

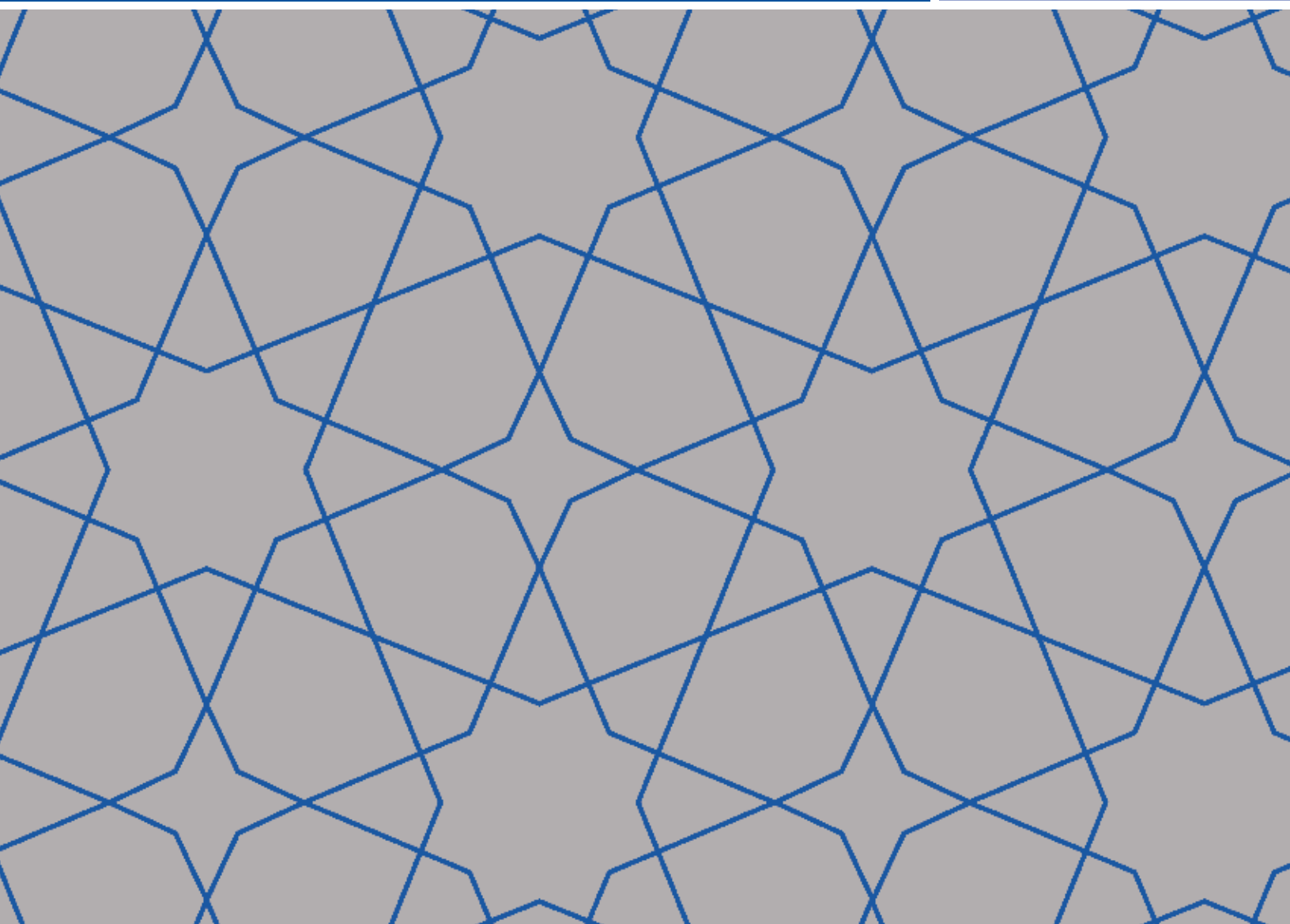
PAKISTAN 2020

A Vision for Building a Better Future

BY HASSAN ABBAS



Asia
Society®



ASIA SOCIETY PAKISTAN 2020 STUDY GROUP REPORT

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May 2011

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In the words of the legendary poet, Faiz Ahmed Faiz, whose centenary is being celebrated in 2011:

*We shall see / certainly we, too, will see /
that day that has been promised us*

*When these high mountains
Of tyranny and oppression / turn to fluff
And evaporate*

*And we oppressed
Beneath our feet will have
this earth shiver, shake and beat
And heads of rulers will be struck
With crackling lightening and
thunders roar.*

*When from this God's earth's (Kaa'ba)
All falseness (icons) will be removed
Then we, of clean hearts—condemned by zealots those keepers of faith,
We, will be invited to that altar to sit and Govern—
When crowns will be thrown off—and over turned will be thrones*

*We shall see / certainly we, too, will see
that day that has been promised us*

*Then God's name will remain (Allah will remain)
Who is invisible and visible too
Who is the seer and is seen
Then will rise one cheer—I am God!
Who I am too
And so are you
Then the masses (Khalq e Kuda) people of God will rule.
Who I am too
and so are you*

“Hum Dekhenge”

(translation by Maniza Naqvi)

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Foreword

Pakistan's population of more than 180 million ranks sixth highest globally. Pakistan is the second-largest country in the world with a predominantly Muslim population and holds a key geostrategic location, sharing international borders with India, China, Iran, and Afghanistan, as well as a 700-mile coastline along the Arabian Sea touching on the Persian Gulf. With a standing army of half a million, the Pakistani government is one of very few in the world in possession of nuclear weapons—more than 100 by some estimates. Beset with serious challenges, including terrorism, religious extremism, underdevelopment, and chronic political instability, Pakistan's future is of vital importance, both regionally and globally.

A relatively new state, Pakistan is in the process of establishing itself as a nation that can cope with the pressures of globalization, which can involve massive institutional changes and fierce resistance. The blueprint for a modern state is already in place, but upheavals caused by ongoing regional rivalries, insurgency in the Afghanistan–Pakistan tribal belt, and Iran's contentious relations with the West all are contributing to an increasingly volatile regional environment. While Pakistanis repeatedly have succeeded in reverting to democratic governance after long periods of martial law, it remains to be seen whether the dominant civilian political forces in the country have the capacity to create an atmosphere that is conducive to the establishment of resilient democratic institutions.

This Asia Society report, *Pakistan 2020: A Vision for Building a Better Future*, assesses the myriad political, economic, and security challenges facing Pakistan today and provides a set of recommendations for how the country can begin to pave a prosperous path toward peace and stability in the coming decade. While acknowledging that the security situation in Pakistan has linkages with the ongoing war in Afghanistan, this report focuses primarily on Pakistan's internal crises and offers a road map for establishing stability, a sustainable democratic order, and a pluralistic society as a way to strengthen and develop the country in service of its population.

The report reflects the overall thinking of a Study Group convened by the Asia Society to focus on seven core issues that are essential to realizing a sound future for Pakistan by 2020. By examining what is possible and projecting a vision of what the country should strive to be working toward in the coming decade, the recommendations presented in this report focus on democratic institutions, the rule of law, the development sector, the energy infrastructure, recovery from the 2010 floods in Pakistan, internal security, and the peace process with India.

Given ever-increasing concerns about Pakistan's stability and its impact on the region and beyond, it is not surprising that there has been a flurry of studies on Pakistan in recent months and years. The Asia Society Pakistan 2020 Study Group seeks to contribute to the thinking about Pakistan's future by offering three unique and mutually reinforcing dimensions. First, this Study Group is the first in recent years to include a significant number of leading experts from Pakistan *and* the United States, representing a range of sectors in both countries. Second, rather than viewing Pakistan exclusively through a security lens, the Study Group set out to examine the crises in Pakistan in a broader and more comprehensive context. A myopic focus on security challenges is problematic, as economic challenges, perennial political tussles, and resource scarcity problems in Pakistan are of equal, if not greater, concern to the future of the country. Finally, rather than dwelling on what is going wrong and resorting to quick fixes, the Study Group focused on generating pragmatic and durable policy recommendations aimed at improving Pakistan's future prospects with a long-term vision.

This report, however, is not meant to represent a consensus among all the members of the Pakistan 2020 Study Group. It presents the findings and conclusions reached by the project director and the report's principal author, Hassan Abbas, through consultations with Study Group members. While individual members may disagree with some parts of the report, the Group broadly supports the overall set of recommendations.

This report went to print as the news of Osama bin Laden's death surfaced. As the United States and Pakistan face an extremely difficult moment in their bilateral relationship, our hope is that the recommendations provided here will help policy makers in both countries and in the broader international community to formulate the best and most effective decisions to set Pakistan on a progressive path by 2020. Moreover, the ideas for reform contained in this report are directed at civil society actors in Pakistan, who in recent years have started to play an increasingly important role.

On behalf of the Asia Society, I would like to thank the members of the Pakistan 2020 Study Group for dedicating their experience and expertise to this enterprise. I am especially indebted to Hassan Abbas for ably directing the project and for bringing his deep knowledge of Pakistan to bear in penning this report. My thanks go as well to Suzanne DiMaggio, Vice President of Global Policy Programs at the Asia Society, for skillfully overseeing all aspects of this initiative, and project manager Robert W. Hsu for supporting the many moving pieces from the initial stages to the final product. Special thanks are due to Shahan Mufti for his help in writing this report, Timothy Orr for coordinating meetings with Study Group members, and Yasser Kureshi, Kinza Hasan, and Cynthia Lee for providing research assistance.

During the course of this project, valuable insights were gained from interviews with senior Pakistani government officials, including Tariq Pervez, former Director General of the National Counterterrorism Authority; Tariq Khosa, former Director General of the Federal Investigation Authority; Khawaja Mohammad Asif, Member of the National Assembly of Pakistan; Ambassador Nazar Abbas; Amjad Bhatti, Advisor in the Ministry of Information, Islamabad; and Owais Ahmed Ghani, former Governor of Khyber Pukhtunkhwa Province. I gratefully acknowledge their valuable insights. Useful feedback

for the report was also gained from interviews with students at Government College University in Lahore, Pakistan and the School of International and Public Affairs at Columbia University in New York. I also wish to thank the Lotte Group for generously supporting this effort.

Finally, this effort began under the keen eye and passionate commitment of Asia Society's former Chairman, the late Richard C. Holbrooke. Asia Society dedicates this report, and our ongoing work and programming on South Asia, in his memory, with deep gratitude for his legacy in international relations and his service in this region in particular.

Vishakha N. Desai

President, Asia Society



Executive Summary

In recent years, Pakistan has stumbled from one crisis to another. A number of political and socioeconomic challenges threaten to further destabilize a country that already is reeling from insurgencies along its northwestern border. Pakistan's newest democratic government is struggling to maintain control over parts of its territory where militant religious groups are intent on challenging its authority and legitimacy. The country's conflict with India over Kashmir, now in its seventh decade, appears as intractable as ever, and the war in neighboring Afghanistan has deepened instability throughout Pakistan. The transition from a near-decade-long rule under a military dictatorship is slow and complicated, as rampant corruption and politicization of the bureaucracy present huge obstacles to the state-building process.

Although Pakistan's vibrant civil society, relatively open media, and the rise of an independent higher judiciary provide some glimmers of hope, poor economic and development indicators coupled with worrying demographic trends pose serious challenges to the well-being of millions of Pakistanis. Energy shortages have worsened in recent years, and the destruction caused by the floods of 2010 has exacerbated the country's many strains. In short, how Pakistan manages these challenges in the coming years will have great consequences for its future prospects.

While recent reform efforts in the higher judiciary and constitutional amendments to strengthen democratic institutions and expand provincial autonomy signal a positive trajectory for the country, sustaining democratic governance is complicated by radicalization and violence perpetrated by an intolerant and extremist minority in the country. Terrorist attacks on respected and cherished Sufi shrines throughout Pakistan and high-profile assassinations—including the January 2011 killing of Salman Taseer, the governor of Punjab, and the assassination of Shahbaz Bhatti, Pakistan's only Christian cabinet minister, in March 2011—illustrate the lengths to which religious extremists in Pakistan will go to silence opposition voices in the country. And rather than condemning these acts of vigilante justice as un-Islamic, the government's slow and timid response to the violence has allowed voices of intolerance to gather strength.

Preventing Pakistan from further deterioration will require a sustained, long-term commitment from the government of Pakistan, the United States, and other international stakeholders to promote genuine reform in the coming decade. This commitment must be enshrined in a comprehensive package of policies aimed at promoting sustainable constitutional democracy, credible and effective rule of law and law enforcement, a significant expansion and improvement of the education and health sectors,

and a peaceful resolution of the conflict with India. Economic growth and foreign investment in Pakistan arguably will follow such progress.

In Pakistan, there is a growing consensus about the need for reform, but the resources and will that are required to plan, support, and implement such an agenda remain elusive. In this context, the role of private and public sector media in preparing Pakistani society and the state for competition in the global economy and in creating a culture of innovation cannot be overlooked.

For this report, the Asia Society Pakistan 2020 Study Group focused on seven core issues that are essential to realizing a sound future for the country by 2020: (1) strengthening democratic institutions; (2) strengthening the rule of law; (3) improving human development and social services, especially in health and education; (4) developing the energy infrastructure; (5) assisting the victims of the 2010 flood in their recovery; (6) improving internal security; and (7) advancing the peace process with India. This report is not meant to represent a consensus among all the members of the Pakistan 2020 Study Group. Rather, it presents the findings and conclusions reached by the project director and the report's principal author, Hassan Abbas, through consultations with Study Group members. While individual members may disagree with parts of the report, the Group broadly supports the overall set of recommendations.

Civil-Military Relations and Democracy

The democratic leadership of Pakistan is struggling to consolidate and strengthen civilian-led democratic institutions in a country that has been ruled by military generals for half of its existence as an independent state. In this context, one of the most important challenges facing Pakistan is the military's dominance of the country's fiscal priorities and strategic calculus. For civilian institutions to take root and flourish over the next decade, the process of democratization must continue. The following course of action should be pursued to strengthen democratic governance in the country:

- A strict adherence to term appointments for armed forces personnel by the civilian leadership will support the professionalization of the Pakistani military.
- Making the expenditures of the Pakistani military more transparent is critical and will require enacting parliamentary legislation through a legislative process similar to those followed by many governments worldwide.
- Civilian supremacy in the Pakistani army can be established through the development of internal mechanisms, for example, by emphasizing democracy in military academies, making the Pakistani military's budget transparent, and involving civilians in strategic decision-making processes.
- The interests of the United States and other important allies of Pakistan will be better served by giving priority to strengthening relations with the democratic leadership and institutions of the country.
- Achieving stability in Pakistan and strengthening democratic traditions in the coming decade will require all major Pakistani political parties to hold regular elections and enact term limits for

their leaders, limit the areas where candidates can contest an election to their home constituencies, and establish a transparent mechanism by which funding can be provided to low-income candidates.

Rule of Law and the Judiciary

The weaknesses of Pakistan's judicial system not only pose a serious challenge to access to justice, but also hinder the fight against terrorist groups. In the most basic sense, the rule of law in Pakistan must aim to protect the rights of citizens from arbitrary and abusive use of government power. A functioning judiciary is a fundamental element of any society's rule of law. Expanding reform efforts from higher to lower judicial levels of the system will be critical for Pakistan in the coming years. The following measures should be carried out to strengthen the rule of law in Pakistan over the coming decade:

- The 2002 Bangalore Principles of Judicial Conduct—which stipulate that, in addition to independence, the values of impartiality, integrity, propriety, competence, diligence, and equal treatment of all before the courts are essential to proper judicial conduct—must be followed.
- Respecting the separation of powers enshrined in the constitution, as well as placing reasonable limits on the Supreme Court's use of *suo moto* powers, will contribute greatly to the enhancement of the rule of law in Pakistan.
- Security for judges, especially for those in lower courts hearing sensitive cases such as those concerning blasphemy and terrorism, must be enhanced.
- The United Nations Convention on the Elimination of All Forms of Discrimination Against Women needs to be ratified without delay.
- The National Judicial Policy should be implemented, with an emphasis on provisions calling for oversight, disciplining corrupt and inefficient judicial officers, setting a timeline and establishing special benches for prioritizing cases that can be fast-tracked, and funding courtroom construction and the hiring of judicial officers and administrative staff.
- In the Federally Administered Tribal Areas, the Pakistan government and Supreme Court must establish as a matter of priority a functioning judicial system with civil and criminal courts and a reformed legal code to replace the outdated and irrelevant Frontier Crimes Regulation.

Human Development

Poor governance and weak institutions have eroded the Pakistani public's confidence in the government's capacity to address their everyday needs. Pakistan currently ranks 125th (out of 169 countries) on the United Nations Development Programme's Human Development Index. The government is investing little in socioeconomic development, which also is hindering the growth potential of Pakistan's economy and depriving people of opportunities to live a satisfying life.

Education

Given the dire crisis in education in Pakistan today, the country will not achieve universal primary education by 2015, as set forth in the United Nations Millennium Development Goals. The focus should

be on getting as close to the goal as possible by 2015, with a renewed commitment to achieve universal primary education by 2020. As a first step, Pakistan must immediately raise its public expenditures on education from less than 1.5% to at least 4% of gross domestic product, and by 2020, the expenditures should be set to at least 6%. Without making this minimal commitment, a reversal of the worrying trends in the education sector is unlikely to occur. An immediate increase in public expenditures on education to at least 4% of gross domestic product should target the following priority areas:

- Devising and implementing an accountable and predictable system of teacher recruitment, hiring, payment, retention, and training, as well as promotion based on merit, achievement, and outcomes will greatly improve the quality of education and teacher performance in Pakistan.
- The introduction of curriculum reform focusing on a life-skills-based approach to education will promote real-world applications of creative thinking and analytical reasoning.
- Developing a robust central regulatory system will contribute to the maintenance of standards and the collection of timely data on service delivery, operations, infrastructure availability, fiscal flows, learning achievements, teacher performance, and school outcomes in the education sector.
- A dynamic set of institutionalized relationships should be established between the central regulatory mechanism and the autonomous and independent subnational government units responsible for service delivery.
- Separating the higher education function completely from the primary education function and enacting legislation to provide specialized management and authority over higher education institutions will ensure greater regulatory control.
- Madrasa reform can be achieved through strategies for curricular improvement. Public school curricula should be devised, designed, and monitored by provincial governments and combine religious and secular education.
- The government of Pakistan can fulfill its education reform plans if foreign donors and international agencies focus their aid efforts on establishing a single coherent approach to providing significant budget support in this sector.

Health

Pakistan is in need of deep-rooted reform in its health care system, which must include systems of governance outside the public health sector that affect the performance of health systems. While universal access to basic public health facilities is an ambitious goal that many Pakistanis desire, investments now must begin to build a strong infrastructure by 2020 to make this goal attainable. Immediate action in the following priority areas should begin to address health needs in Pakistan:

- Proactive steps to improve health governance will be greatly enhanced by the development of a national consensus on a health reform agenda.
- In addition to devolving service delivery responsibilities from the federal level to the provincial and district levels, capacity building at the provincial level will allow for the planning, evaluation,

and implementation of alternative service delivery and financing mechanisms. Key national functions for health should be retained by the federal structure.

- Collecting, analyzing, and swiftly scaling up successful best practices from existing examples of public service delivery reengineering at the primary health care and hospital levels will contribute greatly to health sector improvement in Pakistan.
- Separating policy-making, implementation, and regulatory functions in the health sector, as well as adopting market-harnessing regulatory approaches, will lead to an improvement in service delivery.
- Concrete steps for increasing public financing in health must begin alongside measures to improve utilization and limit pilferage. Strengthening essential services, enhancing social protection for the informally employed, and pooling insurance for the unemployed are priority areas for any increase in revenues in the health sector.
- An innovative system of private–public, employer- and sponsor-subsidized, and pooled group health insurance can be introduced nationwide, especially for low-income groups.
- Investments must be made to leverage the full potential of health information technology in mobile health systems, with the aim of improving transparency in procurements, increasing philanthropic subsidies, enhancing quality assurance, and promoting access to medical education. Technology such as telemedicine can help bridge the gap between rural and urban access to quality health care.
- Collecting, analyzing, and disseminating health information for shaping policy and planning at the decision-making level can be achieved through the development of an apex institutional arrangement.
- By adopting market-harnessing regulatory approaches, the first point of contact in primary health care will be broadened while enabling equitable access and the purchase of health care for many Pakistanis.
- Strengthening government oversight and regulations in private sector health care delivery will prevent and check problems such as malpractice and facilitate public–private collaborations in health delivery.

Energy Infrastructure

Pakistan faces chronic infrastructure challenges when it comes to energy sources. In addition to nurturing social and political instability, Pakistan's poor energy infrastructure imposes enormous economic costs in the form of unemployment and loss of revenue. An uninterrupted supply of energy to fuel the nation's economy should be the highest priority for Pakistan's economic managers. To meet its current and future energy demands, the government of Pakistan should invest a minimum of \$5 billion in energy production by 2020. Additionally, the following measures in the energy sector should be implemented:

- Pakistan must enhance its capacity to cultivate more power from renewable energy sources, particularly by improving its ability to harness wind energy along its southern coast and by making use of solar power.
- Along with proper upkeep and maintenance of existing hydropower dams, more dams are needed to meet current and future energy requirements in Pakistan. This can be achieved by directing investments toward the construction of a very small number of large dams (Kalabagh dam is one project that has been stalled) or a larger number of small reservoirs. At the same time, these plans must be integrated into a broader strategy to improve water resources management throughout the country. Additionally, Pakistan can dispel the impression that big dam projects will benefit only larger provinces by exploring ways to reach a consensus among all the provinces on its water infrastructure and providing provinces with legally binding guarantees.
- Energy efficiency in Pakistan can be improved if government-owned power generation infrastructure is refurbished technologically and power infrastructure is upgraded with a modern efficient grid.
- Foreign donors can play a key role in building Pakistan's energy capacity by providing expert advice to the public and private sectors in Pakistan on energy development and management. The United States, in particular, should explore investing in a large energy infrastructure project in Pakistan, which will not only deepen strategic ties with Pakistan but also create goodwill in the country.

The Floods of 2010

The massive floods in Pakistan during the summer of 2010 set back all development indicators in the country. The enormity of the humanitarian crisis caused by the floods requires concerted planning and a seamless transition to the rehabilitation and reconstruction phase. Securing resources for the post-relief phase continues to be a challenge, but every effort should be made in the next two to three years to ensure that reconstruction in Pakistan proceeds effectively. The following steps should be taken to ensure that Pakistan fully recovers from the flood and is adequately prepared for future disasters:

- Pakistan's vulnerability to disasters can be addressed by immediately implementing sound building regulations, starting land rehabilitation, de-silting canals and waterways, and constructing dikes.
- Integrating climate change scenarios into the Pakistan government's annual development plans will help develop a well-coordinated strategy to address the impacts of global climate change in the country while ensuring progress toward meeting the Millennium Development Goals targets for poverty reduction.
- Regional as well as global support for reconstruction in flood-hit areas is critical. To improve its credibility and potentially attract more funds for reconstruction, Pakistan must be fully transparent about the use of international funds.

- Stabilizing and improving access to steady, affordable, and nutritious food supplies in Pakistan is essential, especially for the 6 million people most affected by the floods.
- Enhancing access to health services and medicines for flood-affected areas has to be a government priority, in addition to evaluating and addressing the health risks caused by the flood, including the spread of waterborne diseases.
- The losses incurred by displacement, migration, or damage to income-generating assets as a result of the floods highlight the need for introducing alternative mechanisms for flood survivors to reestablish their source of livelihood, especially for those whose primary source of income has been obliterated. Future asset-protection mechanisms need to be introduced concurrently—for example, through livestock insurance and weather-indexed crop insurance.
- Developing a comprehensive management framework for disaster prevention and mitigation in all aspects of national planning will help reduce Pakistan’s vulnerability to natural calamities. The National Disaster Management Authority needs to be strengthened and properly resourced to function as a national focal point. In this context, Pakistan must follow the Kyoto Convention’s recommendations on disaster prevention and management diligently.

Internal Security

Achieving internal security is of paramount importance to ensuring a stable and prosperous future in Pakistan. The significant rise in terrorist activity throughout the country, besides being a serious threat and demoralizing fact for its people, has dampened economic growth in Pakistan. At the core of internal security is the creation of a capable, well-resourced, structurally coherent, and institutionally autonomous police and law enforcement infrastructure. At the same time, any strategy must include measures that tackle the root causes of insurgency and violence in the first place, such as poverty, illiteracy, a sense of injustice, and a widely held perception that “external forces” are attacking Pakistan. The following steps should be taken to ensure internal security in Pakistan:

- De-radicalization programs and the effective use of law enforcement backed by military force must be enhanced to reduce religious militancy.
- The Pakistan government will have to confront the multiple insurgent and terrorist groups operating simultaneously in the country and prevent these groups from establishing a sanctuary.
- Establishing an efficient, professional, and accountable law enforcement infrastructure will require fully implementing the 2002 Police Order to reorganize the police into a politically neutral force and discarding the controversial amendments made in 2004. Police safety commissions—already provided for under the new law—should be empowered to monitor police performance. An efficient police force can be created by devising and implementing procedures and policies aimed at improving conditions for police officers, establishing citizen–police liaison committees, and enhancing police and intelligence services cooperation.
- Military and civilian intelligence agencies must follow guidelines provided by law when gathering information and conducting interrogations. Human rights violations, especially in

Baluchistan, where reports of abductions of political activists by security forces are common, must end.

- A robust witness protection program that also protects investigators, prosecutors, and judges—particularly in major criminal and terrorism cases—can be created through amendments in the Criminal Procedure Code.
- Rigid and impartial enforcement of the law will help ameliorate ethnic strife and sectarian killings in cities, especially in Karachi. This strategy will require revising the curriculum in public schools, as well as in madrasa networks, in ways that encourage pluralism and deter any dissemination of intolerance.
- Curricular improvement in Pakistan along scientific lines can be modeled on similar efforts in Indonesia and other countries. In this context, progressive religious scholars who challenge violent extremists must be provided full security as well as state support for their independent research work and publications.
- Internal security can be achieved if the international community directly targets its assistance toward helping Pakistan in this area. Half of U.S. funding allocated for counterterrorism and counterinsurgency support in Pakistan, for example, can be directed toward supporting scientific investigations and enhancing forensic capabilities in law enforcement. Additionally, the rules of engagement of coalition forces and policies on drone attacks should be reassessed.

Relations with India and Neighbors

Pakistan's development is almost impossible without regional cooperation, and China and India play a very important role in this context. An optimistic scenario in the next 10 years would be for Pakistan's economy to grow at a rate of approximately 5% annually, which would provide a cushion so that the country could begin investing in long-term human capacity development. However, without a sustainable peace deal with India that includes an amicable resolution of the Kashmir dispute, this is unlikely to happen. There is a growing realization in India that a failed Pakistan is not in its best interest. Peace in South Asia is attainable if Pakistan, its neighbors, and international stakeholders focus on the following measures:

- Pakistan must set a goal of increasing annual direct bilateral trade with India to more than \$5 billion by 2020, as increased economic interactions will expand the space for peace constituencies in both states. As a first step, India should unilaterally lower nontariff barriers to trade with Pakistan. In turn, Pakistan can accord India most-favored-nation trade status.
- Reforming the visa issuance process will help support and strengthen people-to-people contact from both countries, as will further encouraging contacts between civil society groups and student exchange programs in both countries.
- Enhancing energy cooperation between India and Pakistan is a potential avenue of dialogue between the two countries. Cooperative energy projects, such as joint natural gas pipelines, joint electricity-generation projects, and the development of a common grid system, will go a

long way toward demonstrating that the people of both countries can benefit from improved relations.

- The governments of Pakistan and India should place a moratorium on the expansion of their nuclear weapons programs. Pakistan's military leaders must realize that more nuclear weapons will neither improve the country's nuclear deterrence capabilities nor help in its fight against terrorism. Furthermore, Pakistan must ensure the safety and security of its nuclear materials.
- By reposturing militarily and becoming less Pakistan focused, India can help ease Pakistan's insecurity. War doctrines such as "Cold Start" should be reviewed and Pakistan's apprehensions about Indian interference in Baluchistan need to be addressed. At the same time, Pakistan must dismantle all armed groups focused on Kashmir.
- Pakistan, India, Afghanistan, and other external powers must recognize that terrorism is by no means a state-specific problem; the entire region will have to confront it together. Cooperation between civilian law enforcement agencies in South Asia should be institutionalized.
- The United States cannot promote an amicable resolution of the differences and disputes between India and Pakistan by supporting one side or the other; it must remain objective. In the case of Afghanistan, a more proactive role for the United States must include bringing all the regional stakeholders to the table, ideally under a United Nations umbrella and with the aim of ending the India–Pakistan rivalry and proxy war in Afghanistan.

Pakistan faces enormous challenges in the years ahead. But the people of Pakistan have shown a remarkable resilience in addressing some of these challenges, and there is a high potential for reform and development in the country. Progressive and constructive policy shifts, as suggested here, are what truly matter in the long term. Moreover, internal and regional factors will define and drive Pakistan's path toward reform, and the international community, especially important allies such as the United States, must play a supportive role.

Civil-Military Relations and Democracy

For much of the past six decades, the Pakistani military has been the dominant player in national policy making, especially in formulating foreign policy in the region. After the fall of General Pervez Musharraf's military regime in 2008, the army restrained itself from interfering in government formation in the center and in the four provinces. However, one of the most important challenges facing Pakistan is the military's dominance of the country's fiscal priorities and strategic calculus. The military consumes the lion's share of state resources and continues to focus on its fear of Indian regional hegemony. In this context, one of the biggest challenges for the democratic government is to build, consolidate, and strengthen civilian-led democratic institutions.

The military's influence in the political arena remains pervasive, albeit inconspicuous.

The promise of bold political reforms in the Federally Administered Tribal Areas (FATA), reconciliation efforts with secessionist groups in Baluchistan Province, economic reforms in the shape of a newly negotiated National Finance Commission award involving all provinces

and the federal government, as well as a major constitutional amendment to enhance provincial autonomy in critical areas are positive steps toward comprehensive political reform. Yet it remains to be seen whether these decisions will be implemented to the satisfaction of all local stakeholders. In this context, corruption in the bureaucracy and political arena is a serious obstacle to democratic reform in Pakistan.

The military's influence in the political arena remains pervasive, albeit inconspicuous. It continues to play an important and influential role in the country's internal security policy while retaining its vast business interests in the country. Financially, the Pakistani military is one of the most opaque in the world. The relationship between the civilian government and the military is reminiscent of earlier governments, many of which eventually fell into conflict with the military. The current government led by the Pakistan People's Party initially made bold gestures to exert its supremacy over the military, although some of those steps were not well thought-out. For instance, an attempt to bring Pakistan's premier intelligence services, Inter-Services Intelligence, under civilian control failed, as this was done in an unduly hurried and confused manner, causing the army to react and forcing the government to retreat.

The civilian political forces clearly are not nearly as powerful or united enough to bring about a sea change in the civil-military power dynamic in Pakistan in the short term. Many in the country view the prime minister's decision to extend General Ashfaq Kayani's tenure as chief of the army for

another three years as an indication that the military chief retains his prominent place in government and in relations with the United States. This unprecedented step possibly was meant to ease tensions between civilian and military leaders, which began in 2009. The WikiLeaks disclosures on this subject substantiated strong rumors about this civil-military tension.¹

In regional policy making, the Pakistani army's General Headquarters is still foremost in deciding and implementing security and geostrategic policy for the country, especially in regard to its neighbors India, Afghanistan, and, to some extent, Iran. Top Western civilian leaders, especially from Washington, D.C., and the European Union, continue to meet with top military commanders in Pakistan in one-on-one meetings, apparently without the involvement of officials in Pakistan's Ministry of Defense. This serves to strengthen the role of the Pakistani military in the policy-making arena.

All of this eclipses the fact that the military now must contend with a newly empowered judiciary that has risen in Pakistan through a popular street movement. Historically, all military takeovers of government were sanctioned or at least rubber-stamped by a compliant judiciary. Today, however, the Supreme Court, which is led by a powerful chief justice who rose to power on the promise to "bury the doctrine of necessity" that had been used in the past to justify military takeovers, is unlikely to sanction a military takeover of the government in Pakistan. The increasingly popular television news media also has made clear its position that military rule is not the way forward. While a handful of ultranationalist newspaper columnists continue to suggest that the military's role in politics is needed, the overall prospects for a military takeover in Pakistan are quite remote under the prevailing circumstances.

Vision 2020 Objectives and Recommendations: Expecting the military to completely withdraw from civilian politics within a couple of years of civilian rule is unrealistic. Transition from military to civilian rule takes time—as is evident from previous occasions in Pakistan's history, and is shown by experts who have analyzed the Turkish and Indonesian experiences. Over the next decade, it is hoped that civilian forces will be able to function in a way that will strengthen democratic institutions and that the military will realize the damaging impact it has had in the country through its direct involvement in governance. Pakistan's armed forces are well resourced and largely well organized and can contribute effectively to national building, provided they remain within their constitutionally prescribed domain. The following course of action should be pursued to strengthen democratic rule in Pakistan:

- A strict adherence to term appointments for armed forces personnel by the civilian leadership will support the professionalization of the Pakistani military. Retired or serving generals should not be appointed to lead civilian institutions.
- Making the expenditures of the Pakistani military more transparent is critical and will require enacting parliamentary legislation through a legislative process similar to those followed by many governments worldwide.

¹ "Ashfaq Kayani Mulled Toppling Asif Ali Zardari Who Had Named Successor: WikiLeaks," *Daily News and Analysis*, December 1, 2010.

- Civilian supremacy in the Pakistani army can be established through the development of internal mechanisms, for example, by emphasizing the importance of democracy in military academies, making the Pakistani military's budget transparent, and involving civilian leaders from Pakistan's Ministry of Defense in strategic decision-making processes.
 - The interests of the United States and other important allies of Pakistan will be better served by giving priority to strengthening relations with the democratic leadership and institutions of the country.
 - Achieving stability in Pakistan and strengthening democratic traditions in the coming decade will require all major Pakistani political parties to be internally democratic and transparent. Strengthening democratic traditions will require taking the following steps:
 - Every political party must hold regular elections for all leadership positions in the party and enact term limits for officeholders.
 - No candidate should be allowed to contest an election in any constituency, except in the constituency where the candidate and his or her family normally reside.
 - All parties must establish central and provincial party funds to enable low-income party workers to contest elections. Allocations must be made through a transparent mechanism.
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Rule of Law and the Judiciary

Pakistan's judicial system has a checkered history. Corruption and inefficiency, as well as deference to military rule and extraconstitutional interventions, have defined the Pakistani judiciary's reputation with its citizens.² Access to justice always has been a problem, particularly in the country's peripheral regions. However, in recent years, the judiciary has gained popularity and stature by defying authoritarianism and by taking on a populist agenda of social justice. In this regard, the lawyers' movement of 2007–2009, which led to the restoration of the chief justice of the Supreme Court of Pakistan, Iftikhar Muhammad Chaudhry, and helped bring an end to military rule, has played the most significant role.

The overall judicial system in Pakistan, however, faces grave problems, including inefficiency, a judicial backlog, high levels of corruption in lower courts, lack of training, and insufficient access to justice in most parts of the country. In peripheral regions of the country, there is an absence of any real judicial system. For instance, 1.1 million cases were pending with the country's

In recent years, the judiciary has gained popularity and stature by defying authoritarianism and by taking on a populist agenda of social justice.

lower courts as of May 2010, while 150,000 cases remain pending in the High Courts. The Supreme Court's backlog of cases in July 2010 was about 17,500.³ This staggering backlog causes significant delays. According to a report by the International Crisis Group (ICG), it can take anywhere from 10 to 20 years before a final judgment is given in civil cases. A major reason for this backlog is the very limited resources available to the judicial sector and understaffing. In 2008, a judicial officer in Punjab Province, on average, had to deal with a case list of 1,668 cases a day. The ICG report calculated that in Sindh alone, 250 more judges were needed to manage the backlog.⁴

Insufficient government investment in the judicial sector has resulted in corruption and inefficiency within both the courts and the police, particularly in criminal cases. As a result of inadequate pay and resources, the criminal justice system is characterized by limited investigation and prosecution capacities and long gaps between the filing of charges and trial dates, during which evidence often

² For a historical perspective, see International Bar Association, "A Long March to Justice: A Report on Judicial Independence and Integrity in Pakistan," Human Rights Institute Report, September 2009.

³ See Kamran Haider, "Court Cases Backlog, Suffers Common Pakistanis," *Dawn*, July 21, 2010, for data on lower and higher courts as well as the Supreme Court.

⁴ International Crisis Group, "Reforming the Judiciary in Pakistan," Asia Report no. 160, October 16, 2008; see also Secretariat of the Law and Justice Commission of Pakistan, "National Judicial Policy: 2009," <http://www.sindhhighcourt.gov.pk/njp2009/njp2009.pdf> (accessed February 7, 2011).

disappears. Criminal cases can take more than five years to process, except when tried by special courts such as accountability courts, where cases often are politically motivated. As a result, Pakistan has a critically low arrest and conviction rate.

Prisoners on trial often are not brought to the court on trial dates because of simple deficiencies such as the unavailability of transportation. Prison personnel also seek bribes from prisoners to ensure access to a judge. Fearing indefinite detention, many detainees are forced to plead guilty to obtain lesser sentences, or they might bribe police officials to avoid going through the courts. The huge backlog of cases provides opportunities for corruption within the subordinate judiciary, as many judges seek bribes to fix an early hearing. Women are especially disadvantaged in this environment.

Access to justice is even worse in the peripheral regions of the country. For instance, the lack of access to justice and public frustration over the existing legal system in Swat Valley in Khyber Pukhtunkhwa Province contributed to an increase in support for the Tehrik-e-Nifazi-Shariat-e-Mohammadi's brand of brutal but decisive law.⁵ After the brief takeover of Swat by local militants in 2009 and the establishment of a parallel judicial system, the civilian government realized the need for improvement in judicial services.

In FATA, the national judicial system essentially does not exist because of the outdated and repressive colonial laws of the Frontier Crimes Regulation.

In FATA, the national judicial system essentially does not exist because of the outdated and repressive colonial laws of the Frontier Crimes Regulation, which still is enforced. Moreover, the all-powerful “Political Agent” makes all judicial decisions, including arrests and punishments that cannot be appealed in any court. The absence of a real judicial system and the diminishing impor-

tance of tribal leadership, along with the increasing isolation of FATA from the rest of the country, have helped bring FATA under the control of religious extremists and militants.

Lately, concern has been growing over the confrontational tone between the judiciary and the executive, as the judiciary has been seen as encroaching on the powers of the executive and legislature. Meanwhile, the political leadership is being criticized for failing to implement judicial decisions. Moreover, the newly empowered and active Supreme Court has been criticized for not building the capacity and influence of district courts, which are the face of justice for many ordinary Pakistani citizens.

Clearly, the judicial system is in urgent need of drastic reform, and has been for many years now. In 2009, the newly reinstated chief justice announced the National Judicial Policy, which was intended to transform the judiciary into a cleaner, more efficient, and more accessible system.⁶ A host of reform measures were planned, some of which have been initiated. For example, to prevent the politicization of the judiciary, judges are prohibited from taking executive offices, and special courts were brought under the control of the judiciary rather than the executive. Furthermore, placing undue stress on

⁵ “Judicial Reform in Swat,” *Dawn*, March 25, 2010.

⁶ For the full text, see Secretariat of the Law and Justice Commission of Pakistan, “National Judicial Policy: 2009.”

disposing of court cases rapidly should not compromise procedures for ensuring justice. There must be a distinction between timely as opposed to hasty delivery of justice.

Vision 2020 Objectives and Recommendations: In the most basic sense, the rule of law is a system that aims to protect the rights of citizens from arbitrary and abusive use of government power. A functioning judiciary is a fundamental element of any society's rule of law, and expanding reform efforts from higher to lower judicial levels of the system will be critical for Pakistan in the coming years. The provision of justice in a timely manner will go a long way toward stabilizing Pakistan and, indirectly, strengthening democracy in the country. In recent years, disenfranchised segments of the population at times have adopted vigilante tactics to mete out justice, which has created a space for extremists and criminals to assert themselves. Curbing this trend also will check the rise of militant groups in the country. The following measures should be carried out in the next decade if improvements in the rule of law are to be established in Pakistan:

- The 2002 Bangalore Principles of Judicial Conduct—which stipulate that, in addition to independence, the values of impartiality, integrity, propriety, competence, diligence, and equal treatment of all before the courts are essential to proper judicial conduct—must be followed.⁷
- Respecting the separation of powers enshrined in the constitution, as well as placing reasonable limits on the Supreme Court's use of *suo moto* powers, will contribute greatly to the enhancement of the rule of law in Pakistan.
- An increase in funding for the expansion of courts and for a greater number of judges at all tiers is needed, and the judicial arm's financial autonomy must be greatly enhanced over the next decade.
- Security for judges, especially for those in lower courts hearing sensitive cases such as those concerning blasphemy and terrorism, must be enhanced.
- The United Nations Convention on the Elimination of All Forms of Discrimination Against Women needs to be ratified without delay. Moreover, police and judicial training must include sensitization to issues affecting women and minorities.
- The National Judicial Policy should be implemented, especially provisions that:
 - Call for disciplinary action against corrupt and inefficient judicial officers implemented through the mechanisms outlined in the National Judicial Policy;
 - Require superior judges to carry out vigorous oversight and conduct surprise checks of lower courts;
 - Prohibit judicial officers from being posted in a home district or in a particular district beyond three years, which would prevent judges from developing close ties, biases, and corrupt relations within a district; and

⁷ For the complete text of the 2002 Bangalore Principles of Judicial Conduct, see http://www.unodc.org/pdf/crime/corruption/judicial_group/Bangalore_principles.pdf (accessed April 23, 2011).

- Set a timeline and constitute special benches at the Supreme and High Courts to begin prioritizing cases that can be fast-tracked. Funding for infrastructure, such as the construction of courtrooms, and for the hiring of more judicial officers and administrative staff also should be increased. At the same time, salaries for court staff must be raised and made equal in the four provinces.
 - In the Federally Administered Tribal Areas, the Pakistan government and Supreme Court must establish as a matter of priority a functioning judicial system with civil and criminal courts and a reformed legal code to replace the outdated and irrelevant Frontier Crimes Regulation. Additionally, legislation is needed to address the role of jirgas and other forms of traditional justice and to regulate their use and relationship to the formal justice system. Extending the Political Parties Act to FATA will ensure that political parties there can participate in elections so that these areas can be brought into the mainstream.
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Human Development

Education

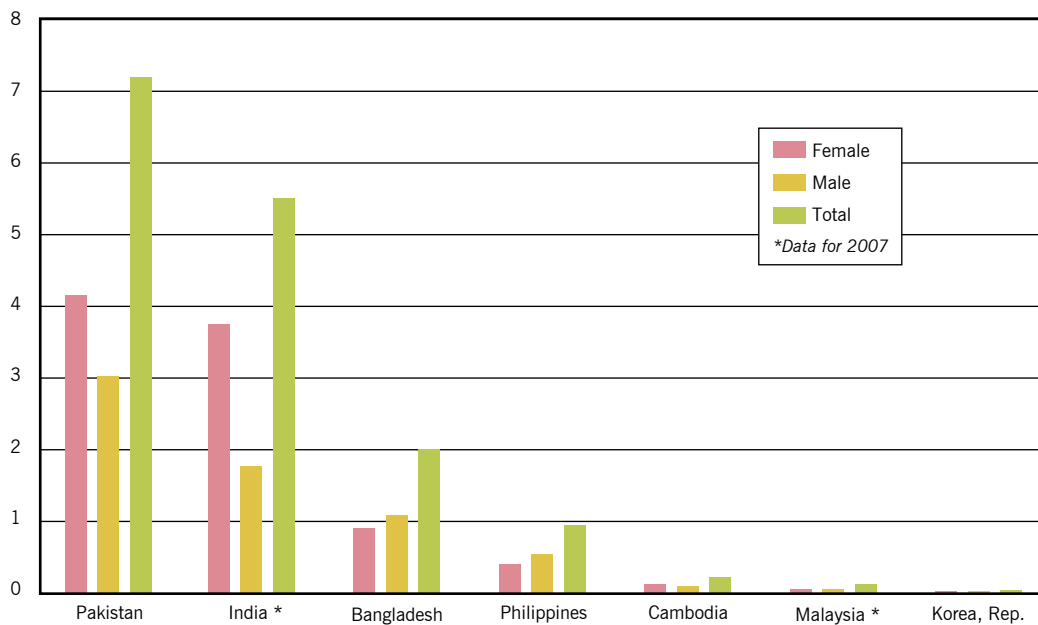
Pakistan currently ranks 125th (out of 169 countries) on the United Nations Development Programme's Human Development Index, and the government is investing little in socioeconomic development, which also is hindering the growth potential of the Pakistan's economy and depriving people of opportunities to live a satisfying life. Poverty and illiteracy rates are among the highest in the region: almost one-quarter of the population lives on less than \$1.25 per day, and more than half of all Pakistani adults are illiterate. A 2010 review conducted by the Pakistan Education Task Force, which was formed by the Pakistani government, highlighted the severe challenges in the country's education system. According to the Task Force's report, government expenditures on education as a share of gross domestic product are estimated to be less than 1.5%. As a result, approximately 1 in 10 of the world's children not in primary school live in Pakistan, making the country second in the global ranking of out-of-school children. (See Figure 1). Moreover, 4.2 million girls are out of primary school compared with 3.1 million boys, highlighting the gender disparity in education in Pakistan, and 30% Pakistanis have received less than two years of education.

Poor facilities also contribute to Pakistan's education crisis. Only 36% of public schools are in satisfactory condition, with many schools lacking basic facilities. For example, approximately two-thirds of Pakistan's schools have adequate water and sanitation facilities, while only 39% have electricity. Blackboards, textbooks, and desks are often in short supply.⁸ The Task Force makes a strong case for education reform and officially acknowledging the country's crisis is a positive sign.

Approximately 1 in 10 of the world's children not in primary school live in Pakistan.

Pakistan's educational system is a battleground for competing political and ideological claims. Even worse, Pakistan's failing education system potentially has opened the doors for the radicalization of many young people who lack the skills necessary to participate in Pakistan's modern economy. In 2007, the total number of school-aged children (5–19 years of age) in Pakistan was approximately 60 million, but only 37 million were enrolled in school. Of the total number of children enrolled, more than 21 million studied in public-sector or government schools, and 12 million studied in private-

⁸ For data and analysis, see the Pakistan Education Task Force's publications at <http://educationemergency.com.pk/publications/> (accessed April 23, 2011); see also United Nations Development Programme, *The Rural Wealth of Nations: Pathways to Human Development* (New York: UNDP, 2010).

Figure 1: Children Out of Primary School (millions), 2008

Source: World Bank, World Development Indicators, <http://databank.worldbank.org> (accessed April 11, 2011)

sector schools. Mosque schools and madrasas accounted for approximately 1.6 million, or about 5%, of total enrollment.⁹ Such religious schools operate privately, and, peculiarly, their curricula remain unregulated by the government.

Poor recruitment, promotion, and retention policies for teachers make matters worse. Increasingly, teachers are recruited as contract employees on a political basis, but within a few years, they are made permanent employees of the government, either at the provincial level or at the federal level. In most cases, these promotions are awarded without any clear criteria or merit system. As a result, any increased budgetary burdens on the education sector are not complemented by an enhancement in the quality of education. Students who attend public schools are at a severe disadvantage when they enter the job market compared to their peers who attend expensive, elite private schools, where the curriculum is up to date, teachers are well paid, and English is taught. One study estimates that wealthy Pakistani citizens typically receive seven more years of education than the poorest. Curriculum development in Pakistan also suffers from serious problems. Historical misstatements and religious bias in textbooks continue to exist, and despite efforts by scholars and education specialists to fix these problems, the results have been mixed at best.¹⁰

⁹ Taleemi Chowk, "Pakistan Education Statistics: 2007–2008," prepared by Academy of Educational Planning and Management, National Education Management Information System, Pakistan Ministry of Education, 2009, <http://www.moe.gov.pk/Pakistan%20Education%20Statistics%202007-08.pdf> (accessed April 23, 2011).

¹⁰ See, e.g., A. H. Nayyar and Ahmad Salim, eds., *The Subtle Subversion: The State of Curricula and Textbooks in Pakistan* (Islamabad: Sustainable Development Policy Institute, 2003), http://www.sdpi.org/whats_new/reporton/State%20of%20Curr&TextBooks.pdf (accessed April 23, 2011); and Baela Raza Jamil, "Curriculum Reforms in Pakistan: A Glass Half Full or Half Empty?" paper presented at the Seminar on School Curriculum Policies and Practices in South Asian Countries, New Delhi, August 10–12, 2009, <http://www.itacec.org/document/nep09/NCERT%20Pakistan%20paper%20BRJ.pdf> (accessed February 7, 2011).

Vision 2020 Objectives and Recommendations: Given the dire crisis in education in Pakistan today, the country will not achieve universal primary education by 2015, as set forth in the United Nations Millennium Development Goals. However, the focus now should be on getting as close to the goal as possible by 2015, with a renewed commitment to achieve universal primary education in the next 10 years. As a first step, Pakistan must immediately raise its public expenditures on education from less than 1.5% to at least 4% of gross domestic product, and by 2020, the expenditures should be set to at least 6%. Without making this minimal commitment, a reversal of the worrying trends in the education sector is unlikely to occur. This immediate increase of public expenditures in education to at least 4% of gross domestic product should target the following priority areas over the next decade:

As a first step, Pakistan must immediately raise its public expenditures on education from less than 1.5% to at least 4% of gross domestic product.

- Devising and implementing an accountable and predictable system of teacher recruitment, hiring, payment, retention, and training, as well as promotion based on merit, achievement, and outcomes will greatly improve the quality of education and teacher performance in Pakistan. As part of this system, teacher employment, pay, benefits, and pensions should be de-linked from the basic pay scale regime, which currently guarantees permanent employment and provides virtually no accountability.
- Teaching professionals should be separated from school management and administration and from the education sector administration and management system. Without specialization, the best teachers stop teaching mid-career and enter the bureaucracy as managers, which is both highly inefficient and ineffective. Pakistan also must invest in more teacher training facilities.
- The introduction of curriculum reform focusing on a life-skills-based approach to education, as opposed to rote memorization of esoteric information that has little or no vocational relevance, will promote real-world applications of creative thinking and analytical reasoning
- Developing a robust central regulatory system will contribute to the maintenance of standards and the collection of timely data that can be made available to the general public on service delivery, operations, infrastructure availability, fiscal flows, learning achievements, teacher performance, and school outcomes in the education sector.
- A dynamic set of institutionalized relationships should be established between the central regulatory mechanism and the autonomous and independent subnational government units responsible for service delivery. Greater efficiency will also be achieved by reducing the size and scope of the federal Ministry of Education and divesting federal schools to the jurisdictions in which they exist. Whenever possible, federal employees should be transferred to the province of their choice.
- A system of incentives is needed to bring teachers to underserved locations and to prevent the concentration of teaching talent in the big cities. Legislation providing free transportation for women teachers to schools within their districts that require female teachers also will strengthen education in underserved areas.

- A novel system of partnerships in the education sector is needed to involve the public and private sectors and nongovernmental organizations. These partnerships will promote the active sharing of knowledge, as well as the sharing of human capital and resources through peer-to-peer student exchange programs, which will promote social cohesion and bridge the quality gap in education across the socioeconomic divide. The private sector is especially important in this regard, as it will help stimulate scientific and technological exchanges and create new opportunities for improving Pakistan's education system.
- Separating the higher education function—all college and university-level education beyond 12 years of schooling—completely from the primary education function, and enacting legislation to provide specialized management and authority over higher education institutions, ideally centralized within Pakistan's Higher Education Commission or by province, will ensure greater regulatory control.
- Madrasa reform can be achieved through strategies for curricular improvement and appropriate changes in public school curriculum. In this regard, a school curriculum—devised, designed, and monitored by provincial governments—that combines religious and secular education, as suggested by both religious scholars and educationists, will offer some advantages.
- The government of Pakistan can fulfill its education reform plans if foreign donors and international agencies focus their aid efforts on establishing a single coherent approach to providing significant budget support in this sector. This aid must be conditioned on the Pakistani government's achievement of funding benchmarks (e.g., education expenditures as a percentage of the country's gross domestic product).

Health

Pakistan has a mixed health system. The public infrastructure comprises three tiers of service delivery under the Ministry of Health. Public financing covers only one-quarter of the population, and medical impoverishment as a result of catastrophic health expenditures is very common. Low remuneration in the public system leads health providers to hold dual jobs and often contributes to absenteeism and a propensity to refer public patients to their private practices. As a result, public facilities are woefully underresourced, suffer from poor maintenance and administrative inefficiency, and routinely underperform. The situation is further complicated by corruption in procurements and preferential treatment in staff deployment, which engineers the health system to provide benefits to a select few.

In such an environment of poor public health service provision, market mechanisms have arisen to meet the ever-growing demand of a burgeoning population. The extensive market system is made up of a diverse range of nonstate actors, including hospital trusts, nongovernmental organizations, social enterprises, and for-profit health insurance companies. Private-sector service provision is predominant, but the lack of regulatory oversight of private facilities has resulted in poor standardization of quality of care. Malpractice is also a common occurrence.

While Pakistan has excelled at producing graduates of both public and private medical colleges and universities, a large number of these graduates opt to study abroad for postgraduate medical training

and live abroad (primarily in the United States and the United Kingdom) because of a perceived lack of financial incentives and quality of life in Pakistan. This has created a massive medical “brain drain,” which is further complicated by low financial remuneration for general physicians in Pakistan, urban saturation, and an urban–rural mismatch in human and infrastructural resources.

Overall, the health system in Pakistan performs poorly with respect to six key performance assessment yardsticks: access in rural and peri-urban areas, fairness in financing, preventive health awareness, health improvement, formal training of ancillary health workers (e.g., nurses, paramedics, occupational therapy technicians), and equity in outcomes and responsiveness. The determinants of poor performance are rooted in the interplay of what has been described as a “triad of determinants”—inadequate state funding, an unregulated role of the private sector, and lack of transparency in governance.¹¹ Taken together, these factors greatly compromise the quality and equity objectives of public health care delivery. Deep-rooted reform is needed with actions at several levels to address this systemic distortion.¹²

More importantly, Pakistan’s poor health care system has had a profound impact on human development in the country. Rates of infant mortality in Pakistan are high at 70 per 1,000 births, compared to a regional rate of 55 and a global rate of 43. (See Figure 2). More than one-third of the deaths among children under the age of five in Pakistan are caused by treatable illnesses such as pneumonia and diarrhea, and 60% of child deaths in Pakistan are the result of water- and sanitation-related diseases. In the FATA alone, 135 out of 1,000 children die from curable illnesses every year. Approximately 260 in 100,000 women die from childbirth, compared with 25 per 100,000 in Organisation for Economic Co-operation and Development countries.¹³ At the same time, reproductive health services in Pakistan are lacking and the fertility rate in the country is 3.9 children per woman. The doubling of the population in a little more than a generation will not be sustainable.

More than one-third of the deaths among children under the age of five in Pakistan are caused by treatable illnesses.

Government investment in the health sector is low, and more than 75% of health financing is out of pocket. Primary research indicates that monthly expenditures on routine, primary, and secondary care are as high as 20% per capita income in major urban centers.¹⁴ The silver lining is that public-sector expenditures on health as part of overall public expenditures have increased recently, and the government has started to give greater priority and allocate relatively more resources to the health sector.¹⁵

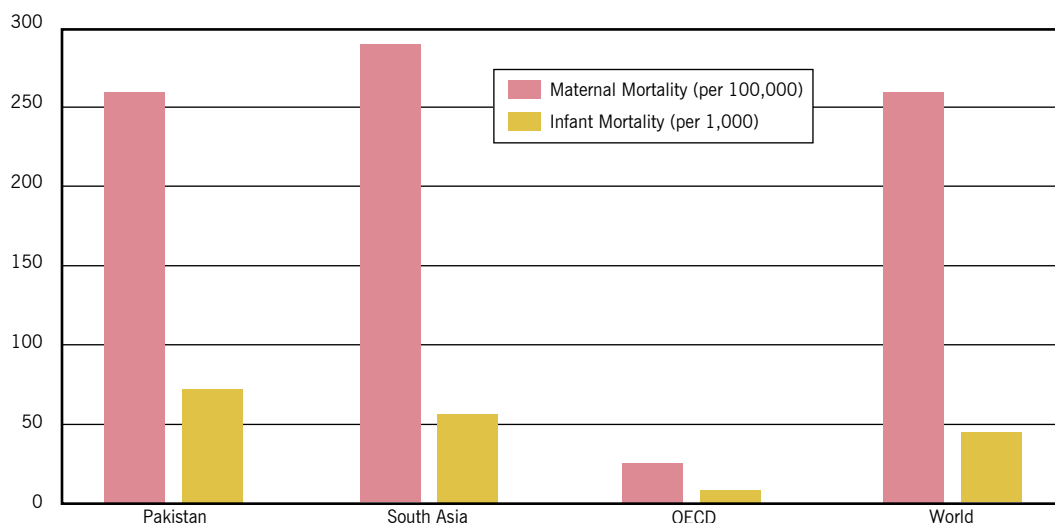
¹¹ For details, see Sania Nishtar, “The Mixed Health Systems Syndrome,” *Bulletin of the World Health Organization* 88 (2008): 74–75, <http://www.who.int/bulletin/volumes/88/1/09-067868/en/> (accessed April 23, 2011).

¹² Sania Nishtar, *Choked Pipes: Reforming Pakistan’s Health System* (Oxford University Press, 2010). Accessed at <http://www.sanianishtar.info/choked-pipes.php>

¹³ World Bank Databank, <http://databank.worldbank.org/ddp/home.do?queryId=189> (generated April 11, 2011).

¹⁴ See Naya Jeevan at <http://www.njfk.org> for data.

¹⁵ For example, the Pakistan government’s expenditures on health increased from 0.6% of its gross domestic product in 2005 to 1.6% in 2006. For health statistics, see World Health Organization, “Pakistan Health Profile,” August 13, 2010, <http://www.who.int/gho/countries/pak.pdf> (accessed February 7, 2011); and idem, “Pakistan,” in *Country Cooperation Strategy at a Glance*, April 2008, http://www.who.int/countryfocus/cooperation_strategy/ccsbrief_pak_en.pdf (accessed February 7, 2011). See also United Nations Development Programme, *The Rural Wealth of Nations*; and U.S. Agency for International Development, “MCH Program Description: Pakistan,” July 2008, http://pdf.usaid.gov/pdf_docs/PDACN952.pdf (accessed February 7, 2011).

Figure 2: Maternal and Infant Mortality Rates in Pakistan, 2008

Source: World Bank, World Development Indicators, <http://databank.worldbank.org> (accessed April 11, 2011)

Since 1950, Pakistan has received \$58 billion in foreign aid for the health and population sectors, but the country has little to show for it. One reason may be that many Pakistani officials associated with foreign aid programs have benefited privately and personally from the programs that they were supposed to supervise and implement in the public interest.¹⁶

Vision 2020 Objectives and Recommendations: Pakistan is in need of deep-rooted reform in its health care system, which must include systems of governance outside the public health sector that affect health systems performance. While universal access to basic public health facilities is an ambitious goal that many Pakistanis desire, investments now must begin to build a strong infrastructure by 2020 so that this goal is attainable. A social protection system for health should bring improvements in the existing system, rather than reinventing the wheel. Much can be achieved by reorganizing existing financing arrangements to increase access to quality private health care for large, low-income, and vulnerable populations that currently are at the mercy of a dysfunctional public health care system. Immediate action in the following priority areas should begin to ensure that all Pakistani citizens' health needs are provided for:

- Proactive steps to improve health governance will be greatly enhanced by the development of a national consensus on a health reform agenda.
- In addition to devolving service delivery responsibilities from the federal level to the provincial and district levels, capacity building at the provincial level will allow for the planning, evaluation, and implementation of alternative service delivery and financing mechanisms. Key national functions for health should be retained by the federal structure.¹⁷

¹⁶ Khalid Hasan, "Pakistan's Health, Population Sectors Have Regressed," *Daily Times*, July 11, 2008.

¹⁷ For more details, see Sania Nishtar, "Scrapping A Ministry of Health," *The Lancet*, no. 9775 (377), May 5, 2011; and idem, "Case of the Vanishing Ministry," *The News*, December 25, 2010, http://www.heartfile.org/pdf/92_The_vanishing_ministry.pdf (accessed April 23, 2011).

- Clarifying the role of district-level health systems will strengthen local accountability and ownership alongside local community social responsibility.
 - Collecting, analyzing, and swiftly scaling up successful best practices from existing examples of public service delivery reengineering at the primary health care and hospital levels will contribute greatly to health sector improvement in Pakistan.
 - Separating policy-making, implementation, and regulatory functions in the health sector, as well as adopting market-harnessing regulatory approaches, will lead to an improvement in service delivery.
 - Concrete steps for increasing public financing in health must begin alongside measures to improve utilization and limit pilferage. Strengthening essential services, broadening the base of social protection for the informally employed sector, and maximizing pooling through insurance for the formally employed are priority areas for any increase in revenues in the health sector.
 - An innovative system of private–public and employer- and sponsor-based subsidies, along with large cooperative pooled insurance for low-income populations, can be provided through affordable access to private health care networks.
 - Investments must be made to leverage the full potential of health information technology in mobile health systems. This will have a positive, catalytic effect on a range of health care challenges, including improving transparency in procurements, enabling health care cofinancing through philanthropic subsidies, enhancing quality assurance through electronic medical records, and promoting easy access to continuous medical education. Additionally, innovations in telemedicine, such as the introduction of point-of-service diagnostics in rural primary care settings with skilled paramedics, can dramatically bridge the gap between rural and urban access to quality health care.
 - Collecting, analyzing, and disseminating health information for shaping policy and planning at the decision-making level can be achieved through the development of an apex institutional arrangement.
 - By adopting market-harnessing regulatory approaches, the first point of contact in primary health care will be broadened while enabling equitable access and the purchasing of health care for many Pakistanis.
 - A priority should be placed on health systems research by making linkages with the right agencies both within and outside the health sector. Linkages with agencies outside the health sector must consider the social determinants and the intersectoral scope of health.
 - Strengthening government oversight and regulations in private sector health care delivery will prevent and check problems such as malpractice and will facilitate public–private collaborations in health delivery.
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Energy Infrastructure

Pakistan faces chronic infrastructure challenges when it comes to energy sources. The country's energy woes are clear for everyone to see—most of all for Pakistanis of every class and region, who have experienced long periods of “load shedding” or power outages across the country over the past few years. In addition to nurturing social and political instability, Pakistan's poor energy infrastructure imposes enormous economic costs in the form of unemployment and loss of revenue. As Charles Ebinger and Kashif Hasnie aptly remarked, “Even if the Taliban and its Pakistani allies were to disappear tomorrow, Pakistan in the absence of a plan to deal with its energy crisis will remain in darkness—literally and figuratively.”¹⁸

In addition to nurturing social and political instability, Pakistan's poor energy infrastructure imposes enormous economic costs in the form of unemployment and loss of revenue.

Pakistan ranks 38th in the world in terms of energy use, but current per capita energy consumption is low (14 million British thermal units against 90 million British thermal units for Malaysia, for example), at only one-fifth of the world average.¹⁹ According to the government of Pakistan, the mix of primary energy supply in 2004–2005 was gas (50.3%), oil (29.8%), hydro (11.0%), coal (7.6%), and nuclear (1.2%), with

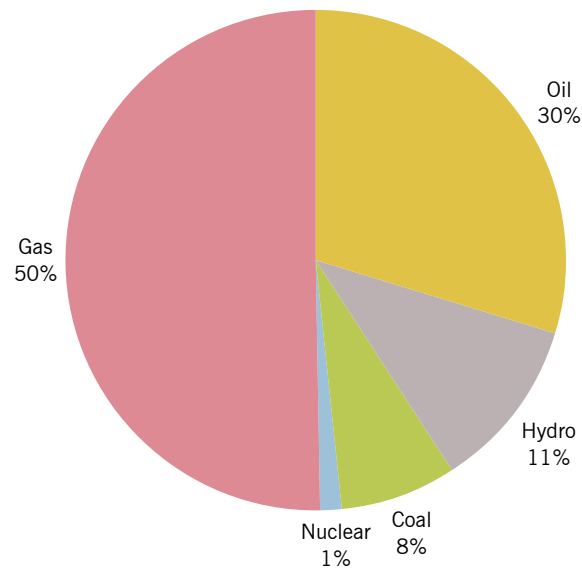
current installed electricity-generation capacity at 19,400 megawatts. (See *Figure 3*). Pakistan depends heavily (50%) on its reserves of natural gas for industry, power generation, and commercial and household use. These reserves will start declining within the next decade if no new major discoveries are made.²⁰

The current energy shortfall in the country is estimated to be between 4,000 and 5,000 megawatts. Pakistan's proven coal reserves are the world's sixth largest, and the government plans to increase the share of coal in the overall energy mix from 7% to 18% by 2018—a necessary policy choice from an energy standpoint, though it is not without negative environmental implications. Official figures from Pakistan warn that demand for energy will be 22% more than the projected supply in 2015,

¹⁸ Charles K. Ebinger and Kashif Hasnie, “‘Powerless’ Pakistan,” *Dawn*, May 17, 2010.

¹⁹ As measured by consumption of petroleum, natural gas, coal, electricity, and renewable sources in British thermal units. See Energy Information Agency, International Energy Statistics, <http://www.eia.gov/cfapps/ipdbproject/IEDIndex3.cfm> (accessed February 7, 2011).

²⁰ Government of Pakistan, “Energy for Growth,” in *Pakistan in the 21st Century: Vision 2030* (Islamabad: Planning Commission, 2007), <http://www.planningcommission.gov.pk/vision2030/Pak21stcentury/Chapter%20Wise/Ch%209,%20Energy%20for%20Growth,%2081-90.pdf> (accessed April 23, 2011).

Figure 3: Mix of Primary Energy Supply, 2004–2005

Source: Government of Pakistan, Planning Commission

with energy shortfalls reaching 64% by 2030.²¹ This is a sure recipe for increased unemployment, economic stagnation, fewer growth opportunities, and turmoil on the streets.

Dam construction and the building of the country's hydropower capacity also are fraught with difficulties. Water scarcity in Pakistan is already severe, and poor water resources management remains an ongoing problem. For example, much of the country's irrigation system, which dates to the colonial era and is a few hundred years old, is in desperate need of modernization, and meeting current and future water demands continues to be a serious challenge. In larger towns and cities, water scarcity has led to the unregulated mining of groundwater, which is a highly unsustainable practice. Because of these competing demands for water, increasing hydropower capacity to meet the country's energy needs remains a challenge. Moreover, any plans for the construction of new dams or reservoirs are subject to long delays because of water disputes between the provinces and ethnic politics surrounding it.

Pakistan's failure to meet its current energy needs is largely the result of poor planning, but other factors also have contributed to the prevailing crisis. Heavy line losses of electricity are common as a result of old and defective energy grids (e.g., transmission lines and power distribution centers), and approximately one-third of these losses result from theft. Moreover, Pakistan's potential sustainable and renewable energy resources—hydro, wind, and solar power—remain largely untapped.²²

²¹ Pakistan's largest existing dam at Tarbela produces less than that. See Noor-ul-Haq, ed., *Energy Crisis in Pakistan*, (Islamabad: Islamabad Policy Research Institute, 2008), <http://ipripak.org/factfiles/ff99.pdf> (accessed February 7, 2011); and *ibid.*

²² Ebinger and Hasnie, "Powerless' Pakistan."

Vision 2020 Objectives and Recommendations: An uninterrupted supply of energy to fuel the nation's economy should be the highest priority for the country's economic managers. To meet its current and future energy demands, the government should invest a minimum of \$5 billion dollars in energy production over the next decade. This is a very achievable target, and the investment could end "load shedding" or power outages. Resorting to ad hoc measures to deal with Pakistan's energy needs, such as opting for rental power plants, must end, and deep-rooted structural problems in the energy sector should be tackled head-on. The following measures in the energy sector should be implemented over the next decade:

- Pakistan must enhance its capacity to cultivate more power from renewable energy sources, particularly by improving its ability to harness wind energy along its southern coast and by making use of solar power. One reason that countries such as Malaysia, China, and India can meet their energy demands is that they have a better mix of nonrenewable and renewable energy sources.
 - Along with proper upkeep and maintenance of existing hydropower dams, more dams are needed to meet current and future energy requirements in Pakistan. This can be achieved by directing investments toward the construction of a very small number of large dams (Kalabagh dam is one project that has been stalled) or a larger number of small reservoirs. At the same time, these plans must be integrated into a broader strategy to improve water resources management throughout the country. Additionally, Pakistan can dispel the impression that big dam projects will benefit only larger provinces by exploring ways to reach a consensus among all the provinces on its water infrastructure and providing provinces with legally binding guarantees.
 - Energy efficiency in Pakistan can be improved if government-owned power generation infrastructure is refurbished technologically and power infrastructure is upgraded with a modern efficient grid.
 - Foreign donors can play a key role in building Pakistan's energy capacity by providing expert advice to the public and private sectors in Pakistan on energy development and management. The United States, in particular, should explore investing in a large energy infrastructure project in Pakistan, which will not only deepen strategic ties with Pakistan but also create goodwill in the country.
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The Floods Of 2010

The massive floods in Pakistan during the summer of 2010 set back all development indicators in the country, and the resulting figures are staggering. According to the U.S. Agency for International Development, approximately 2,000 people died as a result of the floods, and almost 2 million homes were destroyed or damaged.²³ The United Nations estimates that the flood injured or affected approximately 18 million people in Pakistan, a figure that exceeds the total number of individuals affected by the 2004 Indian Ocean tsunami, the 2005 Kashmir earthquake, and the 2010 Haiti earthquake combined. At the peak of the flood, approximately one-fifth of Pakistan's total land area was reported to be underwater.²⁴ (See Figure 4).

Pakistan's economy has been seriously harmed by extensive damage to the country's infrastructure, which is estimated to be around \$4 billion.²⁵ Additionally, Pakistan's crop production has been impacted heavily, and the damage to the country's sugar, rice, and wheat crops is estimated to be approximately \$2.9 billion. In all, 17 million acres of Pakistan's most fertile crop lands were submerged, and massive amounts of grain were washed away by the floods. Farmers were unable to meet the fall deadline for planting new seeds in 2010, which means a major loss of food production in 2011 and potential long-term food shortages. The damage to the agriculture sector includes more than 700,000 acres of lost cotton crops, 200,000 acres of sugarcane, and 200,000 acres of rice, in addition to the loss of more than 500,000 tons of stocked wheat—a primary food item in Pakistan. Additionally, more than 6 million heads of livestock (including poultry) were killed. According to an assessment conducted by the Asian Development Bank and the World Bank, the total direct economic impact of the 2010 flood is approximately \$10 billion.²⁶

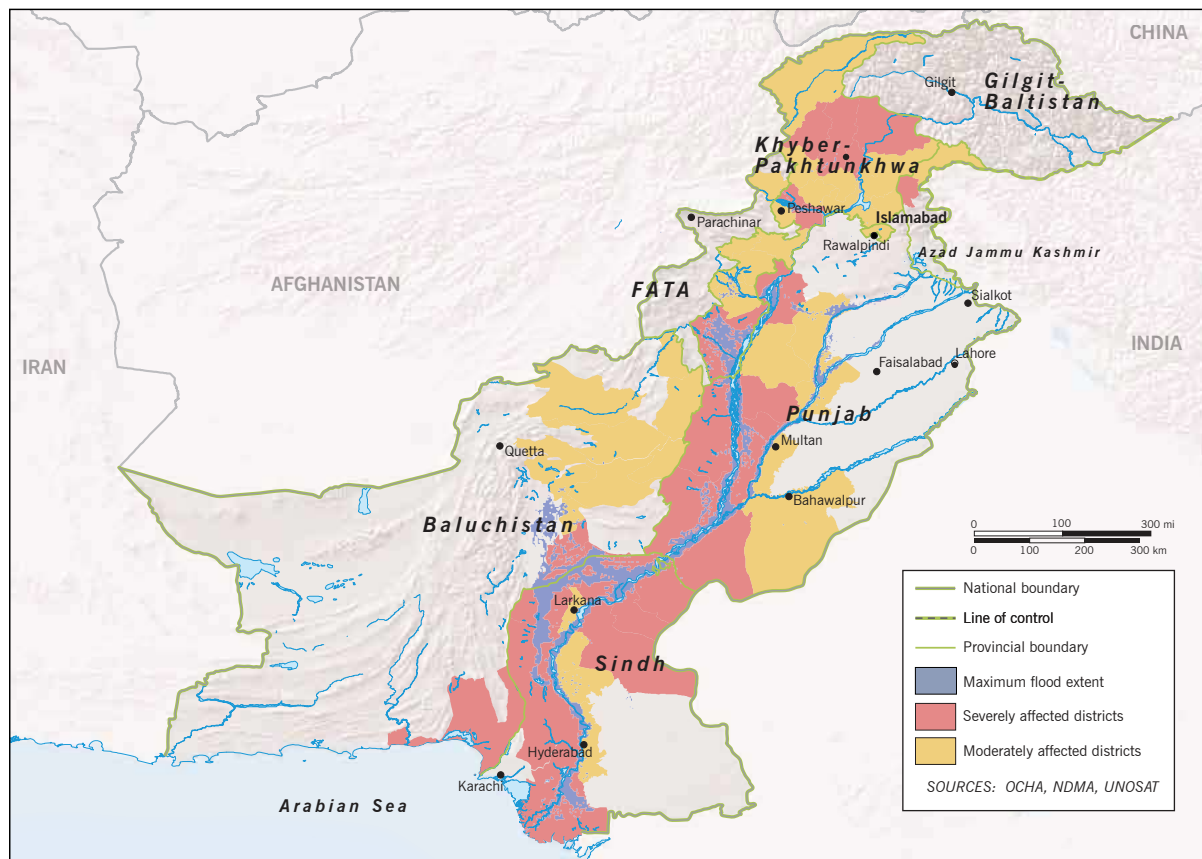
The floods also damaged an estimated 2,433 miles of highway and 3,508 miles of railway, with cost estimates for this damage valued at \$158 million and \$131 million, respectively. The country's power infrastructure also took a severe blow from the floods, with 10,000 transmission lines and transformers, feeders, and

²³ "Pakistan Floods," Fact Sheet no. 9, U.S. Agency for International Development, January 10, 2011, <http://www.usaid.gov/pk/downloads/da/01.21.11-USAID-DCHAPakistanFloodsFactSheet9-FY2011.pdf> (accessed April 23, 2011).

²⁴ See United Nations Office for the Coordination of Humanitarian Affairs, "Pakistan Floods Relief and Early Recovery Response Plan," November 5, 2010, <http://ochaonline.un.org/humanitarianappeal/webpage.asp?MenuID=14351&Page=1903> (accessed April 23, 2011); see also C. Christine Fair, "What Pakistan Did Right," *Foreign Policy*, January 18, 2011; and "Urgent Cry for Help as Death Toll Rises from Pakistan Flooding," *CNN*, August 16, 2010.

²⁵ Michael J. Hicks and Mark L. Burton, "Preliminary Damage Estimates for Pakistani Flood Events, 2010," Center for Business and Economic Research, Ball State University, August 2010, <http://cber.iweb.bsu.edu/research/PakistanFlood.pdf> (accessed April 23, 2011).

²⁶ See "Pakistan Floods 2010 Damage and Needs Assessment," World Bank, November 15, 2010, <http://siteresources.worldbank.org/PAKISTANEXTN/Resources/DNAbyadb-worldbankPresentation.pdf> (accessed April 23, 2011); United Nations Food and Agriculture Organization, "Pakistan Initial Floods Emergency Response Plan 2010," August 10, 2010, <http://www.fao.org/emergencies/tce-appfund/tce-appeals/appeals/emergency-detail0/en/item/44701/icode/?uidf=19653> (accessed April 23, 2011); "Sugar, Wheat, Rice Worth \$2.9 Billion Ruined by Pakistan Floods," *Bloomberg*, August 12, 2010; "Pakistan Floods Caused \$9.7 Billion in Damage: ADB/World Bank," *Reuters*, October 14, 2010; Fair, "What Pakistan Did Right"; and "2010 Pakistan Floods," *New York Times*, November 16, 2010.

Figure 4: Areas Affected by the 2010 Floods

Adapted from Relief Web map, <http://reliefweb.int/taxonomy/term/182> (accessed April 11, 2011).

powerhouses destroyed in flood-hit areas. Floodwater inundated the Jinnah hydropower plant and 150 powerhouses in Gilgit. The flood damage caused an additional power shortfall of 3,000 megawatts.²⁷

The inability of centralized institutions in Pakistan to respond immediately to the floods reflects the weakness of governance in Pakistan. This weakness was revealed fully by poor governance along the Indus River, especially the failure to implement construction regulations around the river and its canals. Financing disaster management is also a great challenge to the country. The severe shortage of paramedics to respond to emergencies and the water and sanitation crisis that emerged in the aftermath of the floods, for example, exposed a deficiency in local social service infrastructure that is leading to a slow recovery process. Overall, the state of social services in Pakistan remains abysmal. Rehabilitation efforts since the flood have been slow as well, and many victims still are living in camps and cannot return to their homes.²⁸

²⁷ See United Nations Office for the Coordination of Humanitarian Affairs, "Pakistan Floods Relief and Early Recovery Response Plan, August 2010–July 2011," <http://fts.unocha.org/pageloader.aspx?page=emerg-emergencyDetails&appealID=905> (accessed April 23, 2011); and "Power Shortfall Rises to 3,135 Megawatts," *The Statesman*, August 13, 2010.

²⁸ See Waqar Bhatti, "UN Official Laments Post-Flood Conditions in Sindh," *The News*, February 9, 2011.

Moreover, competition for funding between the Pakistani state agencies and the United Nations system are apparent, and funding tensions between the federal and provincial governments also have come to light. However, it is noteworthy that most of the rehabilitation work was managed by the Pakistani military, which swiftly moved its forces and equipment into the flooded regions to evacuate people and distribute supplies in the immediate aftermath of the floods. Rapid support from the United States helped Pakistan in the initial weeks and months after the massive floods, but support from Pakistan's friends in the region, as well as from the Middle East, was slow and inadequate. Indeed, the United States is the largest donor of funding for flood relief efforts in Pakistan.²⁹

The United States is the largest donor of funding for flood relief efforts in Pakistan.

Vision 2020 Objectives and Recommendations: Improving Pakistan's lagging social and economic development indicators should be a top priority. The enormity of the humanitarian crisis caused by the floods requires concerted planning and a seamless transition to the rehabilitation and reconstruction phase. Securing resources for the postrelief phase continues to be a challenge, but every effort should be made in the next two to three years to ensure that reconstruction in Pakistan proceeds effectively. The following steps need to be taken to ensure that Pakistan fully recovers from the flood over the next decade and is adequately prepared for future disasters.

- Pakistan's vulnerability to disasters can be addressed by immediately implementing sound building regulations, starting land rehabilitation, de-silting canals and waterways, and constructing dikes.
- Integrating climate change scenarios into the Pakistan government's annual development plans will help develop a well-coordinated strategy to address the impacts of global climate change in the country while ensuring progress toward meeting the Millennium Development Goals targets for poverty reduction. This will require billions of dollars in medium-term investments in climate change mitigation and adaptation measures. Mechanisms such as the Climate Investment Funds, for example, support low-carbon and climate-resilient development through scaled-up financing.
- Regional as well as global support for reconstruction in flood-hit areas is critical. Donor fatigue in recent years resulted in slow financial support for Pakistan initially, but this can be offset by sustained support for reconstruction. To improve its credibility and potentially attract more funds for reconstruction, Pakistan must be fully transparent about the utilization of international funds.
- Stabilizing and improving access to steady, affordable, and nutritious food supplies in Pakistan is essential, especially for the 6 million people most affected by the floods. The Pakistan government must continue to ensure adequate supplies of nutritious food to infants, women, and young children in flood-hit areas. Areas that are experiencing high levels of food insecurity and economic and social underdevelopment also have been associated with growing insurgencies.³⁰

²⁹ K. Alan Kronstadt, Pervaze A. Sheikh, and Bruce Vaughn, "Flooding in Pakistan: Overview and Issues for Congress," Congressional Research Service, Report no. R41424, November 18, 2010, <http://www.fas.org/sgp/crs/row/R41424.pdf> (accessed April 23, 2011).

³⁰ Kaiser Bengali and Allan Jury, "Hunger Vulnerability and Food Assistance in Pakistan: The World Food Program Experience," in *Hunger Pains: Pakistan's Food Insecurity*, ed. Michael Kugelman and Robert Hathaway (Washington, DC: Woodrow Wilson International Center for Scholars, 2010).

- Enhancing access to health services and medicines for flood-affected areas has to be a government priority, in addition to evaluating and addressing the health risks caused by the flood. Flooding, for example, often leads to an increase in the spread of waterborne diseases when access to clean drinking water is compromised. This remains a serious problem in Pakistan.
- The losses incurred by displacement, migration, or damage to income-generating assets as a result of the floods highlight the need for introducing alternative mechanisms for flood survivors to reestablish their source of livelihood, especially for those whose primary source of income has been obliterated. Future asset-protection mechanisms need to be introduced concurrently—for example, through livestock insurance and weather-indexed crop insurance.
- Developing a comprehensive management framework for disaster prevention and mitigation in all aspects of national planning will reduce Pakistan’s vulnerability to natural calamities. The National Disaster Management Authority needs to be strengthened and properly resourced in order to function as a national focal point. In this context, Pakistan must follow the Kyoto Convention’s recommendations on disaster prevention and management diligently.³¹

³¹ World Customs Organization, “The International Convention on the Simplification and Harmonization of Customs Procedures (Kyoto Convention),” 1999. Pakistan signed the Kyoto Convention in 2004, and it went into force in 2006.

Internal Security

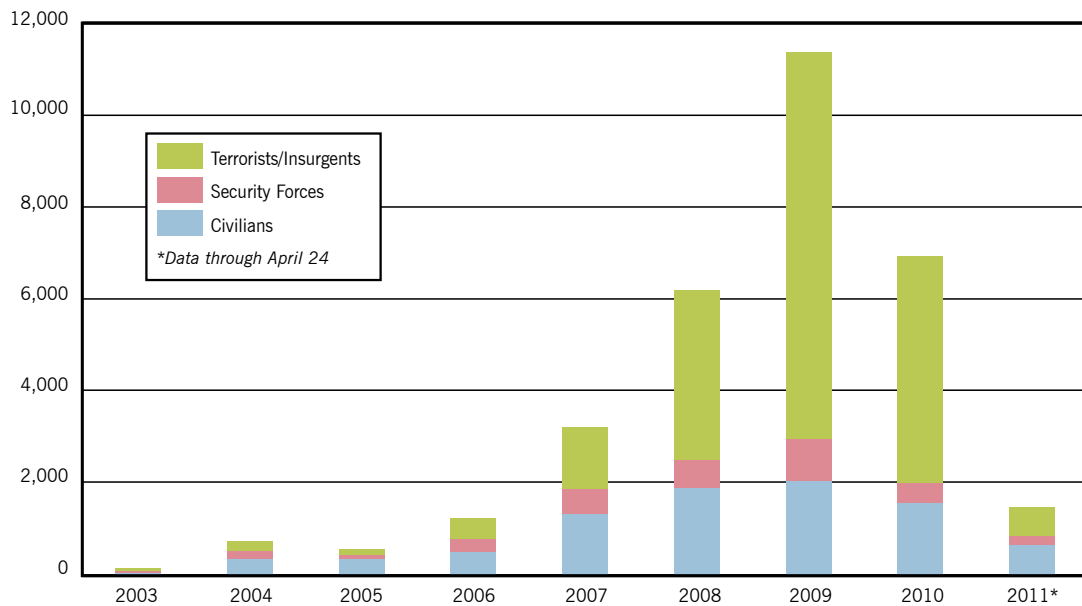
The significant rise in terrorist activity throughout the country, besides being a serious threat and demoralizing fact for its people, has dampened economic growth in Pakistan. From 2007 to 2010, there were approximately 240 suicide bombings in Pakistan, all of which targeted Pakistan's armed forces, police, politicians, and civilians, as well as state and military infrastructure and traditional religious places of worship.³² These attacks took place not only in Pakistan's turbulent northwest, but also in the country's major urban centers. Suicide bombings and other types of attacks clearly highlight the seriousness of the terrorist threat that faces Pakistan today. The thousands of personnel who have lost their lives while conducting counterterrorism operations and performing their routine duties demonstrate the sacrifices made by both civil and military security forces. (See Figure 5).

Pakistan faces a number of internal security threats ranging from criminal networks in Karachi and insurgent groups operating in Baluchistan Province to terrorist groups operating out of FATA and sectarian extremist groups in South Punjab.³³ Acts of terrorism conducted by Al-Qaeda and other global and domestic affiliates are also a very serious threat to Pakistan. These groups primarily include the Tehrik-e-Taliban Pakistan, elements of the Afghan Taliban, Pakistani militant groups focused on the Kashmir theater (e.g., Lashkar-e-Taiba and Hizbul Mujahideen), groups devoted to sectarian violence (e.g., Sipah-e-Sahaba and Lashkar-e-Jhangvi), and extremist political groups promoting a radical agenda that, at a minimum, informs and equips terrorist groups with ideology and rationale for political violence infused with religious symbolism.

Since 2004, large areas of the Pakistan–Afghanistan border region (especially the Waziristan area) and the Swat District in the North-West Frontier Province during 2007–2008 came under the complete control of militant groups aligned with the Pakistani Taliban. While a largely successful military operation in Swat and a belated but effective counterterrorism campaign in South Waziristan in 2009 improved the situation, pockets of territory remain under Taliban control where the organization is active and thriving, especially in North Waziristan, Orakzai, Bajaur, and the Khyber agencies of FATA. Militants in South Punjab are also emerging as a major threat. The media in Pakistan played an important role in raising awareness about the “reign of terror” in Swat, which also helped to push political and military leaders into conducting military operations in the area.

³² See “2010 Bloodiest Year for Pakistan since 2001: Report,” *Indian Express*, December 24, 2010.

³³ For details, see Jayshree Bajoria, “Pakistan's New Generation of Terrorists,” *Council on Foreign Relations Background*, October 7, 2010; Hassan Abbas, “Defining the Punjabi Taliban,” *CTC Sentinel* 2, no. 4 (2009): 1–4; Gretchen Peters, “Crime and Insurgency in the Tribal Areas of Afghanistan and Pakistan,” *Combating Terrorism Center Report*, U.S. Military Academy at West Point, October 2010.

Figure 5: Fatalities from Terrorist Violence in Pakistan, 2003-2011

Source: South Asia Terrorism Portal

At least three key factors sustain the relevance of global terrorist groups, Kashmir-focused groups, and Pakistan-focused sectarian and militant groups. First, these groups harbor and promote a mutilated strain of religion and related political misgivings. Second, terrorist groups are buoyed financially by the inclusion of criminal actors in their ranks, who, in return, adopt a religious-political façade and enjoy the protection of the terrorist groups. Finally, this symbiosis is replicated at a micro level: the taking up of terrorist causes by poor, young men who are provided with financial incentives, such as a salary, and intangible rewards, such as prestige.

Pakistan has muddled through many serious challenges in the past, but the current situation facing the country will require much more effort to combat. Undoubtedly, terrorists have been aggressively targeting progressive religious scholars, but this brutal campaign has inspired many more of their ilk to come forward and fill the void to challenge extremist trends. The 600-page comprehensive fatwa (religious edict) of Dr. Tahir ul Qadri, a renowned Pakistani Islamic scholar, against suicide bombing is one such example.³⁴

Terrorism, however, is not the only or the most important internal security threat faced by Pakistan. Indeed, Pakistan's most critical internal security threat emanates from the absence of a capable, well-

³⁴ In a quote by Dr. Qadri reported in *Foreign Policy* magazine, he noted that "[t]here was a need to address this issue authentically, with full authority, with all relevant Quranic authority—so that [the terrorists] realize that whatever they've been taught is absolutely wrong and that they're going to hellfire. They're not going to have paradise, and they're not going to have 72 virgins in heaven. They're totally on the wrong side." See Christian Caryl, "Sheikh to Terrorists: Go to Hell," *Foreign Policy*, April 14, 2010.

resourced, structurally coherent, and institutionally autonomous police and law enforcement service. While Pakistani policemen are responsible for providing internal security, they are poorly paid, badly trained, politically dependent, and inadequately equipped. The country's police are governed by laws and regulations designed for a nineteenth-century agrarian economy, not a rapidly urbanizing economy of the twenty-first century.

In the last decade, police reform efforts have been initiated, but poor implementation and frequent amendments quickly nullified the legislative progress and made these reforms ineffective. While the federal government is always quick to note that law and order is a provincial problem when there is a breakdown in security, it is the first to deplete provincial powers and resources needed to effectively deploy police services. Lately, provincial governments have increased their police budgets, but that alone is insufficient. Approximately 18 law enforcement organizations exist in the country. They range from police organizations and paramilitary forces in each province to the Federal Investigation Agency and the nascent National Counterterrorism Authority in Islamabad. But mechanisms to coordinate and share critical information between these agencies are lacking.³⁵

Ill-equipped police services with skewed institutional incentives at both the citizen interface level (*thaana-kuthchehri*) and the inter-police level (between the provinces and between the provinces and the federal government) exacerbate the seriousness of insecurity in Pakistan. The infiltration of criminals and religious extremists into the police ranks is yet another growing challenge.³⁶ The primary reason for this state of affairs is successive governments' persistent failures to invest in law enforcement reform and modernization. Foreign donors also have failed to pay attention to this sector. Indeed, very little funding has been diverted toward enhancing the capacity of Pakistan's police force from the billions of dollars that Pakistan has received to fight the "war on terror" since 2001.

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Improving intelligence operations, especially those related to human intelligence, in remote tribal areas and enhancing forensic evidence collection are also critical, besides enhancing interagency cooperation such as information sharing and coordination in counterterrorism. Many terrorists have been able to evade legal prosecution because army officials and intelligence agencies failed to abide by the legal formalities necessary for convictions through courts. The formal criminal justice system does not provide for the armed forces to play a direct role in managing internal security, especially in regard to investigations and interrogations. Internal security can be ensured only through efficient and transparent coordination between the police and military.

³⁵ For details about the law enforcement infrastructure in Pakistan, see Asad Jamal and Sanjay Patil, eds., "Police Organizations in Pakistan," Human Rights Commission of Pakistan and Commonwealth Human Rights Initiative, May 2010, http://www.hrcp-web.org/pdf/Police_Organisations_in_Pakistan%5B1%5D.pdf (accessed April 23, 2011).

³⁶ See, e.g., Alex Rodriguez, "Extremists Have Easy Time Infiltrating Pakistan Security Services," *Los Angeles Times*, February 6, 2011.

During the 1990s, however, the police successfully challenged some militant religious groups in Punjab, demonstrating the potential to deliver the desired results when provided with political support and necessary resources.³⁷ Clearly, better policing standards and performance will add to the government's credibility and establish its writ more effectively in areas that are slipping out of its control. Learning lessons from what transpired in the North-West Frontier Province in recent years—especially in order to plan for any preemptive law enforcement actions in South Punjab, where banned local militant groups such as Sipah-e-Sahaba and Jaish-e-Mohammad are resurgent—are of vital importance at this moment.

In Baluchistan, Pakistan's largest province, the Pakistani state gradually is losing its authority and legitimacy. Many state schools, for example, do not recite the national anthem or display the Pakistani flag. One reason for the increasing frustration in Baluchistan is regular accounts of involuntary disappearances, which have become “uglier and uglier” in recent years. Moreover, state intelligence agencies have been accused of acting above the law and without the oversight of the executive and judiciary in their efforts to exert law and order throughout the province.³⁸

As this report was going to print, Osama bin Laden, the most-wanted terrorist in the world, was killed in a swift U.S. operation in Abbottabad in Pakistan's Khyber Pukhtunkhwa Province. While U.S. President Barack Obama and Secretary of State Hillary Clinton have publicly acknowledged ongoing U.S.–Pakistan cooperation in counterterrorism, serious questions also are being raised about Pakistan's failure to bring Bin Laden to justice on its own. Before the operation, Bin Laden had been living for months, if not years, in a secure compound close to an important military institution. How he escaped the penetrating eye of the Pakistani security services is an intriguing question. As the facts of this episode come to light, they are proving to be quite damning and embarrassing to Pakistan. The country's leaders must properly investigate what went wrong.

Vision 2020 Objectives and Recommendations: Achieving internal security is of paramount importance to ensuring a stable and prosperous future in Pakistan. At the core of internal security is the creation of a capable, well-resourced, structurally coherent, and institutionally autonomous police and law enforcement service. The establishment of a stable democratic government that makes decisions responsibly and is accountable to the public is a central part of this objective. Moreover, improvements in internal security cannot be achieved through a firefighting approach alone. Rather, the strategy should cultivate long-term policies that include both military and nonmilitary aspects of counterinsurgency and counterterrorism, and must include measures that tackle the root causes of insurgency and violence in the first place, such as poverty, illiteracy, a sense of injustice, and a widely held perception that “external forces” are attacking Pakistan. Moreover, the government must turn inward and concentrate on addressing internal problems rather than seeking a false “liberation” of Kashmir or creating strategic depth in Afghanistan, as it did in the 1990s.³⁹ The following steps need to be taken to ensure internal security in Pakistan over the next decade:

³⁷ Hassan Abbas, *Reforming Pakistan's Police and Law Enforcement Infrastructure: Is It Too Flawed to Fix?* (Washington, DC: United States Institute of Peace, 2011).

³⁸ See Raza Rumi, “Pushed to the Wall,” *The News*, March 27, 2011; and I. A. Rahman, “New Threats to Rights,” *Dawn*, December 9, 2010.

³⁹ Another view is that Pakistan has also provided “strategic depth” to Afghanistan, for example, when Afghanistan is attacked by foreign powers or when large numbers of Afghans seek refuge in Pakistan. Pakistan also provides access into the landlocked country and enterprising Afghans often run their business from Pakistani military bases.

- De-radicalization programs and the effective use of law enforcement backed by military force must be enhanced to reduce religious militancy.
- The Pakistan government will have to confront the multiple insurgent and terrorist groups operating simultaneously in the country. No terrorist or militant group should be allowed to use any space as a sanctuary.
- Establishing an efficient, resourceful, and accountable law enforcement infrastructure will require Pakistan to do the following:
 - Fully implement the 2002 Police Order and reorganize the police into an efficient, professional, and politically neutral force. The controversial amendments made in 2004 to the Police Order should be discarded. Most importantly, police safety commissions—already provided for under the new law—must be empowered to monitor police performance.⁴⁰
 - Increase salaries and improve conditions in the police to ensure that policing standards are enhanced. Better performance of the National Highways and Motorway Police clearly shows that incentives make a significant difference in output.⁴¹
 - Follow, as a model, the Citizen–Police Liaison Committee in Karachi, a nonpolitical statutory institution, and engage in similar efforts across Pakistan. Developing public trust is critical for reducing crime and sustaining any reform agenda.
 - Streamline the nationwide law enforcement command and control system and enhance police and intelligence services cooperation.
- Military and civilian intelligence agencies must follow guidelines provided by law when gathering information and conducting interrogations. Human rights violations, especially in Baluchistan, where reports of abductions of political activists by security forces are common, must end.
- Antiterrorism courts can function effectively only if a cohesive legislative framework is developed. To achieve this, amendments are needed in the Criminal Procedure Code to establish a robust witness protection program and to make the protection of witnesses, investigators, prosecutors, and judges in major criminal cases, particularly terrorism cases, a priority.
- Rigid and impartial enforcement of the law will help ameliorate ethnic strife and sectarian killings in cities, especially in Karachi. This strategy will require revising the curriculum in

Rigid and impartial enforcement of the law will help ameliorate ethnic strife and sectarian killings.

⁴⁰ The Police Order of 2002 substantially improved the laws governing police organizations in Pakistan. It emulated the Japanese National Safety Commission system, which ensures oversight of police by both elected and nominated members at district, provincial, and national levels. Additionally, an independent prosecution service was provided to place more effective checks on the police. The police also were given operational autonomy in administrative and investigative spheres, while its various responsibilities—ranging from investigations, intelligence, watch and ward, and guard duties—were divided among separate police departments to improve performance. The provisions of the Policy Order were amended further in 2004, partially nullifying the reform agenda.

⁴¹ “ADB Declares Motorway Police A ‘Miracle,’” *Daily Times*, July 12, 2008.

public schools, as well as in madrasa networks, in ways that encourage pluralism and deter any dissemination of intolerance. Similar initiatives in recent years should be given more focus and funding.

- Curricular improvement in Pakistan along scientific lines can be modeled on similar efforts in Indonesia and other countries.⁴² In this context, progressive religious scholars who challenge violent extremists must be provided full security as well as state support for their independent research work and publications.
- Internal security can be achieved if the international community directly targets its assistance toward helping Pakistan in this area. Half of U.S. funding allocated for counterterrorism and counterinsurgency support in Pakistan, for example, can be directed toward supporting scientific investigations and enhancing forensic capabilities in law enforcement. Additionally, the rules of engagement of coalition forces and policies on drone attacks should be reassessed.

U.S. Policy Concerns about Pakistan

By Graham Allison

I agree with much of what is written in this report. In particular, I applaud the search for a positive, forward-looking, and holistic vision for Pakistan and the uncompromising optimism about the possibilities on a subject that normally is shrouded in gloom. Over the years, I have learned more from Hassan Abbas about Pakistan than I can remember. Nevertheless, several issues should be underlined.

Given that Pakistan has more than 180 million people struggling to build a democracy, deep entanglements in Afghanistan and India, a bulge of able but unemployed or underemployed youth, and large diaspora populations in Europe and the United States, the country's future has important consequences for global stability. Furthermore, Pakistan's relationship with the United States is deeply troubled. While Pakistan is considered a major U.S. ally that is not part of NATO, the country—or at least some agencies of the Pakistani state—also is known as a state sponsor of terrorism. More importantly, however, Pakistan has the fastest-growing nuclear arsenal in the world today. Having tripled its nuclear arsenal over the past decade to more than 100 weapons and with a stockpile of fissile material that has been expanding even more rapidly, Pakistan is on track to become the fourth-largest holder of nuclear weapons in the world.

From this perspective, the United States has vital national interests in Pakistan and these interests center on three concerns. First, the United States is fearful that the Pakistani government may lose control of its stockpile of nuclear weapons and that some of these weapons may fall into the hands of terrorists, possibly stolen by a thief charged with overseeing them. Second, as the sale and delivery of nuclear weapons technology to Libya by A. Q. Khan demonstrate, the United States is

⁴² For details on the Indonesian model, see Kirsten E. Schulze, "Indonesia's Approach to Jihadist Deradicalization," *CTC Sentinel* 1, no. 8 (2008): 8–10; see also Jessica Stern, "Mind over Martyr," *Foreign Affairs*, January/February 2010, 95–108.

concerned that Pakistan may transfer nuclear weapons or weapons technology to another state, such as Iran. Finally, the United States worries that ongoing instability in Pakistan may lead to the takeover of these weapons by a radical militant group or a splinter group within Pakistan's security services. All of these scenarios—loose nukes to terrorists, the transfer of weapons, and seizure of nuclear weapons by radical groups—powerfully motivate the U.S. government's concerns about the security of Pakistan's nuclear arsenal. Moreover, the United States has an extremely important stake in ensuring that India and Pakistan avoid fighting the first major nuclear war, which could claim tens of millions of lives.

These concerns are no secret to Pakistan's leaders, and feed into their understandable paranoia about the possibility of the United States seeking to seize or disable the country's arsenal. But for the Pakistani national security establishment, these weapons are an ultimate security blanket and one of the state's greatest achievements—thus, it is no surprise that tension with the United States over its nuclear weapons program continues. Pakistan's leaders insist that their country's nuclear arsenal is the most secure in the world. But as the recent assassination of the governor of Punjab, Salman Taseer, by his personal guard shows, Pakistan's security forces remain vulnerable to internal security breaches.

While the security of Pakistan's nuclear weapons may top U.S. vital interests in the country, the United States is also deeply concerned about Pakistan serving as a base for the plotting and training of terrorists for attacks on American soil. Faisal Shahzad's failed attempt to detonate a car bomb in New York's Times Square in May 2010 illustrates this concern. Shahzad, a Pakistani American who had lived in the United States for 13 years and had been granted U.S. citizenship one year before his attempted car bombing, was trained by Pakistan-based members of the Taliban before returning to the United States to carry out his act. While his attempt at committing a major terrorist attack on U.S. soil failed, the consequences of a successful attack would have had major consequences for U.S.–Pakistani relations. Speaking to Pakistani president Asif Ali Zardari and other top Pakistani officials following Shahzad's capture, then–U.S. National Security Advisor General James Jones warned that “there are some things even President Obama would be not be able to stop” if a successful attack on U.S. soil were traced to Pakistan. General Jones went on to note that “[n]o one will be able to stop the response and consequences. This is just a statement of political fact.”¹ India's prime minister, Manmohan Singh, issued a similar warning following the 2008 terrorist attacks in Mumbai, which killed 164 people.

Is the Pakistani state becoming more coherent and stable, or more fragile and potentially fragmented? While the hope is that the country is becoming more stable, the most troubling evidence that Pakistan is fragmenting comes from the public reactions following Taseer's assassination. The fact that he was assassinated by his own highly vetted bodyguard is worrisome. But what is one to make of the response by the substantial number of lawyers, earlier celebrated for their courageous advocacy of civilian control and democracy during Pakistan's constitutional crisis in 2007–2008, showering the assassin with flowers rather than condemning his crime? Hollow denunciations of

¹ Bob Woodward, *Obama's War* (New York: Simon & Schuster, 2010), 364.

this horrific act by Pakistani leaders, coupled with their absence from Taseer's funeral, are signs of a deeply troubled state.

I hope these issues will remind us of the magnitude of the challenges that the many brave, courageous, and dedicated individuals in Pakistan face in coping with threats not only to their country, but also to the world.

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Relations with India and Neighbors

Pakistan's foreign policy is colored by a history of differentiating itself from a larger and more adversarial neighbor, India. India's leaders also have created a mental image of Pakistan as being "other" rather than an independent state belonging to a South Asian bloc. For Pakistan, this has translated into a "look west" policy, and sociopolitical and cultural commonalities with India have not been explored. Pakistan has been desperate to remain strong enough militarily to defend itself against India, and its foreign policy continues to wrestle with this central concern. (See *Figure 6*).

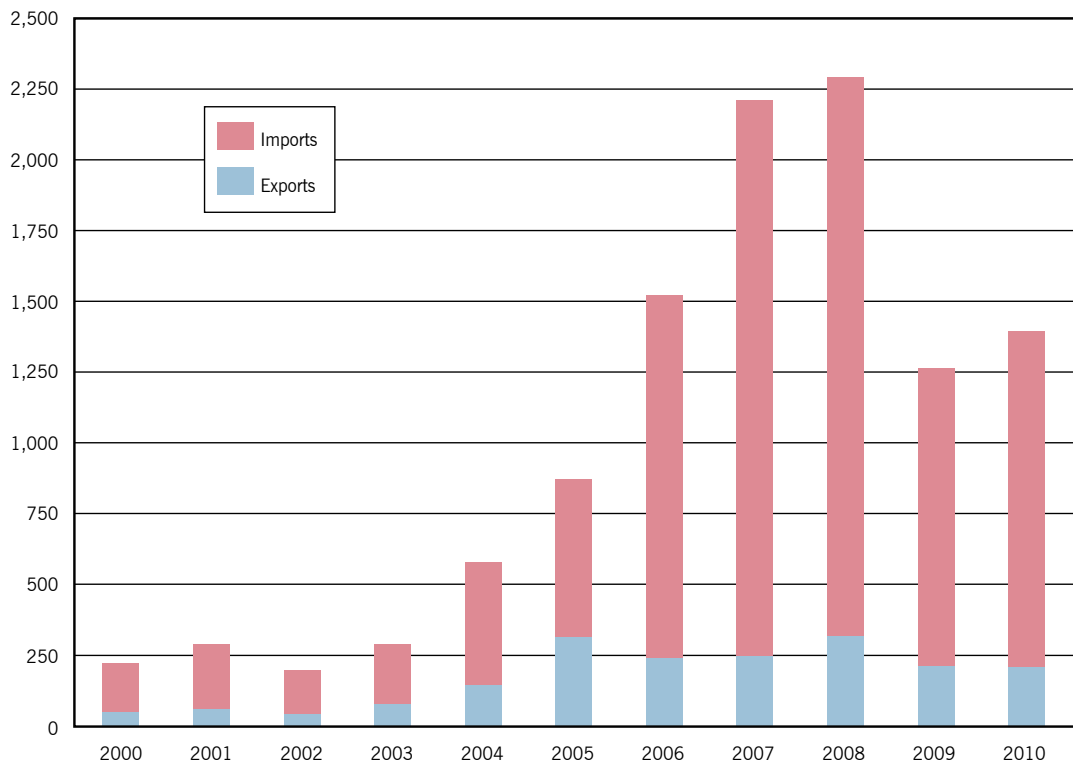
While the Pakistani establishment is starting to change its mind-set in its relationship with India, the fundamental premise remains the same and continues to dictate Pakistan's regional role.⁴³ Pakistan's internal weaknesses worry the country's establishment, as this implies an inability to withstand India's rise in the medium term. The peace process between India and Pakistan from 2004 to 2007 opened up many opportunities for people in both states to interact, but the Mumbai attacks in 2008 diminished the dividends of that process in one cruel stroke. Despite the attacks, cultural exchanges between the two countries continued even during a period of cooling relations. For example, television stations from India are very popular in Pakistan, while Pakistani artists and singers draw big crowds during their performances in India.⁴⁴ More recently, "cricket diplomacy" helped ease tensions between the two countries, and the prospects for peace seems to have been revived. International media often miss these positive aspects of Indo-Pakistan relations.

Separately, while Pakistan has acquired a reputation as a major source of instability in the region, it also holds the key to peace in the future. Pakistan's potential as a vital energy corridor through which both India and China could tap energy resources in the Middle East and Central Asia is notable, and therefore Pakistan also holds a key to the region's prosperity. Pakistan's policy toward Afghanistan, in principle, is dictated by the need to coexist with a presumably friendly neighbor. While "strategic depth" is dead and Pakistan no longer is vying for a client-patron relationship with Kabul, a passive western border remains a crucial objective from its security perspective. It will be Pakistan's ability to tame militancy within

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⁴³ See, e.g., Shuja Nawaz, *Learning by Doing: The Pakistan Army's Experience with Counterinsurgency* (Washington, DC: Atlantic Council, 2011).

⁴⁴ See Sana Bucha, "True Lies," *The News*, March 13, 2011.

Figure 6: Pakistan’s Bilateral Trade with India (millions of U.S. dollars), 2000–2010

Source: International Monetary Fund, Direction of Trade; data for 2010 covers January through November only.

its borders and its success in contributing to a negotiated settlement in Afghanistan, along with an eagerness in India and Pakistan to resolve their mutual differences, that will bring peace and prosperity to South Asia. Pakistan’s policies toward Sri Lanka—especially its support for the Sri Lankan government’s fight against the Liberation Tigers of Tamil Eelam in recent years—and attempts to improve ties with Bangladesh also demonstrate Pakistan’s desire to remain relevant in South Asia despite the growing influence of India. In essence, a confrontational rather than a cooperative lens dictates Indo-Pakistan relations.

Pakistan’s relationship with China remains strong and vibrant. China is seen as a trusted friend, and its cooperation with Pakistan’s armed forces is especially valued in defense circles. Following the signing of an unprecedented civilian nuclear cooperation treaty between India and the United States in 2008, Pakistan anxiously looked to China for a comparable nuclear deal. Upon his election as president of Pakistan, Asif Ali Zardari chose Beijing for his first international state visit. Pakistan’s close ties to China are viewed with suspicion by India, and clearly the India–China rivalry is at play in this context. One of the central reasons why Pakistan feels more comfortable in its relationship with China is that country’s perceived noninterference in Pakistan’s domestic affairs.

Vision 2020 Objectives and Recommendations: Pakistan's development is almost impossible without regional cooperation, and China and India play a very important role in this context. An optimistic scenario in the next 10 years would be for Pakistan's economy to grow at a rate of approximately 5% annually, which would provide a cushion so that the country could begin investing in long-term human capacity development. However, without a sustainable peace deal with India that includes an amicable resolution of the Kashmir dispute, Pakistan is unlikely to progress economically and focus effectively on development. Enough evidence exists to suggest that persistent military tension with India has been very damaging to Pakistan. Pakistan is in dire straits, and continuing this pattern will be catastrophic for its economy. An India–Pakistan breakthrough could reverse these trends, and there is growing realization in India that a failed Pakistan is not in its best interest. Therefore, a significant improvement in the bilateral relationship between India and Pakistan is a worthy ideal to pursue. Peace in South Asia is attainable if Pakistan, its neighbors, and international stakeholders focus on the following measures:

Pakistan's development is almost impossible without regional cooperation, and China and India play a very important role in this context.

- Pakistan must set a goal of increasing annual direct bilateral trade with India to more than \$5 billion by 2020. While the contentious issues between Pakistan and India likely will persist for quite some time, increased economic interactions will expand the space for peace constituencies in both states. As a first step, India should unilaterally lower nontariff barriers to trade with Pakistan. In turn, Pakistan can accord India most-favored-nation trade status.⁴⁵
- Reforming the visa issuance process will help support and strengthen people-to-people contact from both countries, as will further encouraging contacts between civil society groups and student exchange programs in both countries. While interactions between civil society groups in both countries increased significantly during the 2004–2008 peace talks, tit-for-tat visa conditions in the aftermath of the Mumbai attacks in late 2008 reinstated tough restrictions on such contacts. These restrictions should be relaxed.
- Enhancing energy cooperation between India and Pakistan is a potential avenue of dialogue between the two countries. Cooperative energy projects can include work on a joint natural gas pipeline, joint electricity-generation projects, and the development of a common grid system. Pakistan is already a transit site for two proposed gas pipelines: the Turkmenistan–Afghanistan–Pakistan–India pipeline and the Iran–Pakistan–India pipeline. Increasing energy cooperation between India and Pakistan will demonstrate that the people of both countries can benefit from normalization and improved relations.
- The governments of Pakistan and India should place a moratorium on the expansion of their nuclear weapons programs and agree on a set number of weapons and on spending limits. At

⁴⁵ For more ideas on the subject, see Shaheen Rafi Khan, Faisal Haq Shaheen, and Moeed Yusuf, "Managing Conflict Through Trade: The Case of Pakistan and India," in *Regional Trade Integration and Conflict Resolution: Southern Perspectives*, ed. Shaheen Rafi Khan (London: Routledge, 2009).

the same time, Pakistan's military leaders must realize that more nuclear weapons will neither improve the country's nuclear deterrence capabilities nor help in its fight against terrorism. Furthermore, Pakistan must ensure the safety and security of its nuclear materials.

- By reposturing militarily and becoming less Pakistan focused, India can help ease Pakistan's insecurity. War doctrines such as "Cold Start" should be reviewed and Pakistan's apprehensions about Indian interference in Baluchistan need to be addressed. At the same time, Pakistan must dismantle all armed groups that focus on Kashmir and bring to justice the masterminds of the 2008 Mumbai attacks who are in Pakistan's custody.
- Pakistan, India, Afghanistan, and other external powers must recognize that terrorism is by no means a state-specific problem; the entire region will have to confront it together. State-specific strategies alone cannot deliver results. Cooperation between civilian law enforcement agencies of South Asia should be institutionalized.

The United States cannot promote an amicable resolution of the differences and disputes between India and Pakistan by supporting one side or the other; it must remain objective. In the case of Afghanistan, a more proactive role for the United States must include bringing all the regional stakeholders to the table, ideally under a United Nations umbrella and with the aim of ending the India–Pakistan rivalry and proxy war in Afghanistan.

Conclusion

While Pakistan is not a failed or even a failing state, the country's weaknesses and dysfunctions are clearly visible.⁴⁶ Internal security is only one of the challenges facing Pakistan today. Weaknesses in state structure as well as Pakistan's perennial identity crisis also have risen to a dangerous level. Without the urgent adoption of both remedial and revolutionary measures, Pakistan's future challenges will only become more serious over time. As one leading Pakistani economist has noted, "As Pakistan's crisis of governance and economy reaches a point of inflection, it is time to change the policy paradigm—the one that regards greed as the basis of public action, affluence of the few at the expense of many as the hallmark of development, and an adversarial relationship with a neighboring country as an emblem of patriotism."⁴⁷

To make tough choices, Pakistan's leadership needs enhanced credibility as well as international support. Although billions of dollars in foreign aid are being funneled into Pakistan, the government has invested little in building the country's institutions and infrastructure. The United States has provided Pakistan with more than \$19.5 billion in both defense- and non-defense-related aid since 2001, but a significant share of this aid has been spent on the "war on terror," and it is difficult to account for.⁴⁸ Many believe that the remainder of this aid is going toward enriching the country's elites to the detriment of civilian institutions.

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Many Pakistanis are critical of traditional U.S. support for the country's armed forces (especially during periods of military rule) and believe that U.S. support should mainly be directed toward investments in development projects. The Enhanced Partnership with Pakistan Act of 2009 (also known as the Kerry-Lugar-Berman Bill), which provides \$1.5 billion in U.S. foreign aid every year for five years (starting in 2010), is aimed at changing this pattern of U.S. assistance to Pakistan. Indeed, it is hoped that this aid package will demonstrate the seriousness of the renewed U.S. effort

⁴⁶ See, e.g., remarks by Ambassador Nicholas Platt, Former Ambassador to Pakistan and Former President of the Asia Society, "Pakistan 'Not a Failed State,'" Asia Society, March 3, 2010, <http://asiasociety.org/policy-politics/governance/national/nicholas-platt-pakistan-not-failed-state> (accessed April 23, 2011).

⁴⁷ Akmal Hussain, "Changing the Policy Paradigm," *Express Tribune*, March 14, 2011.

⁴⁸ See Alan K. Kronstadt, "Direct Overt U.S. Aid and Military Reimbursements to Pakistan, FY 2002–FY 2011," Congressional Research Service, February 2010, <http://www.fas.org/sgp/crs/row/pakaid.pdf> (accessed April 23, 2011); see also Azeem Ibrahim, "U.S. Aid to Pakistan—U.S. Taxpayers Have Funded Pakistani Corruption," Discussion Paper 2009-06, Belfer Center for Science and International Affairs, Harvard University, July 2009; and Craig Cohen and Derek Chollet, "When \$10 Billion Is Not Enough: Rethinking U.S. Strategy Toward Pakistan," *Washington Quarterly* 20(2): 7–19.

by focusing funding on visible infrastructure projects in Pakistan, such as highway and power plant construction and direct aid for victims of the 2010 floods. Moreover, this aid should aim to enhance trade with Pakistan, such as reducing tariffs for Pakistani textiles exported to the United States, which will benefit the country more than simply providing aid.⁴⁹

The consequences of the war in Afghanistan and Pakistan's military cooperation with the United States and NATO also have been quite costly for the country in human and financial terms, further burdening its weak economy. The continuing aerial drone bombing campaign along the country's western border carried out by the United States is highly controversial in Pakistan. While Pakistan's political and military leadership have apparently supported this policy behind the scenes, they also have criticized it publicly, at times adding fuel to the fire.⁵⁰ In March 2011, however, a top Pakistani military commander publicly acknowledged for the first time that the drone attacks have been an effective tool in its fight against militant groups.⁵¹ Still, for people on the ground, it is a highly unpopular tactic that is seen as potentially producing more terrorists than it is eliminating. Better coordination and more cooperation between the intelligence and law enforcement agencies of the two countries can produce better dividends in the long run.

Given the volatile public opinion trends in Pakistan relating to the nature of the U.S.–Pakistan relationship, a more sustained approach is needed that is not as easily affected by periods of crisis. This would ensure that any progress made between the two countries is not quickly derailed.⁵² As a leading Pakistani commentator has noted, “Today, it is more important than ever that the West act wisely and help Pakistanis regain Jinnah’s vision. The country needs financial and political help to keep democracy on track and rescue it from an economic meltdown.”⁵³

In the effort to help Pakistan develop politically and economically and prevent decline in the country, the international community must keep five basic factors in mind:

- Understanding the historical roots of Pakistan’s problems, particularly those relating to the country’s founding, identity, and sources of insecurity, is critical.
- No significant long-term progress is possible without reforming and strengthening Pakistan’s critical institutions, especially its judicial system, law enforcement infrastructure, and, most importantly, educational system.
- Empowering Pakistan’s civilian democratic actors and institutions is essential to nullifying the influence and authority of extremists in the country.
- Regional tensions and conflicts are detrimental to Pakistan’s agenda of reform and progress, and India and China can play an important role in resolving these issues.

⁴⁹ See Bruce Reidel, “An Uneasy Alliance,” *Newsweek Pakistan*, September 13, 2010, in which he argues that President Barack Obama should declare freer trade with Pakistan a national security imperative for the United States.

⁵⁰ See “U.S. Embassy Cables: Pakistan Backs U.S. Drone Attacks on Tribal Areas,” *The Guardian*, November 30, 2010.

⁵¹ See Ayaz Gul, “Pakistan Says Drone Strikes Have Been Effective,” *Voice of America News*, March 11, 2011.

⁵² The killing of two Pakistani men in February 2011 by an American, Raymond Davis, is one example in which public anger severely strained U.S.–Pakistan relations.

⁵³ See Ahmed Rashid, “Can Pakistan Revive Its Democratic Soul?” *Globe & Mail*, January 21, 2011.

- Sustainable change in Pakistan can come only from the internal dynamics of the country and through the courage and struggle of the people of Pakistan. Pakistani diaspora populations in the West, especially in North America, whose remittances to Pakistan are approximately \$8 billion annually, can also play a constructive role in the push for reform in the country.⁵⁴

Pakistan faces enormous challenges in the years ahead. But the people of Pakistan have shown a remarkable resilience in addressing some of these challenges, and there is a high potential for reform and development in the country. Progressive and constructive policy shifts in Pakistan, as suggested throughout this report, are what truly matter in the long term. There is no short-cut, and Pakistan's path will be defined and driven by internal and regional factors, and the international community, especially important allies such as the United States, must play a supportive role.

⁵⁴ Ahsan Iqbal, "Rising Pakistan," *The News*, March 11, 2011.

Map of Pakistan



Biographies of Pakistan 2020 Study Group Members

Hassan Abbas (Author and Project Director) is a Bernard Schwartz Fellow at the Asia Society and Quaid-i-Azam Professor in the South Asia Institute at Columbia University, where he teaches courses on politics, religion, and security in South Asia. He is also a Senior Advisor in the Belfer Center for Science and International Affairs in the John F. Kennedy School of Government at Harvard University, where he was a Research Fellow from 2005 to 2009. Previously, he was a Visiting Fellow in the Islamic Legal Studies Program at Harvard Law School (2002–2003) and a visiting scholar in the Program on Negotiation at Harvard Law School (2003–2004). Prior to his academic career, Dr. Abbas served as a government official in the administrations of Prime Minister Benazir Bhutto (1994–1995) and President Pervez Musharraf (1999–2000). Dr. Abbas's acclaimed book, *Pakistan's Drift into Extremism: Allah, the Army and America's War on Terror* (M. E. Sharpe, 2004), remains on the best-seller lists in Pakistan and India. His opinion pieces have been published in many leading world newspapers. His forthcoming book is titled *Letters to Young Muslims on Science, Sovereignty and Sufis*. He also runs *WATANDOST*, a blog on Pakistan and its neighbors' related affairs. Dr. Abbas holds an MALD and PhD from the Fletcher School of Law and Diplomacy at Tufts University. He earned a master's degree in political science from Punjab University in Pakistan and an LLM in international law from Nottingham University in the United Kingdom as a Britannia Chevening Scholar.

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Asad Durrani retired from the Pakistani military in May 1993 at the rank of Lieutenant General. His key appointments have included an instructorship at the Pakistan Military Academy and at the Command and Staff College Quetta; Director General of Military Intelligence; Director General of Inter-Services Intelligence; Inspector General of Training and Evaluation at General Headquarters; and Commandant at the National Defense College.

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Mir Ibrahim is Chief Executive Officer of Geo Television Network. He has been at the helm of Pakistan's fastest-growing and most popular media company for more than seven years. A former Goldman Sachs investment banker specializing in media and telecommunications, he founded Geo TV at the age of 25 and has overseen its launch and growth from a five-member operation to a 2,500-plus strong South Asia-based content producer and broadcaster with 10 channels globally.

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Jehangir Karamat retired as a four-star General of the Pakistan Army in 1998 as the Chief of Army Staff. He is currently the Founder and Director of the Spearhead Research Institute and a Non-Resident Senior Fellow of the 21st Century Defense Initiative at the Brookings Institution. He also served as a Commissioner on the International Commission on Nuclear Non-Proliferation and Disarmament, and in 2004, he was Pakistan's Ambassador to the United States.

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Amir Rana is Director of the Pakistan Institute for Peace Studies, which he helped establish in 2006. He also edits the English-language research journal *Conflict and Peace Studies* and an Urdu monthly, *Tajziat*. In 2004, he joined the Institute of Defense and Strategic Studies in Singapore as a Visiting Research Fellow, and from 1996 to 2004, he worked as a journalist at Urdu and English daily newspapers.

Ahmed Rashid is a Pakistani journalist and the best-selling author of several books on Afghanistan, Pakistan, and Central Asia. His most recent work is *Descent into Chaos: The United States and the Failure of Nation Building in Pakistan, Afghanistan, and Central Asia* (Viking, 2008). Previously, he served as the Pakistan, Afghanistan, and Central Asia Correspondent for the *Daily Telegraph* and as a correspondent for *Far Eastern Economic Review*.

Eric Rosenbach is a Faculty Affiliate at the Belfer Center for Science and International Affairs and an Adjunct Lecturer in the John F. Kennedy School of Government at Harvard University. He also leads the national security work at the Markle Foundation as Managing Director. Previously, he was a professional staff member on the Senate Select Committee on Intelligence and served as the National Security Advisor for U.S. Senator Chuck Hagel.

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Mosharraf Zaidi has served as a staff member and as an advisor to governments, international organizations, bilateral donors, political campaigns, and non-governmental organizations for nearly 15 years. His policy advice has covered areas such as education, emergency relief and reconstruction, telecommunications, technology and information communication technology, civil society, and citizen empowerment. He writes a weekly column for *The News* in Pakistan.

Nasim Zehra is Director of *Current Affairs* and hosts the program *Policy Matters* on Dunya TV in Pakistan. Previously, she served as a Fellow at Harvard University's Asia Center and as an Adjunct Professor at the Johns Hopkins School of Advanced International Studies. From 2000 to 2001, she served on Pakistan's Presidential Advisory Committee on Foreign Policy and National Security, and in 2005, she was appointed Pakistan's Special Envoy on United Nations Reform.

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