



IPRI Newsletter

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National Conference



Group Photo: IPRI Staff Members with Chief Guest, Chair and Speakers of the Conference

Devolution of Power to Local Governments: Challenges and Reforms

Islamabad Policy Research Institute (IPRI) organized one-day national conference titled "Devolution of Power to Local Governments: Challenges and Reforms" on September 30, 2015 at Islamabad Hotel, Islamabad. The conference comprised of one working session, in addition to inaugural and concluding sessions. Lieutenant General (R) Abdul Qadir Baloch, Federal Minister for State and Frontier Regions, was the chief guest while Mr. Daniyal Aziz, Member of National Assembly, Chairman Boards of Directors, Devolution Trust for Community Empowerment (DTCE) and Ex-Chairman National Reconstruction Bureau (NRB), chaired the academic session. Three speakers were invited to speak at the conference that included: Professor Dr. Ishtiaq Ahmad Choudhry, Head Department of Peace and Conflict Studies, National Defence University (NDU), Islamabad; Mr. Azhar Bashir Malik, Chief Operating Officer, Devolution Trust for Community Empowerment (DTCE) and Mr. Muhammad Ejaz Chaudhary, Federal Secretary, Ministry of Inter-Provincial Coordination, Government of Pakistan. The speakers made presentations on following topics: Democracy at the Grass Roots Level, Fiscal Empowerment of Local Governments, and Balancing the Responsibilities of National, Provincial and Local Governments.

The salient points highlighted by the speakers during the conference are:

- It is a constitutional requirement that every province should establish a system of local government (LG) within its jurisdiction.
- The advantages of decentralization include moving government closer to the people, broadening the tax base and allowing alternative service delivery in social services sector.
- The municipal/village level activity is the main domain of the local government.
- The local government system introduced by General Pervaiz Musharraf laid down a detailed framework.
- The proper functioning of political system and political parties depends on the establishment of meaningful local government system as it was the first tier of democracy.
- The 18th amendment to the Constitution of Pakistan made a major contribution in decentralizing political power and it dealt with all the issues except the local governments.

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Devolution of Power to Local Governments: Challenges and Reforms

CONFERENCE SESSIONS

Academic Session



The session was chaired by Mr. Daniyal Aziz and Speakers included Professor Dr. Ishtiaq Ahmed, Mr. Azhar Bashir & Mr. Ejaz Chaudhry

Presentation of Mementos



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- The factors responsible for failure of local governments in Pakistan since its independence include: historical legacies of the colonial period and apprehensions towards the local councils.
- The main challenges facing devolution include: lack of awareness about local government, inadequate resources to support the effective implementation of devolution and lack of a clear understanding of the role of different institutions involved in the implementation.

Recommendations

- Fine tuning should be done by creating equilibrium between the responsibilities of the federation,

the provinces and the local governments.

- Since the future of democracy is tied up with the future of the local governments, provincial governments should ensure timely elections of local government.
- The decentralization of administrative and financial responsibilities to the grass root level is crucial for the smooth functioning of democratic system.
- The criterion for allocation of financial resources from the federal to the provincial government is on the principle of poverty and underdevelopment. Similar formula should be applied

while allocating the financial resources from the provinces to the district governments.

- The fully functional and independent local government could be ensued if the Provincial Local Government Commission works effectively to monitor the local government affairs without any interference by the provincial government.
- There is a need to set an educational criterion for all categories of members of local government system.



IPRI Review Meeting

Need for Rejuvenating Nationalism in Pakistan



Mr. Khurram Abbas, Assistant Research Officer in his presentation on "Need for Rejuvenating Nationalism in Pakistan" introduced the concept of nationalism and discussed positive and negative implications of nationalism along with prospects of its implementation in Pakistan.

The salient points highlighted

during the presentation are:

- In the history, nationalism has been reported as an outcome of common humiliation, common triumphs and common sufferings of a specific community.
- Pakistani nationalism refers to pride of the people in the geography, history, culture, heritage, religious identity and economic development of Pakistan, and optimistic visions for its future.
- Pakistani nationalism is not about animosity towards any other country or nation; rather it's about pride in Pakistan.

Recommendations

- Factors that may become source of demoralization of the nation should be addressed.

- Justice should be the binding force among various ethnic communities.
- National events should be celebrated to refresh memories of common triumphs.
- Community-based activities should be encouraged. Such activities increase people-people interaction.
- Revival of Pakistani cinema is vital to effectively contribute in depicting true picture of Pakistan.
- Curricula of primary and secondary education should be revised.

- Through media campaigns and curricula, national heroes should be promoted

Conclusion

Factors like improved security situation due to Operation Zarb-e-Azb, better economic situation, electoral politics based on governance and relatively mature behavior of media have positively contributed in national coherence.



Foreign Visit

IPRI Delegation Visits China



Group Photo: IPRI Delegation with CICIR Members



Group Photo: IPRI Delegation with CISS Members

Four-member IPRI delegation comprising of Mr. Muhammad Munir-Research Fellow, Mr. Muhammad Nawaz Khan-Research Officer, Ms. Asiya Mahar-Assistant Research Officer, and Ms. Aymen Ijaz-Assistant Research Officer visited China from 19-26 October, 2015 at the invitation of China Institute of Contemporary International Relations (CICIR). During the visit, IPRI delegation held bilateral institutional level discussions with members of China Institute of Contemporary International Relations (CICIR); China Institute of Strategic Studies (CISS) Beijing; Centre for South

- China wants friendly relations with Pakistan and Afghanistan. There is a possibility of Pakistan-China joint cooperation on Afghanistan. China is willing to act as an intermediary between Taliban and the Afghan government.
- The news of Mullah Omer's death had a negative impact on Pakistan's relation with the US and the ongoing peace talks. Pakistan should continue its efforts for peace talks in Afghanistan. During the "Heart of Asia" conference in Pakistan, Pakistan and India will get an opportunity to talk on Afghan issue.

India should keep doors open for dialogue.

- China is considered as an outside force in the South Asian affairs. For its fair image in the international arena, China believes that it has to continue its co-operation with all its South Asian neighbours.
- Chinese scholars appeared satisfied on the progress of the China-Pakistan Economic Corridor (CPEC).
- With US, China has dual relationship, i.e. of co-operation and competition.
- China is concerned that if Afghanistan is more fractured it can provide safe haven to IS.
- SCO has a significant role in global politics. China and Russia are looking forward to the reconciliation process for Afghanistan's stability. Pakistan-India SCO membership would provide them an additional forum for talks to resolve their bilateral issues.
- China's silk route can expand and more states such as Russia and Central Asian Republics can be included if Afghanistan issue is resolved. Hence, China welcomes Russia's support for the CPEC.
- China is interested to invest in the socio-economic development of Pakistan through CPEC. Out of the six corridors, CPEC, being a mega-pilot project is very important for the success of the remaining five. Chinese think tanks and officials laud the role of Pakistan in the global war on terror.
- Many Chinese scholars praised Pakistan's efforts and sacrifices in military operations particularly in Zarb-e-Azb. The Chinese showed interests in Pakistan's efforts of de-radicalization

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Group Photo: IPRI Delegation with Members of Centre for South Asian Studies, Peking University, Beijing

Asian Studies, Peking University (PKU) Beijing; Shanghai Institute for International Studies (SIIS), Shanghai; and Pakistan Study Centre, Fudan University (FDU) Shanghai.

The salient points discussed during the meetings between IPRI delegation and Chinese institutes are:

- According to Chinese scholars, Indo-China relations are based on challenges and opportunities. Chinese companies are cautious to invest due to the issues of land acquisition and law and order problems.
- Chinese scholars appreciate that Pakistan and

Foreign Delegation

Visit of Japanese Macro-Economic Review Mission



Two member delegation from Macro-Economic Review Mission of Japan International Cooperation Agency (JICA) visited IPRI on October 16, 2015 for discussion on "Assessment of Pakistan's economic position with a view to evaluating possibility of Japanese economic aid and loans to Pakistan. Dr. Noor ul Haq, Senior Research Fellow, IPRI, Col. Muhammad Hanif, Research Fellow, IPRI and Mr. Khurram Abbas, ARO, IPRI participated in the discussion.

Salient Points of the meeting are:

- In the past, Pakistan has achieved average annual real GDP growth rates of 6.8% in the 1960s and 6.5% in the 1980s.
- In the 1960s, Pakistan was seen as a model of economic development around the world.
- Pakistan's economic growth rate rose up to 9 percent during 2005-2008. In 2005, the World Bank reported, "Pakistan is the top reformer in the region and the number 10 reformer globally, making it easier to start a business".
- Due to high expenditure on fighting war on terror as a Non NATO ally, energy shortages and slowing down of the world economy, Pakistan's average growth rate remained 3.5% per year from 2008 to 2013.
- Presently the Government of Pakistan has reduced the budgetary deficit from 8 percent of GDP to 5 percent, inflation rate from 10 percent a year to 5 percent and enhanced the foreign exchange reserves from \$ 11 billion to over \$ 20

billion.

- Industrial Sector has registered a growth of 5.84% in 2014-15.
- Foreign Remittances amounted to \$12.9 billion in 2014-15.
- Pakistan's ranking rose to 97th compared to last year's 106th in Foreign Direct Investment.
- The IMF has projected real GDP growth of Pakistan to rise from current 4.24 percent to 4.7 percent in 2015-16.
- In future, Pakistan's growth rate is likely to further rise due to the expected rise in investors' confidence because of Pakistan Army's recent successes in the war on terror, improving relations with Afghanistan and Chinese investment in China-Pakistan Economic Corridor (CPEC).
- In 2015, Pakistan has regained the confidence of the foreign investors as is evident from the signing of agreements worth US \$ 46 billion with China.
- Reduction in inflation, control over the budget deficit and increase in foreign exchange reserves are indicators which also point towards increasing trends in Pakistan's economic growth.
- Currently, Pakistan stands as the 44th largest economy in the world with a GDP of US\$225.14 billion. According to Jim O'Neill, a British economist's projections by 2050, Pakistan would become the 18th largest economy in the

world by 2050 with a GDP of US\$3.33 trillion (almost the same size as the current German economy).

- The completion of the Gwadar Port and its linkage with the transport network of Central Asian Republics (CARs) and China will bring the additional economic gains to Pakistan in the coming decade. The ongoing public and private investment projects such as construction of new dams and reservoirs, rehabilitation of canals, barrages and lining of water courses, new power generation plants, Iran Pakistan gas pipeline, import of Liquefied Natural Gas (LNG), establishment of oil refineries would further increase economic and investment opportunities in Pakistan.
- Japan's External Trade Organization, Goldman Sachs, Overseas Investors Chamber of Commerce & Industry, Moody's Investors Service, Nielsen Global Survey of Consumer Confidence, Morgan Stanley have praised Pakistan's economy for its positive indicators.
- Pakistan is a safe country for investment. The regional connectivity through CPEC and Land Port Authorities (LPAs) at Torkham, Chaman and Wahga border would further improve economic situation of the country. Moreover, profit on investment in Pakistan is comparatively better in percentage as compared to other South Asian countries.

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Guest Lecture

India's Nuclear Cooperation with SEAP Region and its Impact on Pakistan



Mr. Shaukat Hassan, former DG Information and Training, Pakistan Atomic Energy Commission (PAEC), Islamabad visited IPRI on October 16, 2015 to deliver lecture on the topic, "India's Nuclear Cooperation with South East Asia and Pacific (SEAP) Region and its Impact on Pakistan." Following are the salient points of his lecture:

- The Prime Minister of India, Mr. Narendra Modi has urged Department of Atomic Energy (DAE) to triple the nuclear capacity of India in next five years.
- India's 12th five year Plan envisages, eight indigenous 700 MW Pressurised Heavy Water Reactors (PHWRs), eight Light Water Reactors of 1000 MW or higher capacity with foreign technical cooperation, two 500 MW Fast Breeder Reactors (FBRs), and one 300 MW Advanced Heavy Water Reactor (AHWR).
- The Nuclear Suppliers Group (NSG) comprising of states having the capability to supply nuclear and nuclear-related material is a group of 48 countries. It was created in 1975 soon after the nuclear test by India in 1974 to deny it further progress in its clandestine activities towards nuclear weaponisation. Ironically the NSG has now provided exemption to India from its stringent

requirements for nuclear trade. Consequently any NSG member country can now enter into bilateral supply of nuclear facilities, technology, equipment and components.

- Pakistan's scientific and technological base has gradually become broadened and diversified. Expertise has developed in several areas, including energy planning, site studies (seismology, hydrology, geophysics, meteorology, etc.), radioisotope production and application, nuclear regulatory infrastructure, nuclear science and technology application in agriculture, medicine and industry, laser technology, nano-science, etc. CERN Associate Membership has provided a boost to the scientific community in general and particle physicists in particular.

Conclusion

Mr. Shaukat Hassan concluded that the nuclear cooperation between SEAP region and India is based on strict conditions. There are least prospects of nuclear cooperation between SEAP region countries and India in the near future. He suggested that Pakistan should adopt look east policy and increase its cooperation with SEAP region countries.

Recommendations

- Pakistan requires enhancement of nuclear power in the overall mix of energy production.
- Pakistan should enhance its cooperation with Western countries for application of nuclear technology in agriculture, medicine and industry.
- New avenues for Human Resource Development in nuclear science and technology should be explored.
- More efforts should be made by Pakistan to have bilateral cooperation agreements with friendly countries for development and use of nuclear science and technology.

Visit of Japanese Macro-Economic Review Mission

Continued from p. 4

- The Japanese review mission, was of the view that Pakistan has insufficient resources for repayment of loans to various international agencies which are scheduled in 2017 and 2018.
- In next three years, with the completion of electricity projects, industry will quickly pick up

its growth rate and Pakistan will be able to increase the exports.

Conclusion

The improvement in economic situation of Pakistan was appreciated by the delegation. IPRI scholars reassured Japanese team that Pakistan is much safer place for foreign investment particularly after recent successes achieved in the

operation Zarb-e-Azb in North Waziristan. Many foreign investors have already started showing interest in investing in Pakistan. Keeping in view, the popularity of Japanese automobile and electronic products in Pakistan, IPRI scholars suggested to the Japanese delegation that. Japan should also invest in infrastructure development, railways, communication networks and IT industry.

IPRI Review Meeting

Power and Economic Shifts in Global System



- Asia's weight in the world economy has increased manifold. Asia is home to an increasingly significant regional organization in the shape of Association of Southeast Asian Nations (ASEAN). Asia's rapid economic growth over the last two decades has also been accompanied by a dramatic reduction in poverty. In East Asia and the Pacific region alone,

206 billion). Other US initiatives to strengthen economic ties with the regional states include the Trans-Pacific Partnership (TPP) and the Transatlantic Trade and Investment Partnership (TTIP). These US led trade arrangements are aimed at reinforcing US business opportunities/links in the region.

- Asia's economic growth raises the region's stature globally. However, the post-colonial identity coupled with the political/territorial disputes among the regional states; make the region the least integrated in the world.

Conclusion

Current global economic power structure has a multipolar dimension. The developed countries still retain the core position in the international power structure, with the emerging economies closing the gap on them. The US is no longer the single dominant superpower and needs to act more cooperatively in conjunction with China and a German-led Europe.

Ms. Amna Ejaz Rafi, Assistant Research Officer in her presentation on "Power and Economic Shifts in Global System" discussed trends related to the polarity of global economy, and the reconfiguration of global power centres.

The salient points highlighted during the presentation are:

the percentage of the population now living on less than US \$ 1.25 per day has dropped from 55 percent to only 17 percent.

- As regards, the US interest in Asia, the former has shown a much greater degree of activism in the region. The US is a Full Dialogue Partner (FDP) of ASEAN (US-ASEAN trade is US \$

Useful Information

- Before the Second World War, there was a multipolar order in which the power was concentrated in a few major centers: England, France, Germany, Italy, Japan, the US and the former USSR.
- During the 1980s, the power centers were the US, Western Europe, the USSR, China and Japan. In the 1990s, the implosion of the USSR and the communist regimes along with the rise of Southeast Asia gave birth to a multipolar economic system with three dominant global power centres the US, EU and Japan, around which gravitated other two economic growth poles China and India.
- Later, with the advent of globalization, open global economy expanded. The expansion led to the change of international economic order, a relative decline in the economic power of the US, EU and Japan coupled with the accelerated economic power growth of the emerging markets - Brazil, Russia, India and China - a group called BRIC or BRICS (if it includes South Africa).
- In 2010, China became the world's second largest economy, surpassing Japan. According to the IMF World Economic Outlook, China had already overtaken the US in PPP (Purchasing Power Parity) terms. The study projects that Indonesia (9th in 2014) and Brazil (7th in 2014) could rise to amongst the top 5 largest economies by 2050 in terms of GDP at PPP. Other notable developments are that Mexico (11th in 2014) and Nigeria (20th in 2014) are projected to rank 6th and 9th respectively by 2050 in terms of GDP at PPPs. The UK is expected to drop from 10th to 11th by 2050.
- The Chinese led 'Silk Road Economic Belt' the 'Maritime Silk Route' (often termed as the One Belt One Road OBOR) would physically connect the markets of Middle East, Europe and the mega-cities of East Asia. The China-Pakistan Economic Corridor (CPEC), linking Gwadar to China's Western city of Kashgar is also a part of OBOR. The One Belt One Road would initiate economic activity in the region, and would give a further impetus to China's economic growth.
- The G7 (the US, Japan, Germany, the UK, France, Italy and Canada), plus Australia, South Korea and Spain are among the current advanced economies. The seven largest emerging market economies collectively referred to as the E7 include China, India, Brazil, Russia, Indonesia, Mexico and Turkey.



IPRI Engagements

International Pugwash Conferences

Ms. Sobia Paracha, IPRI Consultant, attended the 61st Pugwash Conference on Science & World Affairs and the 9th International Student Young Pugwash (ISYP) conference held from October 30-November 5, 2015 held in Nagasaki, Japan.

"The ISYP: Prospects for Arms Control, Disarmament, and Nonproliferation: 70 years after the Hiroshima and Nagasaki atomic bombings," conference included 30 participants from 17 countries who presented papers on a broad range of subjects: regional security issues in Asia, Europe and the Middle East; nuclear disarmament; nuclear-weapon-free zones; and the importance of non-state actors and institutions in the de-legitimization of nuclear weapons.

Ms. Sobia presented a paper about the evolving sea based deterrents in South Asia. She highlighted the implications of the induction of Indian SSBN, Arihant for deterrence stability in South Asia and Pakistan's prospective Counter-measures.

Ms. Sobia also attended the senior Pugwash Conference held under the theme, "Nagasaki's Voice: Remember Your Humanity."



International Conference on 'Freedom of Expression: Global Politics of Emotions'



Ms. Asiya Mahar, Assistant Research Officer participated in a three-day international conference on "Freedom of Expression: Global Politics of Emotions" organized by the University of the Punjab in collaboration with the HEC and Punjab Government from Nov 2nd - 4th, 2015 at Avari Hotel, Lahore.

Five international and nine national keynote speakers took part in the conference. In addition, forty seven research papers were presented by international and national researchers.

Ms. Asiya presented her paper entitled "Study of factors that make Marketplace of Ideas a Harm to Practice" at the conference.



IPRI Delegation Visits China

Continued from p. 3

and rehabilitation of militants. They were of the view that there is a lot of scope for China to learn and co-operate in these areas.

- US role in South China Sea is a matter of concern for China as it has territorial disputes in that region.

Conclusion

The visit of IPRI's delegation to China was successful and productive. The IPRI scholars gave comprehensive and detailed presentations on situation in Afghanistan, Zarb-e-Azb, CPEC and Pakistan's relations with the US and India. The concerns and queries of Chinese scholars regarding the relevant issues were also addressed. The visit helped in exchanging ideas, views, and learning about each other's culture.



Group Photo: IPRI Delegation with Members of Shanghai Institute for International Studies (SIIS)

Publications by IPRI Scholars (October 2015)

**Air Cdr (R) Khalid Iqbal,
Non Resident Consultant**

“Takes Two to Tango”

(*The Nation*)

“Plight of Indian Muslims”

(*The Nation*)

“Fiction and Facts Surrounding
Pakistan!”

(*The Nation*)

“Reincarnation of Pakistan-US
Relations”

(*The Nation*)



**Col (R) Muhammad Hanif,
Research Coordinator**

“Pak-Afghan Peace for
Mutual Benefits”

(*Pakistan Observer*)

“Modi-led RSS Usurping
Minorities' Rights”

(*Pakistan Observer*)



**Asghar Ali Shad,
Research Fellow**

“Manzil Ha Kahan Teri”

(*Daily Pakistan*)

“Akhlaq Ki Maut ... Aur 2281 Ka

Bharat!” (*Nawa-i-Waqt*)

“Modi Hitler Ki Rah Par” (*Daily Pakistan*)

“Bharat Khana Jangi Ki Rah Par”

(*Daily Pakistan*)

“Shahryar Khan, Shiv Sena Aur Bharat ...!”

(*Nawa-i-Waqt*)



**Khalid Hussain Chandio,
Research Officer**

“Lowdown on Obama Doctrine”

(*Pakistan Observer*)

**Saman Zulfqar,
Assistant Research Officer**

“Pakistan's Four Proposals to

India” (*Daily Times*)

“Indian Secularism and its

Minorities” (*Daily Times*)



**Amna Ejaz Rafi,
Assistant Research Officer**

“UN Security Council &
Reform Debate”

(*Pakistan Observer*)

**Aymen Ijaz,
Assistant Research Officer**

“Zarb-e-Azb: Strengthening
Pak-China Ties”

(*Pakistan Observer*)

“Growing Hindu

Extremism”

(*The London Post*)

**Khurram Abbas,
Assistant Research Officer**

“No Light at the End of the
Tunnel”

(*Daily Times*)

“Revival of the Iranian Economy”

(*Daily Times*)



Addition to Our Library

Neither a Hawk Nor a Dove

Neither a Hawk Nor a Dove is the first comprehensive account by a Pakistani Foreign Minister who directly contributed in moving the peace process with India forward. The book provides a detailed analysis of the Kashmir issue and the complex Pakistan-US-Afghanistan-India quadrangular relationship.

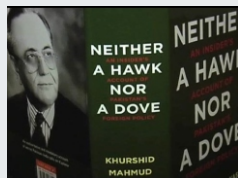
Neither a Hawk Nor a Dove

An Insider's Account of Pakistan's Foreign Relations
Including Details of the Kashmir Framework



Khurshid Mahmud Kasuri

OXFORD



About the Author Khurshid Mahmud Kasuri

23rd Minister of Foreign Affairs,
Pakistan (2002-2007)

Post-graduate in Public Administration and
Political Science

In the book, Mr. Kasuri speaks about his Indian counterparts, Pranab Mukherjee, Natwar Singh, and Yashwant Sinha, and also about Manmohan Singh and Atal Bihari Vajpayee. Rare insights are provided into the workings of the Pakistan Army, the contributions of the Foreign Office, and the author's relationship with President Pervez Musharraf. He also writes about Pakistan's vitally important and close relations with China, Saudi Arabia, Turkey, and Iran.

The narrative is intricately balanced with the author providing interesting anecdotes, both personal and political, alongside his observations on serious issues. Importantly, on foreign policy matters, he has shown objectivity in dealing with those on the other side of the political divide.



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