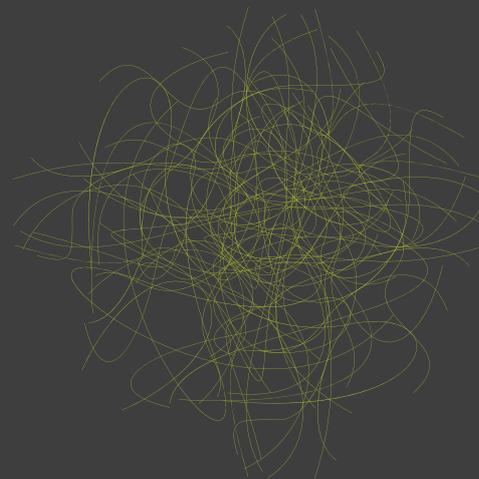


**Sources of Tension
in Afghanistan and
Pakistan: A Regional
Perspective**

**Pakistan:
Overview of
Sources of
Tension with
Regional
Implications
2015**

Safiya Aftab

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PAKISTAN: OVERVIEW OF SOURCES OF TENSION WITH REGIONAL IMPLICATIONS 2015

Safiya Aftab

Independent Analyst

After the upheavals of 2014, wherein the government faced a sustained street campaign from some opposition parties for the better part of the year, 2015 was a relatively stable year for domestic politics. Ironically, the improvement in government-opposition relations came after the country witnessed the worst terrorist incident in its history – the attack on the Army Public School in Peshawar, in which 132 children lost their lives, in addition to staff and other personnel. The incident, which had significant repercussions in terms of Pakistan's response to militancy, its relations with Afghanistan, and domestic law enforcement, cast a pall on the first few months of the year, with widespread shock and horror being expressed across the country and internationally. Political parties, civil society groups from across the spectrum, and the media, all demanded decisive action from the authorities, who responded by lifting the moratorium on the death penalty the day after the attack, and intensifying the ongoing military operation, or *Zarb e Azb* as it is named, in the North Waziristan region.

There was a noticeable reduction in the occurrence of terrorist attacks in 2015 – the South Asia Terrorism Portal records 3682 fatalities from terrorism in the year, compared to 5496 in 2014.¹ In fact, these were the lowest numbers recorded for a full year since 2007. Nevertheless, incidents of targeted killing motivated by sectarian divisions continued, as did violence against minority groups. The worst incident of sectarian violence occurred in the province of Sindh, when 61 members of the Shia community were killed in a suicide attack on January 30 2015. Similarly, 46 members of the Ismaili community were killed in an attack on a bus in Karachi in May 2015, while 15 people were killed in a suicide attack on a church in Lahore in March. The province of Balochistan remained in the grip of an insurgency, which remains largely under-reported and undocumented in the national press. All of the above were key domestic sources of tension in the country in the outgoing year.

1. See <http://www.satp.org/satporgtp/countries/pakistan/database/casualties.htm>
2. All data from the Annual Report of the State Bank of Pakistan, 2015. Table 1.1: Macroeconomic Indicators.

Pakistan's economy showed marginal improvement in 2015, with GDP growth for the fiscal year 2014-15 estimated at 4.2 percent, compared to 4 percent in the previous year.² The performance of both the commodity producing sectors remained disappointing, however, as both agriculture and industry missed their growth targets. Growth in agricul-

ture was estimated at 2.9 percent, compared to a target of 3.3 percent; while growth in industry was just 3.6 percent, compared to a target of 6.8 percent. Agricultural production was adversely affected by bad weather conditions, particularly unseasonal rain in March/April 2015 which had negative impacts on the wheat crop. Industry suffered due to continued energy shortfalls, and a flagging of international demand for key products such as cotton yarn and made-up textiles. Overall, the pattern of the last decade persisted, wherein the services sector continues to drive growth. The important gain of the last year was, however, the control of inflation, due largely to a drop in international oil prices. The average consumer price index dropped from 8.6 percent in fiscal year 2014 to 4.5 percent in 2015.

The government continues to implement a structural reform agenda agreed on with the IMF in September 2013, and has made some gains in tax administration, and in addressing long-term infrastructure development needs. For the longer term, it needs to stimulate growth in the commodity producing sectors, diversify international trade both in terms of products and markets, and try to attract foreign investment flows in addition to creating an enabling environment for domestic private investment.

Pakistan's relations with most of its neighbors remained stable in 2015, with some encouraging developments with regard to relations with Russia, and towards the end of the year, with India. This overview goes on to explore key sources of regional tension for Pakistan, and analyses the past year's (2015) trends, to suggest how the situation may evolve over the short term.

Sources of Domestic Tension with Regional Implications

The key sources of domestic tension in Pakistan in 2015 remain extremist violence and sectarian tension. A worrying development in 2015 has been the apparent attempt by the Islamic State (or Da'esh as it is known locally) to mark a presence in Afghanistan and Pakistan, beginning with recruitment into its ranks from amongst relatively well-off, educated groups in society. At least two high-profile targeted killings which occurred in 2015 were similarly traced back to university graduates, who, although not known to be affiliated with Da'esh, were nevertheless part of active extremist cells operating on campuses. This section of the paper examines these domestic sources of regional tension.

Militancy and Terrorism

The end of 2014 was marked, as mentioned earlier, by the horrific attack on the Army Public School in Peshawar. The government's immediate response was to re-instate the death penalty, a policy that was criticized by some civil society groups as being a "kneejerk" reaction. A more long-term move was the passage by parliament of the 21st amendment to the Constitution on January 6 2015, which is to remain in force for two years, and which provides constitutional cover to the trials of militants and extremists by military courts, specially constituted for the purpose.

Given that the initial executions were of persons involved in attempts on the life of the former President and ex-Chief of Army Staff, Pervez Musharraf, the government was criticised by some sections of civil society and rights groups for not doing enough to trace the whereabouts of the leaders of the Tehrik e Taliban Pakistan (TTP) which had claimed responsibility for the attack. Some political parties were also wary of the constitution of military courts for trials of terrorists, and the legality of the 21st amendment was challenged in the country's Supreme Court. In a landmark verdict in August 2015, however, the Court upheld the validity of the 21st amendment, essentially endorsing the military's direct role in combating terrorism.

The military intensified its operation in North Waziristan, albeit continuing with its policy of disclosing only the bare minimum of information about proceedings. On the first anniversary of the operation, in June 2015, the Inter-Services Public Relations (ISPR) disclosed that more than 2700 terrorists had been killed in the operation, along with about 350 army personnel. The masterminds of the attack allegedly remain in Afghanistan, but some of those who allegedly abetted the attack were executed in Pakistan in December 2015, following trials by military courts.

Perhaps the most enduring impact of the APS attack was the hardening of public opinion against terrorism in general and the TTP in particular. The change was particularly apparent in the statements of political parties and leaders, who had previously supported talks with the Taliban, and in general backed a policy of reconciliation, but now expressed support for an all-out assault on militant groups. Civil society groups used the opportunity to intensify campaigns against extremism and press for the arrest and/or capture of militant leaders, as well as certain clerics (notably the Imam of the Red Mosque in Islamabad) who had refused to condemn the incident. As noted before, the military operation against the militants has not succeeded in eliminating the terrorist threat entirely, but the year since the APS attack has been amongst the least violent in Pakistan since the militancy gained strength in 2007.

Sectarianism and Extremism

Although the total deaths occurring in incidents of terrorism did decrease in Pakistan in 2015, many significant incidents of sectarian violence did occur. As mentioned earlier, the highest casualties for a single incident occurred in the Shikarpur Shia mosque bombing in January. Other high profile incidents included the bombing of a Shia mosque in Peshawar in February in which 19 people were killed; the killing of 40 members of the Ismaili community in Karachi in May; and attacks on buses in Mastung district in Balochistan and in the Baloch capital of Quetta in May and October respectively, in which a total of about 35 people died. In another shocking incident, 20 labourers, most of whom belonged to the Punjab province, were killed in the Turbat district of Balochistan in April, allegedly by a separatist group. In a major attack on a non-Muslim community, a church was targeted with a suicide attack in Lahore in May.

While targeted killings and suicide attacks were featured in the headlines, a low level of repression of minority Muslims sects and religious minorities including Ahmedis and Christians continued, not least through the lingering threat of blasphemy accusations, and the increasing phe-

nomenon of kidnapping and forced conversions, particularly amongst young Hindu women in south Punjab and Sindh.

Pakistan's ongoing sectarian strife has particularly disquieting implications in a regional and international scenario where sectarian conflict is threatening to assume dire proportions. As discussed in the sections below, there is a real danger that the country will be sucked into the ongoing power battles between Saudi Arabia and Iran, who see themselves as leaders of the two major sects, and have intensified their rivalry in the wake of the wars in the Middle East.

The above points to the key sources of domestic tension in Pakistan. We now look at the sources of regional tension, in particular those related to Pakistan's relations with its neighbours.

Sources of Regional Tension

Relations with India

Pakistan's relations with India remained rocky in 2015, hitting new lows through much of the year, but then being salvaged somewhat towards the tail end. Relations had suffered a setback in August 2014, after India cancelled Foreign Secretary level talks in the wake of the Pakistani High Commissioner's meeting with Kashmiri leaders just prior to the scheduled meetings. In March 2015, however, the Indian Foreign Secretary visited Pakistan in what was seen as a welcome development. Although the talks did not result in any significant breakthrough, just the resumption of a dialogue at some level was a positive occurrence after the deterioration in relations and the upsurge in cross-border attacks in late 2014. The talks concluded with both sides pledging to reduce cross-border forays; and speeding up the judicial process (in Pakistan) investigating the roles of alleged perpetrators of the Mumbai attacks of 2008.

In further positive developments, the Prime Ministers of the two countries met on the fringes of the Shanghai Cooperation Organisation summit in Ufa, Russia, in July 2015. In this, the first meeting of the two men since Prime Minister Nawaz Sharif attended Prime Minister Modi's swearing in ceremony, a five point plan was announced. The key features of the plan included a pledge for the National Security Advisors of the two countries to meet in Delhi, in addition to proposed meetings between the Border Security Forces, and the DG Military Operations for both sides. The two sides also agreed to release imprisoned fishermen, typically captured for straying into the neighbouring country's waters; and to facilitate religious tourism across the borders. More important, both sides agreed to expedite the Mumbai case trials, with India agreeing to provide additional information to Pakistan.

The momentum of the Ufa talks could not be sustained, however, and proposed talks between National Security Advisors of the two countries were cancelled in August 2015, after the two sides could not agree on an agenda. India insisted that the talks should focus on terrorism, while Pakistan wanted a more wide-ranging agenda. In the post-cancellation period, relations again dipped to new lows, as the 50th anniversary of the

1965 war approached in September 2015. The lead-up to the anniversary saw an increase in incidents of cross-border firing both along the Line of Control in the restive Jammu and Kashmir region, but also along the border in the Sialkot district of Pakistani Punjab. Matters escalated to the point where Pakistan approached the UN's National Security Council in October. However, the UN refused to intervene, instead, urging both countries to resume a bilateral dialogue.

As tensions persisted, a degree of ice breaking took place during the UN Climate Summit in Paris in November 2015, when Prime Ministers Sharif and Modi were seen to exchange pleasantries. The National Security Advisors of the two countries, meanwhile, met in Bangkok and agreed to address issues of terrorism in a more comprehensive fashion. In a further encouraging development, the Indian External Affairs minister, Sushma Swaraj, arrived in Pakistan to attend a regional meeting on Afghanistan – the first time in three years since the last visit by a Foreign Minister. In a significant move, the two countries issued a statement pledging to resume the Composite Dialogue process, to be renamed as the Comprehensive Bilateral Dialogue, which had been in the doldrums for over five years.³

The real breakthrough, however, occurred on Christmas Day 2015 (also the birthday of the Pakistani Prime Minister, and the birthday of the Founder of Pakistan), when Prime Minister Modi made a surprise visit to Lahore on his way to Delhi from Kabul, where he had gone for the inauguration of the Afghan Parliament building. The visit, which had been kept under wraps by both sides, was seen as a significant development, and was noteworthy for its informal atmosphere and overtly friendly and personal atmosphere (the Indian Prime Minister attended one of the wedding celebrations of the Pakistani Prime Minister's granddaughter). Being the first visit of an Indian Prime Minister to Pakistan in over a decade, the visit was seen as a bold move by Prime Minister Modi.

As is always the case in Indo-Pak relations, the situation is changeable in the extreme. Once again the expectations generated by the Prime Ministerial visit were compromised when militants attacked an Indian Air Force base in Pathankot, near the border. The base was finally cleared after a standoff that lasted three days, and resulted in 13 casualties (6 militants and 7 soldiers).

The Pathankot attack has had an interesting fallout in that, although the Indian government has alleged the involvement of Pakistani citizens, and claims to have provided the Pakistani authorities of proof in this regard, it has been cautiously supportive of the Pakistani government's statements that the matter will be investigated at the earliest. As things stand in mid January 2016, scheduled Foreign Secretary level talks are scheduled to proceed later this month. Pakistan has also made significant progress towards meeting the demands of Indian authorities to investigate the Pathankot incident – on January 13 2016, the arrest of two men affiliated with the militant group Jaish e Mohammad was announced.

Normalisation of relations between the two countries is going to be a difficult and tortuous process, but plans for the resumption of a formal dialogue covering all major points of contention is a major step in the

3. The Composite Dialogue, which began in 1997, covers eight critical outstanding issues.

right direction. Although the chances of terrorist attacks disrupting any such process are high, both governments have shown maturity in this most recent instance, and have broken with tradition to keep the process alive. It is to be hoped that this positive atmosphere continues, and the two countries return to the negotiating table for the longer term.

Relations with Iran

Pakistan's economic cooperation with Iran could be considerably enhanced if the international community lifts sanctions against the latter, as is expected in 2016. The most obvious impact could be on the Iran-Pakistan gas pipeline project, which has not been rigorously pursued by the Pakistan government due to a fear of reprisals from the international community. In September 2015, the Pakistani Minister for Petroleum and Natural Resources announced that the construction of the pipeline on the Pakistani side will commence in 2016 and is expected to be completed by December 2017. The construction is to be undertaken by a Chinese contractor.

In general, Pakistan's relations with Iran in 2015 were helped by the fact that the country took a cautious approach to the wars in the Middle East, and did not involve itself directly in any sectarian conflict, in spite of facing considerable pressure from Saudi Arabia in this regard (see section on Pakistan's relations with Saudi Arabia for details). Nevertheless, the issue of incursions from Pakistan's Balochistan province into Iran did arise during the year, with two incidents (one occurring in July and one in October) where Iranian border guards fired shells into Pakistani territory, allegedly to deter militants. Iran also continues to be concerned about ongoing sectarian violence, particularly the targeting of the Shia community, in Pakistan. Relations between the two countries, however, by and large remained stable in 2015.

Relations with China

Pakistan's relations with China went from strength to strength, and economic cooperation remained a major focus. Work on the China Pakistan Economic Corridor (CPEC), which covers a range of energy and transport infrastructure projects, has begun. Pakistan's commitment to CPEC can be gauged from the fact that the country has committed a force of 10,000 troops, 5000 of whom belong to the elite Special Services Group, to protect the transport and infrastructure routes, and specifically to provide security cover to Chinese personnel working in Pakistan.

The work on the projects has, however, been plagued by concerns over transparency, and allegations of neglect from political parties based in the western provinces of Khyber Pakhtunkhwa and Balochistan, who allege that the routes of the proposed highways have been changed to favour the more developed eastern provinces, mainly Punjab. Concerns were also expressed, most notably by the country's central bank, the State Bank of Pakistan, over the modes of financing to be adopted to implement the project, with the Bank's Governor pointing out that the government is not disclosing how much of the proposed \$46 billion to be spent on CPEC schemes will come from debt and

equity respectively. The government finally reacted to this ongoing criticism by discussing some details of the programme on the last day of the year. On December 31 2015, the Finance Minister disclosed that \$34 billion out of the total would consist of private sector investment. He also agreed that the framework agreement governing the CPEC projects would be made public. Two weeks on, though, this has yet to happen.

While economic cooperation between the two countries has received more coverage in recent years, China has demonstrated strong political support for Pakistan. In April 2015, the Chinese President Xi Jinping paid his first state visit of the year to Pakistan – the first time a Chinese President visited the country in almost a year. The landmark visit was marked by the signing of a slew of agreements which constitute part of the CPEC.

Relations with Russia

As ties between India and the US strengthen, and the US replaces Russia as India's biggest arms supplier, the previously adversarial relationship between Pakistan and Russia has also begun to soften. The military operation in North Waziristan further strengthened possibilities of cooperation, as Russia's long-standing allegation of Pakistan providing a safe haven for Chechen and Uzbek militant groups was addressed. 2014 was a landmark year for Pakistan- Russia relations as the two countries inked a defence cooperation agreement, which involved Russia selling a range of equipment, including military helicopters, and possibly fighter jets, to Pakistan. Although India had expressed strong reservations about the pact, Russia was not deterred and has proceeded with sales to Pakistan. The Pakistan Army was one of 6 forces which participated in war games in the Russian far east in August 2015.

Military cooperation is not the only link between the two countries – Russia has also expressed interest in investing in Pakistan's energy sector. In July, Russia welcomed both Pakistan and India as permanent members of the Shanghai Cooperation Organisation (SCO), which would open up avenues for Pakistan to explore energy imports from Central Asia, among other forms of economic cooperation. Russia also played the role of a behind the scenes facilitator for the meeting between the Indian and Pakistani Prime Ministers at the fringes of the SCO summit in Ufa – a meeting that eventually led to significant ice-breaking initiatives by the end of the year.

In October 2015, Pakistan and Russia signed an agreement for the construction of an LNG gas pipeline from Lahore to Karachi, with \$2 billion of Russian investment. The pipeline will be built using the Build Own Operate Transfer (BOOT) model, and will be handed over to Pakistan operations 25 years after its completion in December 2017.

Pakistan's improved relations with Russia are amongst the positive features of the country's foreign policy over the last two years. The level of cooperation is expected to increase over the next year, with military cooperation remaining in the forefront, but economic cooperation, particularly in the energy sector, proceeding apace.

Relations with Saudi Arabia

Saudi Arabia and Pakistan have traditionally had a close relationship, and the Saudi royal family has particularly close ties to the leaders of the current regime in Pakistan. Saudi Arabia has stepped in from time to time to provide financial support to Pakistan in difficult times, most recently, when the Saudi government made a “gift” of \$1.5 billion to Pakistan in March/April 2014, soon after Pakistan supported the Saudi government’s stance on regime change in Syria.

In 2015, Pakistan consistently steered clear of being too closely associated with a Saudi-led alliance of Sunni states collaborating against Houthi rebels in Yemen, and then against the Syrian regime. In spring of 2015, as the war in Yemen commenced, the Saudi government communicated in a press statement that Pakistan was one of five countries, in addition to five Gulf countries, who would be taking part in a military offensive against the Houthi rebels. Pakistan was specifically mentioned as being willing to dispatch jet fighters and warships to participate in the mission.

Pakistan’s Foreign Office, however, denied that the country had any such plans, and the country’s political leadership also demurred from making any such commitment. The matter was finally taken to Parliament, with a joint session specially being convened to discuss the issue. After five days of deliberations, the Parliament issued a resolution on 9 April 2015 stating clearly that Pakistan should “maintain neutrality in the conflict,” and play a positive diplomatic role to be able to bring about an end to the crisis. The resolution added that Pakistan would always be willing to “defend Saudi Arabia’s territorial integrity,” but also noted that the conflict had the potential of turning into a sectarian war, and as such Pakistan would not be party to it.

The Pakistani parliament’s resolution was largely welcomed by civil society and political leaders, but also sent a wave of trepidation through the country as policymakers debated the possible fallout of the decision. In the event, though, the response from Saudi Arabia was relatively muted and the Yemen campaign proceeded without help from Pakistan. Nevertheless, relations between the two countries cooled somewhat in the aftermath of the parliament’s resolution. In July, Prime Minister Nawaz Sharif visited Saudi Arabia, and set the stage for a thaw in relations. This was followed, in November, by a visit by Pakistan’s Chief of Army Staff (COAS) to the Kingdom, which included an overview of joint military exercises. It appeared that the two sides had agreed to disagree on Yemen, and not let the Parliamentary resolution disrupt the special relationship that the two countries have historically enjoyed, and which the current regime in Pakistan is particularly invested in.

Towards the end of 2015, though, Pakistan was once again under pressure to demonstrate its commitment to maintaining good relations with the Kingdom. In December 2015, Saudi Arabia announced the formation of a 34 nation coalition of states (all of whom happen to be Muslim states with Sunni majority populations) to fight the Islamic State. While opposition to the Islamic State, or Da’esh is part of Pakistan’s declared war against terrorism, the country was once again wary of joining a coalition perceived to have a strong sectarian hue. Given that the proposed coalition does not include key Muslim states, albeit those that have sizable Shia populations

(Iran, Iraq, Lebanon, Syria), Pakistan's inclusion would cement a shift towards the Saudi Kingdom's leadership of a Sunni force, which could, in theory go on to adopt a more aggressive posture against majority Shia states. Once again, Saudi Arabia's announcement of Pakistan's name as one of the 34 countries constituting the coalition caused a rush of confused statements within the country, with the Foreign Office denying that Pakistan had made any commitment to join a coalition, but that it had pledged to defend Saudi Arabia's territorial integrity. Once again, Pakistan's position remains ambiguous, and while it is unlikely to formally join the coalition, its close relationship with Saudi Arabia can lead to questions about its long-term strategy.

Conclusion

Pakistan's political and security crises were somewhat defused in 2015. The year began with a backlash against a particularly repugnant terrorist attack, and ended with the country again having to demonstrate its commitment to combating terrorism emanating from its territory.

The country's relations with regional powers have largely remained stable, with some notable positive developments, including with India and Russia. Relations with China have traditionally been good, based as they are on economic cooperation. These ties will remain strong in the short to medium term, given the Pakistan government's policy of allowing China preferential access to infrastructure projects in the country. Relations with Saudi Arabia are strong, but have repeatedly been strained by Pakistan's reluctance to commit to joining the Saudi "camp" in the Middle East conflicts.

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