customary law based on the Conclusions of the Executive Committee of UNHCR is also fallacious on the ground that the “soft law” that they embody is, as in the situation described in the previous paragraph, no more than an evidence of the emerging custom rather than custom itself. It is equally doubtful to suggest that the 57 members of the Executive Committee of UNHCR are broadly representative of the views of the international community for the simple reason that some of them like India and Pakistan categorically reject the notion of non-refoulement as binding on them.

If, on the one hand, the customary international law status of the principle of non-refoulement is of dubious validity as shown above, the practice of States who consider themselves bound by this principle on the basis of conventional or customary law, particularly those in the Western democracies, shows that their commitment towards it is, at best lukewarm. This is borne out by their restrictive policies under the garb of combating illegal immigration and abuse of asylum system resulting in virtually slamming their doors shut to refugees. The term

²² W. Kalin, *Das Prinzip des Non-Refoulement*, 1982, pp.80-81, cited in Guy Goodwin-Gill, *supra* note 14, p.135.

²³ Ijaz Hussain, “Pakistan’s Contribution to International Law on Refugees” in *Issues in Pakistan’s Foreign Policy: An International Law Perspective*: Progressive Publishers: Lahore, 1988. p.14.

²⁴ The State of the World’s refugees, *supra* note 2, p.66.

“Fortress Europe” which has consequently become synonymous with this phenomenon says it eloquently.

As we analyze the content of these restrictive policies, we observe that four types of measures²⁵ are envisaged to take care of the “mixed flows” of irregular migrants and refugees who are considered as threatening to swamp Europe. First is the adoption of policies aimed at preventing improperly documented aliens from reaching Europe through visa requirements and “carrier sanctions”. Some countries even resort to posting of immigration liaison officers abroad to stop asylum seekers from travelling to Europe. It is noteworthy in this connection that in a recent article published in the *Times*, the British Prime Minister Mr. Tony Blair expressed the desire to bring about an amendment to the 1951 Refugee Convention whereby asylum seekers would be able to submit applications in their home countries rather than travel to the country of asylum to do so. He justified this as follows:²⁶

It [1951 Refugee Convention] was drawn up for a vastly different world in which people did not routinely travel huge distances across multiple borders.... With vastly increasing economic migration around the world and most especially in Europe, there is an obvious need to set proper rules and procedures for distinguishing well-founded asylum cases from cases of economic migration.

Secondly, “diversion” policies are designed against those asylum seekers who, despite all hurdles, are successful in reaching borders whereby the responsibility for assessing their claims and providing protection is shifted to other countries. For example, the emergence of Central European countries where refugees could at least in theory find protection made this approach possible. The West European Governments began sending asylum seekers to “safe” countries through which they had travelled on the basis of re-admission agreements with the Central and Eastern European countries and other Governments. This resulted in “chain deportations” of asylum seekers from one state to another.

Thirdly, these Governments tend to put a restrictive application on the 1951 Refugee Convention in order to exclude certain categories of claimants from the scope of refugee definition. Some countries exclude those who have suffered persecution at the hands of “non-state agents” from the refugee category. This factor, among others, has resulted in the decline of applicants seeking refugee status.

Fourthly, countries have introduced “deterrent” measures including automatic detention of asylum seekers, denial of social assistance and restriction on access to employment. Additionally, refugees already in the country are denied the right to bring their families to join them.

The foregoing narrative on the practice of States especially of the Western democracies bound by the principle of non-refoulement on the basis of conventional or customary law shows their weak commitment towards it. As opposed to this, it has been argued on the basis of the suggestion made by the Executive Committee of UNHCR in 1982,²⁷ the OAU Convention on Refugee Problems in Africa²⁸ and

²⁵ *The State of the World's Refugees*, *supra* note 2, pp.161-62. See also Guy Goodwin Gill, “The International Protection of Refugees: What Future?”, *International Journal of Refugee Law*, Vol. 12, No.1, p.4.

²⁶ *The News*, 25 May, 2001.

²⁷ See Lauterpacht and Bethlehem, *supra* note 15, p.62.

²⁸ See Goodwin-Gill, *supra* note 14, p.124.

Cartagena Declaration in 1984²⁹ that the principle of non-refoulement amounts to a rule of *jus cogens* which no state practice and no treaty can set aside.

In our view, the above assertion, which has also been made by some individuals, is not well founded.³⁰ This is so, for the simple reason that unlike a norm of *jus cogens*—which is peremptory in nature and from which no derogation is permitted in terms of Article 53 of the Vienna Convention³¹, the principle of non-refoulement does not enjoy that status as evidenced by the exceptions to it.

To begin with, paragraph 2 of article 33 of the 1951 Refugee Convention unambiguously excludes potential beneficiaries of this principle on grounds of “national security” and “public order” in these words:

The benefit of the present provision [prohibition of non-refoulement] may not, however, be claimed by a refugee whom there are reasonable grounds of regarding as a danger to the security of the country in which he is, or who, having been convicted by a final judgment of a particularly serious crime, constitutes a danger to the community of that country.

It is noteworthy that the Declaration on Territorial Asylum not only acknowledges the national security exception, but also appears to authorize another exception in the case of a mass influx of persons. This took place at the 1977 Conference on Territorial Asylum when following the Turkish amendment it was stipulated that non-refoulement might not be available “in exceptional cases, by a great number of persons whose massive influx may constitute a serious problem to the security of a Contracting State”³².

As far as the OAU Convention is concerned even though it declares the principle of non-refoulement to be without exception, on closer scrutiny this does not seem to be the case. This is so because even though considerations of national security find no place in the Convention, appeal is provided in cases of difficulty directly to other member States through the OAU.³³ In such an eventuality temporary residence, pending settlement, is envisaged but this is not mandatory. In short, one can say that as far as the OAU Convention is concerned, though no formal provision is made to escape the rigidity of the principle of non-refoulement, for all practical purposes it is available to States parties.

It is also noteworthy that the OAU Convention was drawn up to take care of those individuals who were displaced as a result of the freedom struggle waged during the colonial period. However during the post-colonial period the African States no longer display the kind of solidarity that they showed with refugees in the past.³⁴

²⁹ *Ibid.*, p.126.

³⁰ For example by the observer of Malawi, Mr. Mponda, UN doc. A/AC. 96/ SR. 431, para.32 (1988) cited in *ibid.*, p.129.

³¹ Art. 53 provides as follows: “ A treaty is void if, at the time of its conclusion, it conflicts with a peremptory norm of international law. For the purposes of the present Convention, a peremptory norm of international law is a norm accepted and recognized by the international community of States as a whole as a norm from which no derogation is permitted and which can be modified only by a subsequent norm of general international law having the same character”.

³² UN doc. A/CONF. 78/C.1/L.28/Rev.1., cited in Guy Goodwin-Gill, *supra* note 14, p.141.

³³ *Ibid.*, p.140.

³⁴ See B.S.Chimni, “The Law and Politics of Regional Solutions: The Case of South Asia”, paper presented at the Conference of Scholars and other Professionals Working on Refugees and Displaced Persons in South Asia, held in Rajendrapur, Bangladesh on 9-11 February, 1998, pp.6-7.

As far as the Cartagena Declaration is concerned, it is no more than a non-binding instrument. Consequently, the principle of non-refoulement, which it suggests as having the status of *jus cogens*, is no more than an exhortation.

In the light of the foregoing analysis one can say that the principle of non-refoulement is neither a principle of customary international law nor a rule of *jus cogens* as it is given to understand in the literature on the subject. If it is still insisted that the principle has assumed the status of customary law or that of *jus cogens* while ignoring the non-acceptance of the principle by 1.3 billion people of South Asia who are deeply affected by the refugee question, then one may be obliged to say that the formation of refugee law is nothing but West-centered.

Refugee Camps inside Afghanistan

Another contentious issue between Pakistan and UNHCR was the demand made by the former to provide assistance to the fleeing Afghans inside Afghanistan by establishing refugee camps there. It justified its contention on the ground that it was already overburdened with more than 3 million refugees and that there was no room for more. The UNHCR rejected this demand on the ground that looking after IDPs did not fall within its mandate and that such a course of action would additionally undermine the concept of asylum which, it is under an obligation to defend. It felt so strongly about it that on one occasion the head of UNHCR, in response to Pakistan's persistent demand in the matter, leaving all diplomatic etiquette aside, stated:³⁵ "This is a silly idea in Pakistan. This is not the solution."

As far as IDPs are concerned, they did not figure in the international legal and institutional regime set up fifty years ago as they were perceived to fall within the domestic jurisdiction of the State concerned. Two factors accounted for this state of affairs. First was the notion of State sovereignty that did not leave any room for looking after IDPs by outside agencies as, in the eyes of the State concerned, it amounted to interference in its internal affairs. Second and more important was the Cold War framework of the 1951 Refugee Convention in which the West in its struggle for supremacy over the East was able to get the definition of refugee accepted in terms of individuals who had crossed international border, excluding those who did not do so.

Consequent upon this development, the issue of IDPs remained unattended for a number of years by UNHCR, although ICRC did provide assistance to those who fell victims during armed conflicts. Over the years the question assumed importance as the number of IDPs increased dramatically in the 1990s resulting in the appointment in July 1992 of Mr. Francis Deng as the UN Secretary-General's representative on IDPs. He viewed the latter as falling into "a vacuum of responsibility"³⁶ within the State.

Although UNHCR Statute is *stricto sensu* concerned with those who had crossed international border in search of safety and is not mandated to deal with IDPs, the High Commissioner, by virtue of Article 9, may, "engage in such additional activities... as the General Assembly may determine, within the limits of the resources placed at his disposal." In pursuance of this article a series of UN General Assembly resolutions, acknowledging UNHCR's particular humanitarian expertise encouraged its involvement with cases of internal displacement. The UN General Assembly Resolution 48/116 (1993) in particular lays down important criteria to deal with IDPs by UNHCR. In sum, one can say that these resolutions in

³⁵ "Talks on Refugee Status Fail: UNHCR", *The News*, 7 May, 2001.

³⁶ The State of the World's Refugees, *supra* note 2, p.214.

tandem with Article 9, provide the legal basis for UNHCR's involvement with IDPs.

In addition to the argument of the lack of mandate to look after IDPs, UNHCR also contends that involvement with them would undermine the concept of asylum, which it is under an obligation to defend. Though the present writer disagrees with UNHCR on the question whether a displaced person in every region of the world can claim asylum as a matter of right on the basis of customary international law, the latter has a point if the matter is looked at from its perspective. However, it must be said that the principle, which UNHCR so fervently espouses, is not sacrosanct.³⁷ For example, in the case of Iraqi Kurds, Turkey's closure of border with Iraq was accepted through the creation of "safe havens" on the latter's territory. Similarly, in the case of Rwandan refugees, UNHCR signed a refoulement agreement with Tanzania. Besides, the objective of international protection is under attack by the international community as evidenced by Conclusions of the Executive Committee.

Despite all the theoretical objections raised by UNHCR against looking after IDPs, the welfare agency has practically been involved with them since 1960s. And this involvement increased dramatically during the 1990s. By 1999 UNHCR was providing protection and assistance to some 5 million IDPs in the world.

It must be said that time has come that we revise the Refugee Convention, with the view, among others, to mandating UNHCR to look after IDPs. This is eminently justified because the distinction between the latter and refugees is an artificial one. Interestingly, Pakistan, along with India, tried to convince the delegates at the Refugee Conference in 1951 not to make a distinction between IDPs and refugees but the Western countries guided by their Cold War interests refused to pay any heed to these pleas.³⁸ The US ambassador to the UN, Richard Holbrooke recently made an impassioned plea that policy makers should "not let bureaucratic euphemisms and acronyms allow us to ignore these people (IDPs)".³⁹

In view of the fact that Pakistan was burdened with more than three million Afghan refugees who had been pouring into its territory in droves since the Soviet occupation of Afghanistan and to whom the international community had stopped all assistance since about 1995 because of "donor fatigue", the former had a good case in favour of the establishment of refugee camps inside Afghanistan. However, UNHCR's attitude was patently negative as shown above by Mr. Lubbers' remarks on Pakistan's proposal. The reason for this attitude seems to be more political than anything else because in the Western Governments' view any help to IDPs meant strengthening the hands of the Taliban Government which they were not prepared to do.

Expanded Refugee Definition

Another issue, which needs attention, is the question of refugee definition. The MoU signed between Pakistan and UNHCR incorporates an expanded refugee definition rather than the narrow one given in the 1951 Refugee Convention. We

³⁷ Guy Goodwin-Gill, "The International Protection of Refugees", *supra* note 25, p.5.

³⁸ See Goodwin-Gill, *supra* note 14, p.264. It is noteworthy that contrary to UNHCR, which is not keen to establish IDP camps but favours assimilation in the country of refuge, the well-known Pakistani social worker Mr. Abdus Sattar Edhi, believes "that the settlement of IDPs in their own country would help them keep their cultural and psychological identity intact. Despite economic miseries, at least they would feel themselves safe (from the effects of xenophobia) within their country". "Edhi to Set up Camps for DPs in Afghanistan", *Dawn*, 12 November, 2001.

³⁹ See *The State of the World's Refugees*, *supra* note 2, p. 282.

understand that in the process of implementation of the MoU, the Government of Pakistan started having second thoughts in the matter as it felt that it had accepted much more than it had bargained for. The question arises as to what is the legal status of the expanded definition in international law and whether Pakistan is under legal obligation to accept it.

The definition of a “refugee” given in the 1951 Refugee Convention⁴⁰ with a focus on a person who has “a well-founded fear of being persecuted for reasons of race, religion, nationality, membership of a particular social group or political opinion”, was formulated in the light of the European experience during the period of the Cold War. The subsequent experience in other parts of the world on the refugee question was different from that of Europe. This resulted in at least two regional instruments, namely the 1969 OAU Convention and the 1984 Cartagena Declaration which carry definitions of a “refugee” based on experiences peculiar to those regions. For example, the OAU Convention definition of a refugee⁴¹ in addition to encompassing the definition given in the 1951 Refugee Convention also includes “every person who, owing to external aggression, occupation, foreign domination or events seriously disturbing public order in either part or the whole of his country of origin or nationality”. Similarly, the Cartagena Declaration⁴² embraces not only the definition contained in the 1951 Refugee Convention but also incorporates “persons who have fled their country because their lives, safety or freedom have been threatened by generalized violence, foreign aggression, internal conflicts, massive violation of human rights or other circumstances which have seriously disturbed public order”.

Conscious of the fact that the refugee definition given in the 1951 Refugee Convention has a limited applicability, UNHCR, in the absence of an amendment in the latter instrument which could have taken care of this deficiency, has over the years tried to cover this lacuna by giving an expanded definition. For example, it has done so in the National Model Law⁴³ for the South Asian countries that it

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- ⁴⁰ A. For the purposes of the present Convention, the term “refugee” shall apply to any person who:
- (a) Has been considered a refugee under the Arrangements of 12 May 1926 and 30 June 1928 or under the Conventions of 28 October 1933 and 10 February 1938, the Protocol of 14 September 1939 or the Constitution of the International Refugee Organization; Decisions of non-eligibility taken by the International Refugee Organization during the period of its activities shall not prevent the status of refugee being according to persons who fulfil the conditions of paragraph 2 of this section;
 - (b) As a result of events occurring before 1 January 1951 and owing to well-founded fear of being persecuted for reasons of race, religion, nationality, membership of a particular social group or political opinion, is outside the country of his nationality and is unable or, owing to such fear, is unwilling to avail himself of the protection of that country; or who, not having a nationality and being outside the country of his former habitual residence as a result of such events, is unable or, owing to such fear, is unwilling to return to it.
- B. In the case of a person who has more than one nationality, the term “the country of his nationality” shall mean each of the countries of which he is a national, and a person shall not be deemed to be lacking the protection of the country of his nationality if, without any valid reason based on well-founded fear, he has not availed himself of the protection of one of the countries of which he is a national.

⁴¹ See article 1, 1000 *United Nations Treaty Series*, p.46.

⁴² See article III (3), *Organization of American States /ser. L/V/II 66*, doc. 10, rev.1, pp.190-93.

⁴³ According to Model National Law, a refugee is:

- (a) any person who is outside his or her country of origin, and who is unable or unwilling to return to, and is unable or unwilling to avail himself or herself of the protection of that country because a well-founded fear of persecution on account of race, religion, sex, nationality, ethnic identity, membership of a particular social group or political opinion, or,

prepared with the help of Eminent Persons Group (EPG). The MoU referred to above also incorporates the expanded definition by drawing upon the 1951 Refugee Convention and the two regional instruments mentioned above. The resulting refugee definition in addition to the “well-founded fear of being persecuted” clause also includes any person who faces “a threat to life or security as a result of widespread violence which seriously disturbed the public order.”

UNHCR has been urging Pakistan to become a party to the 1951 Refugee Convention and deals with the latter on the assumption that the refugee definition, among others, as given in the foregoing instrument is binding on Pakistan on the basis of customary international law. However, in the MoU in question, UNHCR has gone beyond its working hypothesis by making Pakistan accept the expanded definition.

As to the legal status of the expanded definition, there is no consensus in the international community with regard to its customary character. For example, an eminent authority on refugee law, Guy Goodwin-Gill, justifies the expanded definition on the ground⁴⁴ that a new class of refugees is recognized in customary international law. Kay Hailbronner, on the other hand, describes⁴⁵ this as “wishful legal thinking” on the ground of paucity of extensive and uniform State practice as well as lack of sufficient *opinio juris* to justify the assertion of international rights for refugees outside the 1951 Refugee Convention. He also argues that since the international practice based on expanded definition is no more than institutional in character on the part of UNHCR it cannot bind States in their own actions. Additionally, in his view, regional standards are not binding and treatment of humanitarian refugees is looked upon as a matter of discretion over immigration.

In the view of the present writer, because of the inconsistencies and divergences in the State practice the expanded refugee definition does not seem to be founded in customary international law. Consequently, it cannot legally bind Pakistan. However, since Pakistan accepted it in the MoU out of free will, it cannot wriggle out of it without the consent of UNHCR.

Conclusion

The question of the influx of Afghan refugees confronted Pakistan the first time when the Soviet Union occupied Afghanistan during the 1980s. The issue came back to haunt it again in 2000 when as a result of draught, continuing civil war, Taliban repression, etc., a large number of displaced Afghans started swarming into its territory. Unlike the previous occasion, this time Pakistan decided to close its border with Afghanistan which created differences with UNHCR which focused on three areas, namely, (a) closure of the border; (b) demand for the establishment of IDP camps inside Afghanistan; and (c) definition of refugee. The present paper has tried to deal with these issues from the refugee law perspective.

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- (b) any person who owing to external aggression, occupation, foreign domination, serious violation of human rights or other events seriously disrupting public order in either part or whole of his or her country of origin, is compelled to leave his or her place of habitual residence in order to seek refuge in another place outside his or her country of origin. See *Fourth Informal Consultation on Refugee and Migratory Movements in South Asia, Dhaka*, 10-11 November 1997.

⁴⁴ Guy Goodwin-Gill, “Non-Refoulement and the New Asylum Seekers”, *Virginia Journal of International Law*, Vol. 26, No.4, 1986, p.901, cited in James C. Hathaway, *The Law of Refugee Status*, Butterworths: Toronto, Vancouver, 1991, p.24.

⁴⁵ Kay Hailbronner, “Non-Refoulement and ‘Humanitarian’ Refugees”, *Virginia Journal of International Law*, Vol. 26, No.4, 1986, p.869, cited in Hathaway, *supra* note 43, p.25.

As to the question of the closure of Pakistan's border with Afghanistan, it relates to the principle of non-refoulement. Contrary to the general belief principally based on the writings of Western jurists which suggests that the principle has a customary international law status, our findings prove that it is no more than a regional custom under erosion because of its weak implementation by the Western democracies. Nor has the principle attained the status of *jus cogens* as suggested by some.

Regarding the question of the establishment of IDP camps inside Afghanistan as insisted by Pakistan, UNHCR has stonewalled the proposal on the ground that it falls outside its mandate. Our investigation shows that the latter's Statute provides sufficient basis for such a course of action. The UNHCR is at present looking after 5 million internally displaced persons. It appears as if the latter is motivated more by political considerations than anything else.

As to the definition of refugee, UNHCR has imposed an expanded one on Pakistan through the MoU concluded between itself and the latter. There was no legal obligation on Pakistan to accept it because it does not enjoy customary international law status. However, since Pakistan accepted it out of free will, it is bound to implement it unless it succeeds in renegotiating the question with the refugee agency. It is noteworthy that the narrow definition of refugee and the supposed interdiction on the establishment of IDP camps inside Afghanistan are a vestige of the Cold War period when the Statute and the Refugee Convention were concluded. UNHCR however takes a contradictory attitude on these issues. Thus on the definition of refugee it is always eager to abandon the narrow Cold War formulation in favour of the expanded one whereas on the establishment of refugee camps inside Afghanistan it is most reluctant to abandon the Cold War position. ■

Safety and Security of Pakistan's Nuclear Capabilities: A Critical Analysis

Zafar Nawaz Jaspal *

Introduction

Pakistan has demonstrated reasonableness and restraint in chalking out its nuclear policy since the very beginning of its nuclear programme. It has adopted an effective mechanism for the security of nuclear facilities, fissile material storage and production facilities. No illicit traffic of Pakistan's nuclear material and nuclear accident have occurred so far. Therefore, Pakistani nuclear weapons and fissile materials are claimed to be under secure control. After May 1998 nuclear explosions, it deferred conversion of its tested nuclear weapons into deployment, observed moratorium on further nuclear testing and censured transfer of nuclear weapons know-how to any party. In January 2001, the government of Pakistan promulgated Pakistan Nuclear Regulatory Authority (PNRA) Ordinance. This authority has been entrusted with the control, regulation and supervision of all matters related to nuclear safety and radiation protection measures in Pakistan.

Nuclear facilities—power stations, research reactors and laboratories—are vulnerable to acts of sabotage and blatant terrorist attacks that could cause the release of dangerous amounts of radioactive materials. There is also a danger of theft of nuclear weapons and radioactive material. The problem is not confined to Pakistan. This is a global problem requiring intensive international cooperation. But many academics, activists, military experts and politicians consider the security of Pakistan's nuclear arsenals inadequate and are calling for substantial changes in its nuclear policy. Some of them even recommend complete elimination of its nuclear programme. They argue without taking into account Pakistan's economic needs and threat perceptions. Interestingly, their apprehensions are due to vicious propaganda against Pakistan's nuclear capabilities. They do not even try to know the actual facts. To them, the nuclear accidents or fissile material's illicit trafficking in India or Russian Federation¹, is enough to conclude that Pakistan's nuclear arsenals are insecure and easily accessible to the non-state actors or unauthorized users.

In the official and non-official circles in Pakistan there is a serious realization that there should be a constructive debate for avoiding nuclear risks. But rebuffing Pakistan's official stance, that "Pakistan's nuclear assets are 100 percent secure and under multiple custody", by simply saying that they are untested and lack credibility reflects biases. Prejudiced approach regarding Pakistan's nuclear arsenal's security disturbs all factions in its society. In the aftermath of September 11, 2001 questions about the security of Pakistan's nuclear weapons received importance. Could Pakistan's nuclear weapons fall into the hands of extremists? Is Pakistan's nuclear weapons technology secure? In his address to the nation, President Pervez Musharraf proclaimed that the "safety of nuclear assets" was one

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¹ Jessica Stern, *The Ultimate Terrorists* (London: Harvard University Press, 2000) p. 97. See also "Uranium racket unearthed", *Press Trust of India* (July 24, 1998).

<<http://www.indian-express.com/ie/daily/19980724/20550804.html>>.

of his priorities. He assured that they are absolutely secure.² Many analysts, however, have misinterpreted these assurances. Objectivity demands that the concerns ought to be based on tangible information rather than on press speculation about 'loose nukes', the smuggling of nuclear materials or even weapons or literature produced by anti-Pakistan lobby. The following study is an attempt to critically analyze the risk associated with Pakistan's nuclear capabilities. How effective is the control over Pakistani fissile material storage and production facilities? What is the background of the anxiety about Pakistan's nuclear weapons' safety and security? These issues would be analyzed critically in the following discussion.

Background of the Problem

In the post September 11, 2001 terrorists' attack on the World Trade Center in New York and Pentagon in Washington D.C., questions about the safety of Pakistan's nuclear weapons, fissile material stocks, and nuclear facilities have come to the fore. Hypothetical threat scenarios have been formulated. David Albright, Kevin O'Neill and Corey Hinderstein argued, "A troubling question in the current situation is that a nuclear weapon or fissile material could fall into the wrong hands. Available information suggests that, despite official statements to the contrary, the Pakistani government may not have full confidence in the security of its nuclear arsenal."³ Mansoor Ijaz and R. James Woolsey wrote in the New York Times "the main nuclear security problem posed by Al Qaeda today is access to radioactive materials in Pakistan."⁴ Paul Richter opined, "While the nuclear programme was conceived to protect Pakistan from the perceived nuclear threat from India, some groups in the region view its nuclear arsenal as the *Islamic bomb* that could be used to defend the broader interests of the Muslim world."⁵ Praful Bidwai wrote:

"The grim truth stares us all in the face: Pakistan's nuclear arsenal is neither safe nor secure amidst the unrest, turmoil and insecurity which now convulse that country. There is a finite, definite, chance that these weapons of mass destruction could fall into the hands of extremists within Pakistan's politicized army, or even pro-Taliban terrorists, who will have no hesitation in using them, or threatening the world with them."⁶

The significant factor in the ongoing debate is to question Pakistan's ability to maintain control of the nuclear weapons or radioactive material and prevent their unintended use. Interestingly, it's not a new discussion.

Since 1970s identical suspicions and fears regarding Pakistan's nuclear programme have been expressed. One cannot miss similar antagonism and malicious propaganda in the writings of Steve Weisman and Herbert Krosney in *The Islamic Bomb* and William E. Burrows and Robert Windrem in *Critical Mass- The*

² Khaleeq Kiani, "Pakistan takes necessary measures", *Dawn* (October 24, 2001) p. 1.

³ David Albright, Kevin O'Neill and Corey Hinderstein, "Securing Pakistan's Nuclear Arsenal: Principles for Assistance", *ISIS Issue Brief* (October 4, 2001).
<<http://www.isis-online.org/publications/terrorism/pakassist.html#back3>>.

⁴ Mansoor Ijaz and R. James Woolsey, "How Secure Is Pakistan's Plutonium?", *The New York Times*, (November 28, 2001).

⁵ Paul Richter, "Pakistan's Nuclear Wild Card", *Los Angeles Times* (September 18, 2001).
<<http://www.latimes.com/news/nationworld/nation/la-091801nukes.story>>.

⁶ Praful Bidwai, "Nuclear chickens come home", *Frontline*, vol. 18, issue 23 (November 10- 23, 2001).

Dangerous Race for Superweapons in a Fragmenting World. These writers criticized Pakistan's nuclear programme and stated that it is working for Islamic Bomb. "The CIA knew that cores were then stored near the other components needed to make a complete weapon, the Pakistani Bomb- the long feared, Islamic Bomb", argued William E. Burrows and Robert Windrem.⁷ In 1993, Seymour M. Hersh, an American Journalist published a fake article in the New Yorker. In it he claimed that US satellites detected a convoy of trucks moving out of Kahuta, Pakistan's uranium-enrichment facility, toward an air base where F-16 fighter jets stood ready.⁸ The sole purpose of such stories was to legitimize the American's nuclear related sanctions against Pakistan. Prior to September 11, 2001 the concerns were that Pakistan would transfer nuclear weapons technology to the Muslim states. At this time, they began to perceive that in addition to rogue states, terrorist organization such as Al Qaeda and Islamic radical groups would get hold of these weapons.

Facts for Constructive Debate

The United States and other Western powers, while ignoring India, which is the initiator of nuclear arms race in South Asia, have always been pressurizing Pakistan to end its nuclear programme.⁹ Within the context of South Asia, India's nuclear facilities are perhaps the most vulnerable to nuclear terrorism, given India's extensive nuclear programme, much of it not subject to International Atomic Energy Agency (IAEA) safeguards. In addition, there have been reported cases of theft of fissile material from the Indian nuclear facilities. On August 27, 2001, the police in West Bengal (India) disclosed that it had arrested two men with more than 200 grams of semi-processed uranium.¹⁰ On July 23, 1998 India's Central Bureau of Intelligence seized six kilograms of uranium from GR Arun, a city engineer, and S Murthy, his associate in Tamil Nadu. The scientists at the Indira Gandhi Center for Atomic Research (IGCAR) at Kalpakkam, stated that the seized uranium was capable of radiation emission, having energy corresponding to natural Uranium-238 and U-235.¹¹ There is a long (reported) list of the illicit nuclear trade in India. It proves that a nuclear mafia is operating in India.

The Indian nuclear facilities are vulnerable to a high probability of accidents. According to an Indian parliamentary report, 147 mishaps or safety-related unusual occurrences were reported between 1995-1998 in Indian atomic energy plants.¹² On January 4, 2001 the Milan missile—an anti-tank weapon, capable of carrying a nuclear warhead, accidentally fired in the presence of the then Defense Secretary, Mr. Yogendra Narain, at the Bharat Dynamics Limited. It left one quality control officer for the Milan missile programme dead and injured five

⁷ William E. Burrows and Robert Windrem, *Critical Mass- The Dangerous Race for Superweapons in a Fragmenting World* (New York: Simon and Schuster, 1994) p 61.

⁸ M. V. Ramana and A. H. Nayyar, "India, Pakistan and the Bomb", *Scientific American* (December 2001) p. 68.

⁹ The 1985 Pressler Amendment was Pakistan specific and does not address the Indian nuclear programme. Hasan Askari Rizvi, "Roots of Anti-Americanism in Pakistan", *Pakistan Journal of American Studies*, vol. 12, no. 1&2 (Spring and Fall 1994) pp. 8-22. See also Dr. Maleeha Lodhi, "Pak-US relations: The Current Phase", *Pakistan Journal of American Studies*, vol. 10, no. 1 (Spring 1992) pp. 1-9.

¹⁰ Dr. Shireen M. Mazari and Maria Sultan, "Nuclear Safety and Terrorism: A Case Study of India", *Islamabad Papers*, No. 19 (Islamabad: ISS, 2001) p.6.

¹¹ Uranium racket unearthed", *Press Trust of India* (July 24, 1998).

< <http://www.indian-express.com/ie/daily/19980724/20550804.html> >.

¹² Dr. Shireen M. Mazari and Maria Sultan, op. cit. p 9.

others at the unit. This unit is located in a thickly populated part of the Hyderabad city. T. Lalith Singh commented, "Even as the accidental missile firing at the Bharat Dynamics Limited here continues to be shrouded in mystery, several questions are raised over the safety procedures adopted at the country's premier missile production unit."¹³

Pakistan has always been sensitive to international nuclear-related concerns. This is evident in its decisions to join certain nuclear related treaties and the several proposals made over the years. On September 4, 2000 Pakistan ratified the Convention on the Physical Protection of Nuclear Material (1979). Pakistan is also party to the Convention on Early Notification of a Nuclear Accident and Nuclear Safety Convention. The international Convention on Nuclear Safety envisages complete separation between the regulatory and promotional aspects of nuclear energy. Accordingly in January 2001, the government of Pakistan promulgated PNRA Ordinance establishing a complete independent regulatory authority called Pakistan Nuclear Regulatory Authority (PNRA). This authority has been entrusted with the control, regulation and supervision of all matters related to nuclear safety and radiation protection measures in Pakistan.

Pakistan's nuclear non-proliferation proposals, such as Nuclear Weapon Free Zone in South Asia, South Asia Zero Missile Zone, mutual inspection by Pakistan and India of each other's facilities etc,¹⁴ have not received any serious consideration by the major powers and have also been ignored by many analysts. In October 1999, Pakistan formally proposed a Strategic Restraint Regime to India. It encompassed prevention of a nuclear and ballistic missile race, establishment of a risk reduction mechanism and a proposition that nuclear deterrence should be pursued at the lowest possible level. India responded negatively. Despite the fact that Pakistan has no defensive pact with any Muslim state and is an active participant in the campaign against terrorism, some analysts criticize Pakistan, question its nuclear policies and malign its intentions. Notably, the unjustified criticism harms or has a negative impact on any objective critique on Pakistan's nuclear policy.

Pakistan's Nuclear Programme: Security Versus Insecurity Debate

Pakistan is not a party to the Nuclear Non-Proliferation Treaty (NPT). Therefore, all its nuclear facilities are not subject to IAEA safeguards. Moreover, Pakistan retains the "First Use" option of nuclear weapons. "First use" doctrine, "launch on warning" and "launch through attack" strategies require high levels of alerts to be maintained and almost continuous launch site readiness of a selected number of warheads and delivery systems. Hence, there are many possible scenarios in which the security of Pakistan's nuclear programme could get compromised. Some of these are real and addressed by the Government of Pakistan accordingly. A few of these are imaginary and exaggerated by the anti-Pakistan nuclear programme lobby. The following discussion facilitates us in assessing the security of Pakistan's nuclear programme.

¹³ T. Lalith Singh, "Doubts over BDL Safety Norms," *The Hindu* (January 9, 2001).

¹⁴ For other similar proposals see Zafar Nawaz Jaspal, "Kashmir: A Nuclear Flash Point?", Rouben Azizian, ed, *Nuclear Developments in South Asia and the Future of Global Arms Control: International, Regional and New Zealand Perspectives* (New Zealand- Wellington: Centre for Strategic Studies, 2001) p 17. Samina Ahmad, Pakistan's Proposal for a Nuclear Weapon Free Zone in South Asia', *Pakistan Horizon*, vol. XXXII, No. 4 (Karachi: 1979), pp. 92-130.

Possibility of Unauthorized Use

Unauthorized use can happen if those who are tasked with using the weapons under authorized conditions have the ability to use them regardless of whether they are given an authoritative order. The first line of defense against unauthorized activation is a lock on the weapon. The earliest locks were mechanical combination locks, but since the early 1960s a more sophisticated system called a Permissive Action Link (PAL) has been increasingly employed, especially by the US. A PAL is an electronic (originally electro-mechanical) device that prevents arming the weapon unless the correct codes are inserted into it. Two different codes must be inserted, simultaneously or close together. This is the “two-man rule” — which requires it to be impossible to arm any nuclear weapon through the actions of a single individual. The codes are usually changed on a regular schedule.¹⁵

This problem would be acute when Pakistan maintains its nuclear weapons on a hair trigger alert or launch on warning operational stage. Currently, Pakistan is observing nuclear restraint policy. The official stance is that it has not assembled its warheads. They are in component parts, not as assembled warheads. They are kept unassembled at different locations, which make scientific expertise essential for assembly. President Pervez Musharraf stated, “Pakistan’s nuclear weapons are not ready to be fired, they are not mated, they are geographically apart and they are not in a condition in which a button has to be pressed to fire them.”¹⁶ Secondly, in case of deployment, Pakistan knows the ways and means such as dual code or key systems and PAL which are essential for protection against unauthorized use. In the absence of technological expertise for using PAL, other equally safe option of dual-key control systems, presently being used by France and the United Kingdom, are available.¹⁷

Pakistan’s armed forces have a strong chain of command and moral code of conduct. Alcohol or other drug abuses are strictly prohibited in the armed forces. Pakistani Army remains a professional military force and is in no danger of falling prey to the influences of radical Islam. Moreover, the defence forces employ a rigorous clearance procedure. The officers who are appointed at sensitive posts require medical clearance to prove that they have no psychiatric problems. These procedures remove the risk of unstable civilian or military officers getting control of a nuclear weapon.

The disaffected military commander has no acceptability in the armed forces and no accessibility to such weapons. For example, the coup attempt led by Major-General Zahir ul Islam Abbasi in 1995 during Benazir Bhutto's second tenure as prime minister failed. To be precise, it is mere propaganda by the adversaries of Pakistan, that Pakistan Army contains factions that share al-Qaeda's extremist Islamic views. There is no such faction in Pakistan Army. Thus rogue military commander theory is unjustified. In brief, Pakistan keeps relatively tight, centralized control over its nuclear weapons. They will only be employed if the authorized authority gives appropriate orders.

¹⁵ “Principles of Nuclear weapons Security and Safety”,
< <http://www.fas.org/nuke/hew/Usa/Weapons/Pal.html> >

¹⁶ “Pak nukes not ready to be fired: president”, *The News* (November 11, 2001).

¹⁷ Gurmeet Kanwal, “Safety and Security of India’s N-Weapons” *Strategic Analysis* Vol. XXV No. 1 (April 2001)
< <http://www.idsa-india.org/an-content.htm> >

Irrational Leader

The possibility exists that the person exercising the highest political authority may himself/herself go insane or behave irrationally. Many famous leaders throughout history were psychotic or experienced psychotic episodes: Caligula, Nero, Ludwig of Bavaria, and probably Adolf Hitler and Joseph Stalin as well. Woodrow Wilson and Dwight Eisenhower suffered serious strokes while in office, which compromised their ability to perform their duties and think clearly. During his final days before resigning the presidency in 1974, Richard Nixon is said to have acted irrationally under the stress of the Watergate scandal.¹⁸ For countering this sort of situation, Pakistan has adopted a very steadfast strategy. Its National Command Authority (NCA) comprises Employment Control Committee and Development Control Committee as well as Strategic Plans Division, which will act as secretariat. The apex Employment Control Committee would be chaired by the head of government and include minister of foreign affairs (deputy chairman), minister of defense, minister of interior, chairman of joint chiefs of staff committee, services chiefs, director-general of Strategic Plans Division and technical advisers and others, as required by the chairman.¹⁹ This arrangement thwarts the possibility of any irrational decision by an individual.

Extremists Phenomena

The scenario of an "extremist" takeover in Pakistan is in itself extremely hypothetical. Many Pakistanis feel deeply disturbed by the bombardment of Afghanistan, the reports of civilian casualties and Indian armed buildup on its border. A closer analysis of the prevailing political conditions in Pakistan reveals that the apprehensions about people's revolt against President Musharraf's government are unduly alarmist. The Islamic parties and groups such as Jamaat-i-Islami, Jamiat-i-Ulema Pakistan and few others, opposing Pakistan government's support for U.S. intervention in Afghanistan, represent a small minority. The radical Islamic groups and political parties, collectively, do not represent more than ten to fifteen per cent of the population in Pakistan.²⁰ All mainstream political parties in Pakistan such as the Pakistan Peoples Party, the Muslim League (Nawaz faction being the exception), and the Muttahida Qaumi Movement have expressed support for General Musharraf's policies. Pakistan's Foreign Minister Abdul Sattar very rightly stated, "Any apprehension that the assets might fall into the hands of extremists is entirely imaginary – perhaps a product of distortion caused by TV images magnifying the sights and sounds of protesters."²¹

Accidental Use

How safe and secure is the Pakistani nuclear arsenal against accidental and unauthorized use? This is an important problem. Nuclear accidents can happen because the design of the nuclear weapon itself is faulty or because the systems and procedures used to launch or drop the weapons lack safeguards. Pakistan's nuclear weapons programme has so far been a joint Pakistan Atomic Energy Commission (PAEC) and Khan Research Laboratories (KRL) responsibility. Both the

¹⁸ David P. Barash, *Introduction to Peace Studies* (California: Wadsworth Inc, 1991) p. 125.

¹⁹ National Command Authority formed, *Dawn* (February 3, 2000).

²⁰ For the confirmation of religious groups strength see the results of previous general elections and 2001 local elections.

²¹ Mariana Babar, "Pak N-assets in safe hands: Sattar", *The News* (November 2, 2001).

organizations have some of the most gifted scientific and technological talent in the country. Their scientists have accomplished wonders in the face of daunting odds such as the international pressure, technology control regimes, and nuclear-related sanctions against Pakistan since mid 1970s. The six nuclear test explosions carried out on May 28 and 30, 1998 were state-of-the-art and after initial skepticism and attempts to denigrate the achievements, the international scientific community has recognized them.²² These explosions provided expertise, data and above all confidence to the Pakistani scientists. Thus by virtue of that experience Pakistani nuclear scientists are capable of resolving any shortcomings in their weapons design, storage, handling, transportation, maintenance, testing, safety and security. Similarly, Pakistan has proper command and control system, which takes care of weapons when they would be deployed. In addition, Pakistan has not equipped its nuclear delivery systems with its nuclear warheads.

Reliability of Command and Control System

Some security analysts have a pessimistic view that Pakistan would have no reliable command and control systems for years.²³ Pakistan has a proper command and control mechanism that takes care of the deployment, employment and technical aspects of its strategic assets. A Strategic Force Command has been established from each of the three armed services. Clear chains of responsibility have been prescribed and enforced to ensure that strategic weapons cannot be deployed without due authorization. In addition, one ought to realize that if a state accomplishes its nuclear programme, manufactures and tests its nuclear devices and short/medium range ballistic missiles, it can very successfully institutionalize its strategic command, control, communication and intelligence systems.

Theft of Fissile Material from Nuclear Facilities

The majority of commentators argued that the most likely way in which a terrorist group acquires a nuclear explosive are by stealing a nuclear weapon from a nuclear weapon stockpile, theft of fissile material and hijacking a nuclear warhead when it was being transported. It is argued that Pakistan lacks technological advancements and expertise for safeguarding nuclear facilities and materials. This material can be transferred to the terrorists groups, particularly from its nuclear facilities that are not subject to IAEA safeguards. Leventhal argued, "If you have someone inside (a nuclear facility) influenced by bribery, extortion or ideology to get stuff out, he probably is going to be able to do it. When you talk about an industry that produces by the ton what nuclear weapons require by the pound, the arithmetic gets very, very scary."²⁴ This observation is irrelevant for Pakistan because it holds very small fissile material stockpiles. Secondly, the locations of the various components of Pakistan's nuclear capabilities are a closely guarded national secret. Thirdly, PAEC has an unblemished record of safety and security of the nuclear power plants and other civilian projects, which are under safeguards and subject to periodic inspection by the IAEA.²⁵ It is therefore highly unlikely that a

²² After the May 1998 tests, the Western Scientific community claimed that the yield of the tested devices of Pakistan was exaggerated.

²³ Praful Bidwai, "The Naked Nuclear Emperor: India on the First Anniversary of its May 1998 Nuclear Tests", in Robert D. Green, *Fast Track to Zero Nuclear Weapons* (US: The Middle Powers Initiative, 1999) p. 83.

²⁴ Bill Nichols and Peter Eisler, "The threat of nuclear terror is slim but real", *USA TODAY* (November 28, 2001) < <http://www.usatoday.com/news/attack/2001/11/29/nukethreat-usatcov.htm> >

²⁵ Mariana Baabar, op. cit.

terrorist group or network of groups could identify the different locations with confidence, or steal the radioactive material, let alone reconstitute the stolen parts into complete weapon systems.²⁶

Some analysts believe that Pakistan needs sophisticated technologies for maintaining the exact data of its fissile material. Interestingly, computers also mislead and generate problems. For example, the Russian experts at the Kurchatov Institute, the renowned nuclear research center in Moscow, discovered a fatal flaw in the software donated to them by the Los Alamos National Laboratory. This same software had been the backbone of America's nuclear materials control system for years. The Russians found that over time, as the computer programme is used, some files become invisible and inaccessible to the nuclear accountants using the system, even though the data still exist in netherworld of the database. Any insider who understood the software could exploit this flaw by tracking the "disappeared" files and then physically diverting, for a profit, the materials themselves.²⁷ Due to its limited quantity of fissile material, a very sophisticated system is not an essential requirement. Pakistan can very easily preserve the record of its nuclear stockpiles through the manual procedures.

Truck Bomb Threat

There is a possibility that the terrorists would damage a nuclear plant for radioactive release. They can hit the nuclear facilities with a truck loaded with conventional explosive. Some analysts perceive the vehicular bombing threat real in Pakistan because of the Islamic religious groups. It is argued that nuclear plants and research reactors in Pakistan have little protection against a truck bomb threat. The Pakistani authorities have enforced elaborate security mechanism for the security of nuclear facilities. In addition to material fences, thoroughly trained guard secure plants from sabotage. The nuclear sites in Pakistan are in exclusive zones and are relatively inaccessible. Their areas are large enough so that the main facility (reactor) would withstand a truck bomb exploding at the perimeter fence.

Conclusion

As part of a well-considered nuclear policy, Pakistan has implemented stringent measures to ensure that they are never used, either intentionally or by accident, except under properly authorized circumstances. However in the context of South Asian region's security, there is an urgent need for upgrading physical protection systems at the dozens of nuclear reactors, laboratories, fuel fabrication and reprocessing plants and research institutes scattered across India. Many radioactive material thefts and nuclear facility accidents in India have been reported in the Indian print media. In case of Pakistan, not even a single nuclear related accident has happened. Safeguarding nuclear weapons is a major task for those nuclear-weapon states, which possess the largest number of weapons and a huge amount of nuclear radioactive material. A great deal of nuclear material, equipment, and components for nuclear weapons programmes have been, and are being, smuggled from the United States and Russian Federation. An early example of the illicit acquisition of nuclear material is the smuggling of the enriched uranium to

²⁶ Gaurav Kampani, "Safety Concerns About the Command & Control of Pakistan's Strategic Forces, Fissile Material, and Nuclear Installations" (September 28, 2001) <<http://cns.miiis.edu/research/wtc01/spna.htm>>.

²⁷ Dr. Bruce G. Blair, "Nukes: A Lesson From Russia", *Washington Post* (Wednesday, July 11, 2001) p A19. <<http://www.cdi.org/nuclear/blair071101.html>>

Israel between 1962 and 1965. About 100 kilograms of highly enriched uranium disappeared from a factory in Apollo, Pennsylvania, owned by the Nuclear Materials and Equipment Corporation.²⁸ Hundreds of tons of nuclear material, the essential ingredients of nuclear weapons, are stored at vulnerable sites throughout the former Soviet Union states, guarded only by underpaid, hungry, and disheartened people. At least eight thefts of materials (weapons-usable) that could be used to make nuclear weapons have been confirmed.²⁹ Significantly, nuclear related theft or smuggling has not happened in Pakistan.

The Nunn-Lugar "cooperative threat reduction" programme to improve the security of Russia's nuclear materials, technology and expertise can serve as a valuable precedent in addressing nuclear-related security problems in Pakistan. K. Subrahmanyam has very correctly pointed out that "American concerns and anxiety about South Asia's nuclear situation (are) not reflected in the American denial of technology cooperation with India and Pakistan on safety and security measures—especially those that involve interaction among scientists and sale of equipment related to nuclear safety".³⁰ United States export restrictions should be waived to transfer the technologies—vaults, sensors, alarms, tamper-proof seals, closed-circuit cameras and labels needed to protect Pakistan's nuclear facilities and materials from thefts, accidents and unauthorized use. Certainly, assistance that improves the safety and security of a nuclear warhead itself may also significantly improve Pakistan's ability to deploy a warhead on a ballistic missile, and may be banned under the Article 1 of the NPT. It may signal other potential nuclear weapon states that the US is not serious about its non-proliferation goals. But assisting Pakistan to improve the security of its nuclear facilities and weapons storage facilities is permissible because this assistance would not contribute to advances in Pakistan's nuclear arsenal.

Physical-protection systems at the Pakistani nuclear facilities are strong. There are custodial safeguards. These facilities are not accessible to unauthorized outsiders and are under constant monitoring through intelligence agencies. Pakistan has resisted any outside attempts to help secure its nuclear materials up to now. There is the risk of nuclear related secrets leaking in receiving assistance for its nuclear programme from outside powers. It is a pragmatic policy. But there is no harm in receiving technological assistance, which would not undermine our secrets.

It is imperative that we should convey the message to our Western friends that there is no possibility of business like *Sapphire Operation*³¹, in Pakistan. Secondly, commando operation, such as that referred by journalist Seymour Hersh's in *The New Yorker* on October 29, 2001, shall be considered offensive act and shall be countered by all means.

²⁸ Frank Barnaby, *The Role and Control of Weapons in the 1990s* (New York: Routledge, 1992) p. 64.

²⁹ The Russian officials have repeatedly denied that any smuggling case involved weapon-grade nuclear material, which, according to the strict definition, is uranium enriched to more than 90 percent U-235 or plutonium with less than 7 percent Pu-240. Jessica Stern, *Op. cit.* p. 97.

³⁰ Gurmeet Kanwal, *Op. cit.*

³¹ The *Sapphire Operation* was conducted by the US with the cooperation of Kazakhstan and Russian Federation in October/ November 1994. In that operation approximately 1,200 pounds of highly enriched uranium was evacuated from a vulnerable site of Kazakhstan to the United States where it was stored for a period of time, eventually down-blended and sold as civilian reactor fuel. The Kazakhstanis received approximately \$100 million in assistance and other compensation for these materials. Rose Gotemoeller, "Pakistan's Nuclear Dilemma", *A Carnegie Non-Proliferation Roundtable*,

< <http://www.ceip.org/files/events/Paktranscript.asp>>.

A realistic and useful option for the US and its allies is to accept that the existence of Pakistan nuclear weapons is an incontrovertible reality. If they are serious in addressing this problem, they must chalk out their policies on the basis of the fact that India's unwillingness to part with its nuclear arsenal makes it impossible for Pakistan to dismantle its own programme. Within this context, only viable bilateral and multilateral nuclear confidence building and nuclear risk reduction measures can keep the spectre of a nuclear war, and nuclear-related accidents at bay. A well-structured nuclear restraint regime in South Asia would minimize the risks of nuclear accident. The US and other Western governments can play a useful role in helping to constitute such a regime. ■

UN Peacekeepers as 'Reliable' Forces: Pakistan's Somalia Experience

Kabilan Krishnasamy

There is little point for a state to make large and varied troop commitments to UN peacekeeping without being a 'reliable' ground force and having the capacity to sustain the commitment over prolonged periods in mission areas. The present study examines the issue of reliability in UN peacekeeping, with a particular focus on Pakistan's experience in Somalia. The study shows that Pakistan's commitment to the peace mission in Somalia was positive and long lasting in spite of severe human costs. To this end the paper raises the following questions: What factors shaped Pakistan's commitment to Somalia? To what extent has Pakistan learnt its lessons from its Somalia experience? What factors are likely to shape Pakistani peacekeeping in the future?

Peacekeepers' Reliability in UN Peace Missions

In March 2000 the UN Secretary-General Kofi Annan convened an expert panel, headed by Lakhdar Brahimi, a former Algerian Foreign Minister, to conduct a new major study on peacekeeping. One of the recommendations of the Brahimi report was that peacekeepers in post-Cold War peace operations must be willing to take risks and have 'staying power'.¹ There is no point in making large and varied troop commitments without being a 'reliable' ground force. That is, reliable troop-contributors in terms of their willingness to take risks and capacity to sustain their commitment in dangerous operations over prolonged periods are most needed, especially in managing intrastate peacekeeping operations of the post-Cold War era. The days when peacekeepers were deployed in relatively calm and predictable environments are well over. Post-Cold War international security has been predominantly threatened not by wars between nations but by pockets of increasing episodes of escalating violence within national boundaries. Thus the deployment of uniformed blue helmets in unmapped labyrinths of guerrilla warfare and intrastate conflicts, where there are no clear cease-fire lines and no peace to 'keep', has become a common sight today. In such environments, peacekeepers can be exposed to high levels of danger and even possible attack from heavily armed and unidentified belligerents.

The question arises as to whether troop-contributing states are willing to take the risk and deploy their soldiers in such harsh operational environments? The delay in the deployment of the peacekeeping force in Rwanda was primarily due to hesitation on the part of the member states to place their soldiers in the wake of genocide. Although 19 governments pledged to keep 31000 troops on stand-by, it took the UN more than six months to deploy the authorised strength of 5000

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¹ See Brahimi Report on Peacekeeping, *Report of the Panel on United Nations Peace Operations: A Far Reaching Report by an Independent Panel*, UN. Doc. 2000.

troops.² In 1994 despite the desperate attempts to deter the Serbian attacks on the UN 'safe havens' in Bosnia-Herzegovina, member states only contributed 7600 instead of the authorised strength of 35000 troops. The whole mission suffered significantly as the UN fell short of troop numbers due to the lack of commitment of member states. Another example relates to the reluctance of the US to contribute troops in the peacekeeping operation in Sierra Leone in 1999. At that time the UN had been facing significant problems in mobilising ground forces for Sierra Leone and the negative response from the West created some uproar in the international community and in the diplomatic circles at the United Nations. 'Washington will not put an American Officer on the ground [in Sierra Leone]',³ stated the UN Chief Kofi Annan, who was disappointed by the reluctance of the superpower to share the burden of ground level participation in UN peacekeeping.

While member states may be motivated by their own set of national interests to undertake peacekeeping responsibilities they also have the liberty to decide the size of troop commitment and the duration of deployment. Often the UN is faced with a dilemma in meeting the dual requirement of securing the willingness of troop contributing states and in fulfilling its fundamental role in maintaining international peace and security. One cause for this dilemma is that there is no proper legal framework or arrangement under which member states contribute to UN peacekeeping operations. Article 43 of the UN Charter, which provides the UN with the right to request support in terms of personnel and material assistance from its member states, specifically calls for the earmarking of national contingents and for them to be placed on standby for the use and direction of the Security Council under a collective security arrangement.⁴ The Military Staff Committee (MSC) is responsible for organising and the strategic planning of the national armies. It includes a panel of military experts who are placed at the disposal of the Security Council to advise and assist the Security Council on all questions relating to the latter's requirements to act in an event of a breach of peace. However, during the Cold War Article 43 or the MSC were neither activated nor became a practical reality. The already existing division in the Security Council was further deepened by the opposing views over the magnitude and size of the armed forces of each Member State. The Soviet Union demanded an equal contribution among all Member States, while the other four permanent members were satisfied with comparable contributions relative to the differing size and composition of national armies. Since no conclusions were reached, Article 43 of the UN Charter never came into effect and the MSC has largely remained dormant. However, in recent years following the end of the Cold War analysts have suggested reviving the MSC to constructively serve the maintenance of global peace and security.⁵

² Department of Public Information, UN.

³ Cable News Network (CNN) News Coverage.

⁴ This was an important component of Article 43 of the UN Charter, which provided the Security Council with the legitimacy to create an international force to avert threat to global peace. One analyst, however, finds 'Collective Security' to be problematic. A primary reason cited is the 'intrinsic tension in the notion' itself. See Ramesh Thakur et.al. ed. , *A Crisis of Expectations: UN Peacekeeping in the 1990s*, Westview Press, Oxford: 1995, p. 4

⁵ The various roles identified are that the MSC (a) could become a principal staff centre for preparing or serving arms control negotiations at both bilateral and multilateral levels; (b) provide military intelligence and monitor arms control treaty compliance; (c) supervise licensing systems; (d) co-ordinate anti-terrorist operations; (e) co-ordinate anti-drug operations; (f) serve as a military information centre; (g) supervise a weapons research centre; and (h) engage in military peacekeeping duties. See Ralph M. Goldman, *Is it Time to Revive the UN Military Staff Committee?*, Occasional Paper Series No. 19, Centre for Study of Armament & Disarmament. Los Angeles, California: 1990, pp. 20-4.

Subsequently, the UN has also established a Standby Arrangement, which involves earmarking troops and placing them in a reserve pool of soldiers for rapid deployment in peace operations. The purpose of a standby arrangement is intended to make peacekeeping forces readily available for the management of conflicts. Up till February 2000, 87 member states have consented to participate in standby arrangements, but in different forms. Many have signed a memorandum of understanding with the UN; some have completed the Planning Data Sheet which provides detailed technical information on their contribution; and others have only expressed official willingness. Sixty-five countries have provided information on the specific capabilities they are prepared to offer. Sixty per cent of the confirmed standby participants have consented to a response time of up to 30 days; twenty per cent have a response time of between 30 and 60 days; fifteen per cent could respond between 60 and 90 days and the remaining five per cent could take more than 90 days.

While these steps are taken to enhance the UN's capacity to rapidly deploy troops, the reliability of peacekeepers in mission areas could vary across participating states. Not all states are active troop contributors to UN peacekeeping and not all troop contributing nations are reliable peacekeepers. However, Pakistan is an exception to this. In Somalia Pakistan not only emerged as the single largest troop contributor but also sustained its commitment over a prolonged period despite its bitter experiences and harsh realities. To this end, the study makes two key points. First, Pakistan's strong and prolonged commitment to the peacekeeping operation in Somalia is motivated by a combination of political interests. Second, that Pakistan has learnt some invaluable lessons from its Somalia experience is demonstrated by Pakistan's selective troop deployment and the development and implementation of a new peacekeeping doctrine in post-Somalia peacekeeping operations.

Pakistan's Commitment to Somalia

The peace mission to Somalia was one of the most humanly costly, dangerous and complex operations in which Pakistan ever participated in the twentieth century, but its prolonged commitment and presence in the war ravaged country arguably qualifies Pakistan as one of UN's most reliable peacekeepers. Pakistan is one of the few troop-contributing nations that participated in various phases of the peace mission and under different authorities in Somalia. The first of which was under the aegis of the UN where Pakistan made significant troop contributions as part of the UN Operation in Somalia (UNOSOM). In July 1992 Islamabad dispatched Brigadier-General Imtiaz Shaheen to the role as the chief military observer to monitor the cease-fire between key warring parties and also to seek consent for the deployment of a peacekeeping security force in Central Mogadishu. After almost a month of intense and difficult negotiations Aideed reluctantly consented to a peacekeeping presence and subsequently the deployment of a peacekeeping force of 500 troops occurred in September 1992. Pakistan responded positively and quickly by being the first nation to provide ground forces as part of UNOSOM to facilitate the provision and delivery of humanitarian relief aid to the local population caught between internecine wars and widespread famine and drought.

However, the Pakistani peacekeepers, drawn from Frontier Force Regiment and deployed in Mogadishu airport, had initially some difficult time controlling Aideed's forces and the violent and disruptive activities of looters in Central Mogadishu. At one point Pakistani soldiers came under intense attack from

Aideed's forces, although the Mogadishu warlord had initially agreed to cooperate and allow the UN peacekeepers to carry out their security role at the airport. Although the local press had reported the loss of two Pakistani soldiers in this incident, Islamabad was quick to deny it.⁶ The deteriorating security environment in Mogadishu, the country's major port and unloading dissemination of food supply, not only became a major problem but also prevented the distribution of relief aid to other parts of the country. Hence, the Security Council under resolution 794 authorised the establishment of the US-led Unified Task Force (UNITAF) to enforce peace for the safe delivery of humanitarian assistance within the country. Following the take over of the UNOSOM by the UNITAF in December 1992, Pakistan not only expressed its willingness to work under the US-command but also agreed to provide more ground troops. At one point the former President George Bush phoned Nawaz Sharif to request for additional manpower support.⁷ Islamabad responded very positively to the demand and deployed another contingent of 880 troops and in subsequent months the size of the Pakistani contingent reached a total of 5000 troops.

This commitment continued even after the 5 June tragedy which lingers in public memory as one of UN's biggest peacekeeping debacle. This unfortunate incident happened when the Pakistani contingent was asked to carry out a weapons inspection check and subsequently, to neutralise Aideed's ammunition dump in accordance with the Addis Abbaba accord signed by all parties including the Mogadishu warlord. Despite this Aideed's forces launched an unprovoked attack and fired on Pakistani soldiers during the weapons inspection. Aideed justified this attack based on an assumption that the Pakistani peacekeepers were carrying out the inspection with a view to eventually capture a nearby radio station.⁸ Islamabad not only denied the allegations but also criticised the delay of some contingents, namely the Italian force, in providing cover for the Pakistani troops during the ambush.⁹ The Italian contingent, although operating under the auspices of the UN, had waited for instructions from Rome before it offered help to the Pakistani troops. Consequently, Pakistan suffered a severe loss of 24 soldiers.

However, the 5 June tragedy did not move Islamabad to terminate its participation in the Somalia operation. In a press conference following the killing of the Pakistani soldiers in Mogadishu Pakistan's foreign Secretary Shaharyar Khan rejected the option of a withdrawal. He said, 'we remained committed to UN peacekeeping efforts. We were the first country to enter Somalia wearing UN blue helmet and we believe in UN's peacekeeping role. We believe this role must be played effectively'.¹⁰ Concomitantly Pakistan presented a resolution, which was adopted by the UN Security Council, calling for punitive actions against Aideed and his forces. By this time the UN had taken over from UNITAF and renamed the peace operation as UNOSOM II, but the mission was still largely under the control and direction of the US. Some of the key influential policy makers advising the American Special Representative of the Secretary General (SRSG) T. Howe were from the US State Department.¹¹

⁶ 'Killing of Pak troops in Somalia denied', *The News* (Rawalpindi), 16 November 1992.

⁷ 'Pakistan to send more troops to Somalia', *The News* (Rawalpindi), 5 December 1992.

⁸ 'Pakistan seeks UN action against Somali warlord', *The Muslim* (Karachi), 7 June 1993.

⁹ 'FO expresses concern over delay in helping Pak troops in Somalia', *The News*, (Rawalpindi), 10 June 1993. See also 'An Outrage', *The News*, (Rawalpindi), 8 June 1993.

¹⁰ 'Pakistani troops to stay on in Somalia', *Dawn* (Karachi), 10, June, 1993.

¹¹ Robert G., Patman, 'The UN Operation in Somalia', in *A Crisis of Expectations: UN Peacekeeping in the 1990s*, ed., Ramesh Thakur and Carlyle A. Thayer, (Boulder, Colo.: Westview Press, 1995), pp. 88-95.

Pakistan not only continued to function as part of UNOSOM II but also became more active and joined forces with the US Army Rangers in hunting down Aideed and seeking justice for the death of the UN peacekeepers. This took several forms. First, the SRSG announced a reward worth \$25,000 to \$50,000 for Aideed's head. Second, Pakistan became part of the US plan for a full-blown ground assault aimed at capturing Aideed who was reported to have slipped away minutes before the raid started on 17 June 1993. It is alleged the US surveillance network has more than once caught Italian UN peacekeepers warning Aideed about the US plans to launch an attack against him.¹² The 'revenge' mission turned out to be a debacle resulting only in the capture of the US Rangers by Aideed's men. Pakistan played an important role in a joint operation with the US and Malaysian troops to rescue the American Rangers.

Meanwhile, policy-makers in Islamabad came under enormous pressure and were severely criticised for taking the American line which had turned the mission from a humanitarian-peacekeeping operation to a revenge-oriented mission. Senator Prof. Khurshid Ahmad, Naib Ameer of the Jamaat-i-Islami, criticised Pakistan for not limiting itself to a humanitarian role. He said, 'Nigeria, Zimbabwe, Botswana, Saudi Arabia, Egypt, Kuwait, the UAE, and even India, have taken that position. It is however unfortunate that American and Pakistani troops are the only major troops which are presently engaged in fighting, and there too, Pakistani forces were suffering major loses'.¹³ He also accused Nawaz Sharif's government of being 'part of the US objective of imposing imperialist hegemony on the world and also subverting "committed Muslims" like Farah Aideed'.¹⁴ The party also warned that Pakistan's policy in Somalia might go against a number of Muslim states and cause a rift in the Islamic bloc.

However, these criticisms did not stop Islamabad from further supporting the US-led operation in Somalia. To some extent, Islamabad's pro-US stance on the peacekeeping operation in Somalia won the admiration and interest of policy-makers in Washington. Consequently this resulted in the visit by top US officials, in particular the US President's Special Envoy and co-ordinator for Somalia, Ambassador James Dobbins, Rear Admiral Charles Abdoll and Ambassador Walter Stadler of the US State Department to Pakistan in December 1993. The main theme of this visit was to discuss the prevailing situation in Somalia and matters pertaining to the provision of more Pakistani troops. Consequently, in December 1993 Pakistan offered an additional 2500 troops to join the 5000 Pakistani soldiers already deployed in Somalia.

However, Pakistan's decision to commit more troops and respond positively to the US request raised further concerns at home, especially when Washington announced its decision to withdraw its troops by early 1994, following the loss of 18 American soldiers in the 3 October incident. This also triggered other troop contributing nations to withdraw. By March 1994 Italy, Belgium, France, Sweden, Germany, Turkey, Norway, Greece, Kuwait, Morocco, Republic of Korea, Saudi Arabia, Tunisia, Turkey and the United Arab Emirates had withdrawn their contingents, thereby reducing the force level from 28 000 to 15 000 troops. This caused greater pressure within Pakistan as the government came under attack for mis-using its soldiers in external missions. The Pakistani press published articles

¹² Following the US raid on Aideed, the Italian Force Commander General Bruno Loi was relieved from his duty by Kofi Annan

¹³ 'Senator Demands Withdrawal of Pak troops from Somalia', *The News* (Rawalpindi), September 1993.

¹⁴ 'Pakistan Must Avoid International Isolation', *Frontier Post*, (Peshawar), 26 June 1993.

indicating that Pakistan had merely fallen into 'America's peacekeeping trap' and that it has given in to the treatment of its soldiers as cannon fodder or 'America's footsoldiers'.¹⁵ Despite such domestic pressures Islamabad and the military remained committed to the peace operation in Somalia until the mission was shut down in March 1995.

Sources of Motivation

Islamabad justified its troop commitment and prolonged peacekeeping presence in Somalia on the grounds that it was a strong supporter of the UN and its cause for global peace and security.¹⁶ It also pointed out that Pakistan was committed to supporting Somalia, with which it shares historical relationships and special cultural and religious bonds as Muslim nations.¹⁷ However, beyond these pious platitudes of goodwill a combination of several political interests played a primary role in motivating Islamabad to participate and commit itself to the peace mission in Somalia. These interests are identified here.

First, Pakistan's readiness to be part of the US-led multinational force and to subsequently increase the size of its troop contribution can be singled out as part of Islamabad's aggressive diplomacy to re-establish strategic co-operation with the US in the early nineties. The Soviets' withdrawal from Afghanistan, the disintegration of the Soviet Union resulting in the end of the Cold War and the Gulf war of 1990-91 all significantly altered Pakistan's geo-strategic environment. In the early nineties the US suddenly started to become concerned about Pakistan's nuclear programme, an issue that was conveniently ignored throughout the 1980s when Pakistan became the 'front-line' state for the US pro-Mujahideen and anti-Soviet activities in Afghanistan. So important was Pakistan to the US at the time that 'Washington [even] undermined moves by US congressman to scuttle the aid relationship and forces through the Pressler Amendment in 1984'.¹⁸ However, the Pressler Amendment was revived in the early nineties when Washington received confirmation that Pakistan had already converted enriched uranium gas into material for a nuclear bomb and Islamabad was adamant not to give in to Washington's demands for 'capping' its nuclear program. This resulted in the suspension of all aid packages including the incomplete F-16 aircraft deal on 1 October 1990.

The change in Pakistan's geo-strategic environment became clearer when the US started to aggressively pursue a policy of engaging with Pakistan's major threat and adversary, India, in the early 1990s.¹⁹ Following its economic liberalisation in 1991, India started to attract large-scale foreign investment from sources such as IBM and Coca-Cola who were once embittered by India's closed-door economic policies. This investment has made a huge impact on the newly structured Indian economy. Moreover, India's emergence as a world leader in information technology (IT) has not gone unnoticed by Washington which has been forging closer ties with New Delhi as the latter has been producing IT powerhouses staffed by world class computer engineers and funded by foreign investors. It is

¹⁵ 'America's Peacekeeping Trap', *The News* (Rawalpindi), 4 August 1994.

¹⁶ '880 more Pakistani troops to go to Somalia', *The News*, (Rawalpindi), 31 December 1992.

¹⁷ *Ibid.*

¹⁸ Samina Yasmeen, 'Pakistan's Cautious Foreign Policy', *Survival*, Vol. 36 No. 2, Summer 1994, p. 116.

¹⁹ There is some scepticism as to the extent to which the Americans will support a once pro-Soviet and anti-American India. See Stephen Philip Cohen, 'The United States, India and Pakistan', in *India & Pakistan: The First Fifty Years*, eds., Selig S. Harrison, Paul H. Kreisberg and Dennis Kux, Woodrow Wilson Centre and Press, Washington D.C.: 1999, p. 195.

against the backdrop of this changing geo-strategic environment that Pakistan sought an opportunity to aggressively revive its relations with Washington in the early 1990s. Islamabad saw its involvement in UNITAF and continuous support for US requests for more ground troops as an opportunity to re-establish friendly relations with the US and at the same time persuade Washington to re-consider lifting the aid ban and the unsettled business of the F-16 aircraft deal.

A second source of motivation for Pakistan's prolonged peacekeeping commitment in Somalia stems from Pakistan's desire to demonstrate its credibility as an active and reliable peacekeeper and also to alter the growing negative images of Pakistan. The allegations against the government for its linkage with terrorist acts within its borders and also in Kashmir and Punjab in India, had not only strained Indo-Pakistan relations but had been a major factor adversely affecting Pakistan's international image. Participation in the Somalia peace operation provided an opportunity for Pakistan to alter this image. Pakistan saw Aideed's acts in Somalia as acts of terror which resulted not only in the critical loss of its soldiers but also in the massacre of almost 50000 local Somalis. The use of terror tactics such as rape, extortion and physical brutality were routine in Somalia. Women were the worst victims having undergone severe physical abuse and torture. Some incidents include: the rape of a nine-year old girl; a woman, eight month pregnant, gang-raped by 17 men who then killed the unborn child; and a woman shot in the head when she resisted gang rape.²⁰ While these incidents and violations of human rights impacted heavily on the locals, Pakistan was quick to justify its actions and continued its peacekeeping presence in Somalia on the grounds that it was fighting against terrorism. Subsequently, the Prime Minister Nawaz Sharif not only dismissed terrorism allegations against Pakistan as 'baseless' but also made it clear that Pakistan does not support international terrorism. 'Now it is evident to the world community that Pakistan not only condemned the terrorism in every part of the world but also believed in fighting against it', said the Pakistani leader.²¹

Thirdly, Pakistan's active participation in Somalia could also be viewed as part of the intra-regional competition between India and Pakistan in UN peacekeeping. Like Pakistan, India is a traditional peacekeeper, but the latter has participated in more peace operations than the former. For instance during the Cold War India participated in fourteen peace operations, beginning with its repatriation role in Korea in 1950. It also contributed almost 12000 troops to the first UN peacekeeping operation in the Sinai in 1956. In contrast Pakistan's Cold War participation in peace missions was limited and brief. It participated in only four peace operations and made a large-scale troop commitment only in West Irian in 1962.²² However, the early nineties started to see some changes in Islamabad's attitude towards peacekeeping. While peacekeeping gained an important place in its post-Cold War foreign policy agenda, Pakistan was also keen to compete with India's role in peace maintenance. This was demonstrated in Somalia where Pakistan not only emerged as the single largest peacekeeping contingent but its

²⁰ Approximately 65 per cent of the local population had one immediate family member subjected to the terror tactics and approximately 39 per cent of the population knew someone who had gone through one of these horrors of war. International Committee of Red Cross, *People On War*, Country Report (Somalia), Geneva: 1999.

²¹ 'Troops' martyrdom proves terrorism charges against Pakistan baseless: Nawaz', *The Nation* (Islamabad), 14 June 1993.

²² During the Cold War Pakistan participated in the peace operation in the Congo in 1960 where it contributed logistical support. It contributed 1500 troops to West Irian in 1962 and observers to Yemen in 1964 and to Namibia in 1989.

troop contribution (7500 troops) was bigger than that of India (5000 troops). Moreover, India did not deploy its troops until March 1993 because it refused to be part of the US-led mission.²³ This was an advantage for Pakistan given the changing geo-strategic environment in the early 1990s and its desire to re-establish ties with the US.

Lessons Learnt

While Pakistan's strong and prolonged peacekeeping commitment in Somalia highlight one of its major peacekeeping strengths as a reliable peacekeeper, two key lessons could be drawn from Pakistan's peacekeeping experience in Somalia. Arguably, these lessons have also shaped the nature of Pakistan's participation in post-Somalia peace missions.

Selective Deployment

The first lesson that Pakistan has learnt from its experience in Somalia is to deploy its troops subject to the provision and availability of adequate logistical support in mission areas. One of the major causes for Pakistan's initial setbacks in Somalia was the lack of firepower. According to Shaharyar Khan, Pakistan's foreign Secretary, Pakistani troops in Somalia 'did not have sufficient firepower or equipment to defend themselves against the [5 June] attack'.²⁴ This was due to failure of the UN to provide logistical support to some of its peacekeepers in Somalia. Indeed not all governments can provide their military with the necessary equipment for operating in UN peacekeeping operations abroad. In fact this is a problem for most third world peacekeepers that lack the resources to support themselves. Although the UN has no standing stock of such equipment, it is responsible for the procurement of logistical support and the provision of such assistance to under-equipped units.²⁵ However, this often results in several problems such as delays in the arrival of logistical support to mission areas and lack of standardisation of military equipment. Although Pakistan has demonstrated its capacity to readily provide troops, its ability to function in Somalia was greatly weakened by the lack of adequate logistical support and assistance, which should have been provided by the UN.²⁶

Although the UN took conscious efforts to quickly provide heavy weaponry to Pakistani forces following the 5 June tragedy, the death of its soldiers in Somalia resulted in Pakistan becoming more cautious and selective in despatching its soldiers in future peace operations. For instance although Pakistan had expressed its desire to participate in the peace mission to Bosnia-Herzegovina, Islamabad declined to contribute troops due to a lack of logistical support. In August 1993 Germany, in spite of its initial agreement, suddenly refused to provide heavy weaponry assistance to Pakistan. Although plans were underway to train and familiarise Pakistani soldiers to handle the new weapons system in Germany, Berlin passed a new law which denied the provision of its military equipment to troops belonging to another country unless Pakistan was willing to buy the equipment at

²³ India's decision to contribute ground troops came about in 1993 following the take over of the UNITAF by the UN, which also marks the second phase of the operation (UNOSOM II). The decision to deploy Indian ground troops came after much deliberation and debate based on a ground survey and study by two Indian delegates who had visited Somalia early in 1993.

²⁴ 'Pakistan Demands better equipment for UN forces', *Dawn* (Karachi), 7 June 1993.

²⁵ Boutros Boutros-Ghali, *An Agenda For Peace* United Nations, New York: 1992, p.31.

²⁶ 'Pakistan demands better equipment for UN forces', *Dawn*, 7 June 1993.

low rates.²⁷ After intense renegotiations with the UN, Pakistan then reconsidered its decision and deployed 3000 troops as part of the UN Protection Force in former Yugoslavia (UNPROFOR).

In 1996 Pakistan was once again approached by the UN to contribute troops in Bosnia, but as part of the NATO-led Implementation Force (IFOR). Although Pakistan was one of the 14 non-NATO countries that had consented to participate, Islamabad later declined to contribute troops due to differences with the UN. Pakistan's foreign office voiced its disappointment openly indicating that this was the second time that UN has caused a blunder in the provision of military support to Pakistani troops in Bosnia and it was not prepared to incur the additional equipment costs.²⁸ By November 1995 all the Pakistani troops who operated as part of UNPROFOR returned home. It was only when NATO agreed to bear part of the expenditure of the Pakistani troop deployment that Islamabad deployed another contingent of 3,000 troops in IFOR in early 1996.

Peacekeeping Doctrine and Approach

The second lesson that Pakistan has learnt from its peacekeeping experience in Somalia relates to the development of a new peacekeeping doctrine for and approach to managing intrastate peacekeeping operations. Indeed, one of Pakistan's major weaknesses in Somalia was the lack of a clear and independent peacekeeping agenda which resulted in developing an approach that increasingly focused on targeting individual elements. For instance, instead of engaging in humanitarian activities Pakistan joined forces with the US to track down Aided and his warring factions for killing the UN peacekeepers on 5 June 1993. But this shifting from the general to a particular target was costly to Pakistan.²⁹ That is, it later resulted in seriously jeopardising Pakistan's security movement and its ability to carry out its duty effectively. The targeting of Aided meant a loss of the impartiality and credibility of the peacekeeping force which transformed the UN peacekeepers to be increasingly seen as the new 'warlords' in Somalia.³⁰ Thus on several occasions Pakistani forces faced enormous difficulty in operating at the local community levels to implement humanitarian and peace building projects.³¹

Consequently, the Somalia experience played a critical role in shaping Pakistan military's peacekeeping doctrine, in which building community relations in mission areas also became a priority.³² In most peace operations of today the use of force is imminent and fighting impartially to establish a secure environment for peacekeeping operations becomes a major challenge. However, using force, against 'rogue' elements in mission areas, with the backing and broad support of local communities could help peacekeepers to reduce the risk of jeopardising their peacekeeping presence in the field.³³ In line with its peacekeeping philosophy, Pakistan took efforts to reshape its methods of preparing soldiers for peacekeeping

²⁷ 'Germany's Refusal to give arms delays Bosnia bound Pak Troops', *The New*, (Rawalpindi), April 1994.

²⁸ 'Pakistan not to send troops to Bosnia', *Frontier Post* (Peshawar), 25 March 1996.

²⁹ A.R. Sidiqi (Brig. ret'd.), 'UN Dilemma: Peacekeeping or Peace-Enforcement', *Defence Journal*, (Karachi) Vol.20, No.9-10, 1994, p.14

³⁰ Hari Charan Chhabra, 'Indian Peacekeeping in Somalia', *World Focus* (New Delhi), Vol.15, No. 10, Oct. 1994, p.18. See also Pat Towell, 'Risks of Peacekeeping Shown in Battle with Warlord', *Congressional Quarterly Weekly Report*, 51, 25 (19 June 1993).

³¹ 'Pakistani troops clash with Somalis', *Dawn* (Karachi), 19 September 1994.

³² Interview with Pakistan's Military. (ISPR) Rawalpindi, 1997.

³³ Charles Dobbie, A Concept for Post-Cold War Peacekeeping, *Survival*, Vol.36 No.3, Autumn 1994, pp.135-7.

operations. Firstly, the military has consciously taken steps to ensure that it deploys suitable military personnel who are able to operate at the community level and build popular support. This is important because of the need for an attitudinal change by soldiers. The Pakistani army has developed a rigid selection process that places emphasis on personal qualities such as patience, sensitivity to gender and differing cultures, understanding, calmness, and self-discipline.³⁴ Moreover, the Pakistani army has also developed a policy whereby soldiers are only given one UN assignment over the course of their military career.³⁵ This ensures that soldiers do not see peacekeeping as a career which could make them less committed in the long term. Immediate and appropriate measures have been taken to ensure that Pakistani soldiers and other personnel are well disciplined in the field. While such efforts have been taken to maintain high discipline standards in mission areas, Pakistan's approach to managing intrastate peacekeeping operations has changed significantly since its involvement in Somalia. A central focus in most of the peace missions has been to build a strong support base and increase interaction at the local level through community-oriented peacekeeping activities. Pakistan's role in some of the post-Somalia peace operations points to this.

One example relates to Pakistan's involvement in Bosnia-Herzegovina where the Pakistan Battalion (PAKBAT) deployed in the city of Tuzla focused on changing the attitudes of the locals so as to seek cooperation for the implementation of UN mandates. The Pakistani contingent launched some major civil affairs programmes including the establishment of two hospitals, called 'The Healers' in the towns of Vares and Dardevik.³⁶ These two 25-bed hospitals provided medical assistance to people in a 200km radius. The Pakistani Army's mobile medical team was also established to serve people who lived in the countryside and lacked mobility. Every ten days this team would travel to distant locations to provide medical treatment. The Pakistani government made a huge contribution by donating more than 1.7 tonnes of medicine to the Mayor of Tuzla.³⁷ Pakistan's civil affairs projects were quite successful and in fact won the praises of several individuals and organisations across the globe. The editor of the *Bosnian News Magazine*, Djanana Islamovic, wrote that: 'PAKBAT in Bosnia has not only protected us from the brutal assault of Serb Offensive but also has infused a new spirit into our lives. They have given us all sorts of humanitarian help, taught us the values of Islam and above all have given us a constant medical care in form of their hospital.'³⁸ In a letter to the Pakistan Ambassador in London, a Member of the British Parliament, Mr John who was on a month long visit as a volunteer driver on a convoy to Bosnia, wrote that the 'Pakistani battalion involved in UNPROFOR in Bosnia are doing a commendable job and that there is plenty of evidence of the hard work being done by Pakistani soldiers to repair roads and to help the people of that part of Bosnia'.³⁹

Another example is Pakistan's community peacekeeping in Haiti where PAKBAT engaged in civil affairs works such as building schools, installing new

³⁴ General Pervez Musharraf, (Former Director General Military Operations), *Military Peacekeeping Operations: Perspectives and Problems*, unpublished manuscript on Seminar Report on United Nations Peacekeeping Operations, Rawalpindi, 9-12 May, 1994.

³⁵ Interview with Officer at Pakistan Military Headquarters. Rawalpindi, 1997.

³⁶ 'Pakistani Peacekeepers in Bosnia', *The Muslim*, (Karachi) 28, November, 1994. See also Haq Nawaz, 'Peacekeeping: Pakistan Army on Humanitarian Missions', *Defence Journal*, (Karachi), Vol. 20, No. 9-10, 1994.

³⁷ *50 Years of Peacekeeping*, Pakistan Army in Service of Peace, Pakistan Military Document, Rawalpindi, Pakistan: 1995.

³⁸ *50 Years of Peacekeeping* (see n.21 above), p.41

³⁹ 'Pak Troops Doing Commendable Job in Bosnia', *The Nation* (Islamabad), 10 December 1995.

water pumps and constructing various recreational facilities for the public. The Pakistani contingent carried out its own food distribution programmes from the rations provided to the Pakistani troops for their own daily consumption. The Pakistan contingent's role in Haiti received high level praise from various foreign military officers and force commanders. For example, the force commander to Haiti, Brigadier General JR Pierre, commended the Pakistani contingent for its social skills which secured strong relations with the local population. He said, 'when you brought me through Cap Haitian, I was quite impressed by friendships the Pakistani troops have struck with the locals and their reaction at their arrival on all sites. It expresses their solidarity to the Haitians and their relentless determination to improve their quality of life. I would have been proud to serve with soldiers of such calibre'.⁴⁰ In recognition of the growing popularity of Pakistani troops in Cape Haitian both the SRSB and the Force Commander in Haiti, Brigadier General Pierre Daigle, recommended to the UN Secretary-General that Pakistan should be requested to stay on and be part of a new mission, the UN Support Mission in Haiti (UNSMIH), which was established under the UN Security Council Resolution 1063 of 1996. But UNSMIH had a smaller military component and its force level was reduced from three battalions to two. Pakistani troops not only made up one of these battalions, along with the Canadians, but also replaced the Bangladeshi contingent in Port Au Prince where it continued with its humanitarian work till November 1996.

Conclusion: The Future of Pakistani Peacekeeping

Since the early nineties Pakistan's participation in external peace operations has increased significantly in line with Islamabad's identification of UN peacekeeping as a top priority in its foreign policy agenda. Speaking in the General Assembly's Special Committee on Peacekeeping in 1992, Pakistani delegate Mateen-ur-Rehman Murtaza pledged Islamabad's increased support to United Nations activities in the area of peacekeeping around the world.⁴¹ In 1994, President Farooq Leghari pointed out that 'Pakistan not only values peacekeeping operations for the maintenance of general peace and security but has a commitment towards the role that Pakistan plays'.⁴² Pakistan's military which enjoys considerable influence in the country also expressed support. Pakistan's former Chief of Army Staff (COAS), General Abdul Wahid Kakar asserted that 'Pakistan's contributions to the United Nations peacekeeping operations will continue in keeping with its time honoured traditions of supporting right over wrong and freedom over oppression'.⁴³

In line with its new policy Pakistan's participation in UN peacekeeping operations abroad has gained significant momentum in the post-Cold War era. Up to December 2000 Pakistan has participated in 30 UN peace missions abroad and in total has contributed approximately 20000 troops and other ground personnel. Moreover, Pakistan has also adopted a policy of 'supporting peacekeeping operations without regards to the region or people involved'.⁴⁴ Subsequently, Pakistani soldiers have donned blue helmets in different parts of the world: the Middle-East, (Iraq-Kuwait); Asia (Cambodia and East Timor); Africa (Western

⁴⁰ Ibid. See also *50 Years of Peacekeeping*, op. cit.

⁴¹ 'Pakistan Praises UN Peacekeeping Operations', *Frontier Post*, (Peshawar), 15 November, 1992.

⁴² 'Pakistan Committed to UN Peace Cause', *The Nation* (Islamabad) May, 1994.

⁴³ 'Pakistan Army and Politics of Peacekeeping', *The Nation* (Islamabad), May, 1994.

⁴⁴ Gen. Abdul Waheed, 'Key Note Address', *International Seminar Report on United Nations Peacekeeping Operations*, Rawalpindi: Military Document, 9-12 May 1994, pp. 3- 9.

Sahara, Liberia, Angola, Sierra Leone, Congo and Somalia); Europe (Georgia, Macedonia, Prevlaka, Bosnia-Herzegovina, Eastern Slavonia); and the Americas (Haiti). Pakistan has also made simultaneous troop contributions in peacekeeping operations. For instance in the early 1990s Pakistan deployed an average of 1000 troops in each of the UN peacekeeping operation in Cambodia, Somalia, Bosnia-Herzegovina all at the same time. The Pakistan military has also established a permanent peacekeeping wing in its armed forces solely for the purpose of preparing and training soldiers for external assignments and duties. Pakistan has not only expressed a willingness but has also signed a memorandum of understanding with the UN for participation in the UN standby arrangements.

While these efforts have taken shape as part of Pakistan's proactive UN peacekeeping policy, Pakistan's future commitment to external peace operations is likely to vary in light of the growing security needs on both its borders in recent times. The ongoing hunt for Osama bin Ladin and the US-led anti-Taliban operation in Afghanistan, supported by the Musharraf regime, have resulted in Pakistan lining up its ground troops on the western border with a view to monitoring Al-Qaeda terrorist movements. Meanwhile the 13 December terrorist attacks on the Indian Parliament have aggravated already tense Pakistan relationship with neighbouring India. New Delhi has accused Pakistan of supporting cross-border terrorism and terrorists movements in the disputed territory of Jammu and Kashmir, which significantly has altered security situation on the borders. Islamabad's refusal to

time when we are facing a threat of war,"⁴⁵ said a Pakistani official. ■

⁴⁵ 'Pakistan's New Front Hits War on Terror', *The Times* (London), 29 December 2001.