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Editorial

It is matter of great satisfaction that the Honourable Chairman Senate Senator Muhammad Sadiq Sanjrani and Honourable Speaker National Assembly of Pakistan, Mr Asad Qaiser, have strategically prioritized the Parliament of Pakistan's efforts in steering the initiative to highlight the plight of Kashmiris in Indian Held Kashmir with parliaments world over. The stalemate in Indian Occupied Kashmir since August 5, 2019 where curfew by 9 lac Indian troops have marred the daily life of citizens with inhuman killings, abductions of young boys, acute shortage of food supplies and medicines, continue to stare in the eyes of international conscience. Parliamentary leadership across both sides of isles however, remains steadfast on the issue.

The day of October 27, 2019 was observed world over as the Black Day in history when in 1947 India denied the June 3, 1947 partition plan of then Sub Continent under British rule to occupy the state of Kashmir besides 87% of Muslim Majority region destined to be given perpetual right of self-determination by natural accession to Pakistan. Political parties across Pakistan expressed their demand through rallies and condemnations calling in unison for immediate lifting of curfew and inhuman curbs to eventually allow holding of plebiscite by the United Nations to deliver the self-determination to the 70 years indigenous Kashmiri struggle for freedom.

This issue of Parliamentary Research Digest shares the parliamentary initiatives to highlight the humanitarian cause of Kashmir at contemporary world parliaments in addition to absorbing articles on economy and exports of Pakistan, developments on Brexit and implementation of labor laws in country's industrial concerns to ensure minimum wages and appropriate social security that needs to be ensured to all employees in a welfare democracy like Pakistan. We look forward for continuous guidance and feedback of our invaluable readers.

Happy Reading!

Muhammad Rashid Mafzool Zaka

Senior Director General (Research and Legislation)



Honorable Senator Muhammad Sadiq Sanjrani, Chairman Senate of Pakistan/ President PIPS BoG and Chinese Ambassador to Pakistan H.E. Yao Jing attending Pictorial Exhibition on the eve of 70th Anniversary of the People's Republic of China at PIPS on October 02, 2019



Honorable Chairman Senate of Pakistan, Senator Muhammad Sadiq Sanjrani presenting shield of International Parliamentarian's Congress (IPC) to H.E. Tan Sri Dato' Mohamad Ariff bin Md. Yusof, Speaker, House of Representatives, Parliament of Malaysia at Pakistan Institute for Parliamentary Services on October 02, 2019



Group photo of students of Sustainable Development Study Centre, GC University, Lahore during Session on SDGs and environmental legislation at Pakistan Institute for Parliamentary Services on October 23, 2019

ANALYSIS

Unfavorable Terms of Trade and their effect on the deteriorating Current Account Balance of Pakistan

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Exports provide a glimpse into how globally competitive a country is. Similarly, a strong export base safeguards a country against a debilitating current account deficit. Overall, exports enable the utilization of economies of scale; allow resource allocation on the basis of comparative advantage; improve position of country's foreign exchange reserves and guarantee easy financing of imports; increase efficiency and productivity through competition; increase employment and allow for knowledge spillovers that will encourage domestic innovation. However, like most developing countries with underdeveloped export base, Pakistan is facing a deteriorating current account balance, rising inflation, and a tumbling exchange rate.

Aim of the Paper: This paper attempts to find answers to following research questions:

- i. Why do terms of trade tend to move against Pakistan despite devaluation of rupee?
- ii. Are the poor terms of trade the main cause of a growing current account deficit?
- iii. What steps should be taken by the Government to improve export performance?

Currently, many discussions regarding the deteriorating situation of Pakistan's economy have surfaced since the devaluation of Pakistani rupee against US dollar which fell to around Rs.160 for one US dollar². This has caused Pakistan to face worsening terms of trade in the world markets which resulted in it recording a trade deficit of \$664 million in July 2019³, which is mainly due to the high influx of imports into the country and not enough outflow of exports to finance the imports which resulted in a declining balance of trade. Pakistan experienced a record deficit of \$37.7 billion in July 2018⁴ (See Figure 1). A worsening trade balance is the main reason for Pakistan's deteriorating current account position.

Pakistan tried to compensate for this huge current account deficit by seeking loans from friendly countries and got nearly \$9 billion in loans from its friends (China: around \$4 billion, Saudi Arabia: \$3 billion and UAE: \$2 billion⁵) which gave some needed breathing space to the Pakistan economy. This step didn't fully address any of the deep structural problems that have forced Pakistan to approach the International Monetary Fund (IMF) more than a dozen times since the late 1980s. Therefore, after exhausting all other options, Pakistan was finally constrained to go back to the IMF. Consequently, the current account imbalance is forecasted to improve because the IMF forced economic reforms that will prevent recurring current account deficits by limiting imports. It is hoped that the situation provides an impetus for reform and improves the living standards of its 210 million people. The bailouts given to Pakistan should be preceded by deep due diligence on how to spend it intelligently with full scrupulousness.

¹ Author served as short term intern at PIPS studying B.Sc. Economics at LUMS, Lahore.

² The News. "Dollar to PKR, USD to PKR Rates in Pakistan Today, Open Market Exchange Rates, 22 August 2019." August 22, 2019.

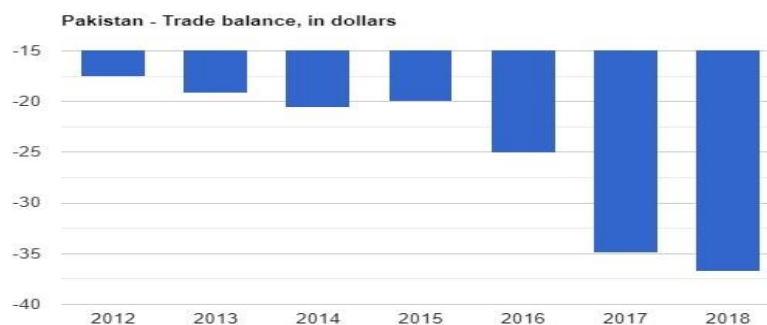
³ Samaa. "Pakistan's trade loss shrinks 71% in July 2019." August 21, 2019.

⁴ Rana, Shahbaz. "Pakistan's trade deficit skyrockets to historic high." The Express Tribune, July 12, 2018.

⁵ Sareen, Sushant. "7 Implications of IMF Programme for Pakistan." ORF. n.d. <https://www.orfonline.org/expert-speak/7-implications-of-imf-program-for-pakistan-50975/>.

Pakistan's Trade Balance, in dollars

Figure 1:



Source: *The Global Economy.com, The World Bank*⁶

Sponsored by IMF, previous economic reforms have not rectified any long-term structural issues within Pakistan as the country always sought external organizations for funds whenever it is at the brink of bankruptcy. Likewise, this time the economic reforms, supported by the IMF's Extended Fund Facility (EFF), appears to be generic with significant similarities with the reforms introduced under the previous EFF, which failed to address the core of problems given their re-emergence. This casts considerable shadows on the effectiveness of this repetitive prescription of IMF in fully addressing the fundamental structural issues in Pakistan negatively impacting competitiveness and productivity.

The economic problems of Pakistan's economy are huge, complex and deep-rooted as evident by recurring twin deficits and a stop-go growth pattern. One such problem identified is the poor terms of trade faced by Pakistan in the international markets. Regardless of economic liberalization and privatization, the introduction of numerous incentive packages, and a sustained period of exchange rate stability with no energy shortage between 2001 and 2005, Pakistan's export performance remained inferior in comparison to other countries. This indicates that there are deep-seated structural and institutional issues behind Pakistan's dreary export performance. It needs to be addressed to enhance productive capacity and boost exports. Pakistan is still considered as an agrarian country. Most exports consist of primary products; semi-finished goods and few manufactured goods. Pakistan's top 10 main exports for 2018 were miscellaneous textiles, worn clothing (17.1% of total exports), cotton (14.9%), knit or crochet clothing, accessories (12%), clothing, accessories (not knit or crochet) (10.9%), cereals (9.9%), leather/animal gut articles (2.8%), sugar, sugar confectionery (2.2%), mineral fuels including oil (2.1%), beverages, spirits, vinegar (1.9%) and salt, Sulphur, stone, cement (1.9%)⁷. Since 2010-11, total exports have grown by only 0.43%, while manufactured exports grew by only 1%. Pakistan's share in the world market has gradually eroded from 0.15 % in 2003, to 0.13 % in 2015, then to 0.11% in 2017⁸. This slowdown took place when other countries in the region expanded their export market shares. For example, Bangladesh increased its share from 0.04% in 1990 to 0.19% in 2015 and India increased its share from 0.5 % in 1990 to almost 2.23 % in

⁶ Pakistan Trade Balance, in Dollars - Data, Chart." *TheGlobalEconomy.com*. Accessed August 22, 2019. https://www.theglobaleconomy.com/Pakistan/trade_balance_dollars/.

⁷ Pakistan's Top 10 Exports." *World's Top Exports*. Last modified July 29, 2019. <http://www.worldstopexports.com/pakistans-top-10-exports/>.

⁸ Pakistan Percent of World Exports - Data, Chart." *TheGlobalEconomy.com*. n.d. https://www.theglobaleconomy.com/Pakistan/share_world_exports/.

2017 respectively⁹. A key component identifying a country's export performance is the profile of revealed comparative advantage (RCA). According to this indicator, Pakistan has a comparative advantage primarily in low value-added consumer good categories, as in, textiles and clothing, leather and its products (hides and skin) and vegetables. In addition, Pakistan has a comparative advantage in minerals and animals. Overall, Pakistan has a comparably feeble advantage in more refined capital goods for instance, automotive (transport), machinery and electronics, fuels, metals, and chemicals, etc.¹⁰

With the global marketplace changing so quickly, there is always a need to be one step ahead of the competition and to have that important competitive advantage. This has created new paradigms of competition and competitiveness all over the world. The environment for competition is also changing as technology is modifying trade and industrial structures towards more complex and technology-based activities. Technology makes production processes more efficient, thereby increasing the competitiveness of countries and reducing their vulnerability to market variability. Moreover, knowledge is playing a dominant role in modern production systems and has become a key to withstand or increase competitiveness. Manufacturing has become more information-intensive: with more concentration on research, design, engineering, marketing and networking. To compete, enterprises must use new technologies and best organizational methods at practice and link up to global value chains.

In the changed scenario, some developing countries have performed quite well. Unfortunately, Pakistan's performance is lagging a bit behind. Pakistan continues to struggle to accelerate its manufactured exports' growth (See Fig 2). The country's exports are not competitive in international markets. According to the Industrial Competitiveness Index 2013, Pakistan was ranked at number 75 (Fig 2). Similarly, according to the Global Competitiveness Report 2016-2017, Pakistan's performance is below Bangladesh. The improvement of other countries in the region may be attributed to some factors (peaceful borders, low or no internal terrorism, political stability etc.) which Pakistan did not have the luxury to enjoy during the decade.

Pakistan's Competitiveness Ranking Figure 2:

Name	<u>Industrial Competitiveness Index 2013 Rank out of 141</u>	<u>Global Competitiveness Index 2016-17 Rank out of 138</u>
Pakistan	75	122
China	5	28
Korea	3	26
Malaysia	24	25
Thailand	26	34
Indonesia	42	41
Bangladesh	77	106
Turkey	30	55

Source: Industrial Development Report 2016¹¹ and Global Competitiveness Report 2016-17¹²

⁹ Asian Countries Percent of World Exports - Data, Chart." TheGlobalEconomy.com. n.d. https://www.theglobaleconomy.com/Asian_Countries/share_world_exports/.

¹⁰ Revealed Comparative Advantage By Country All Products 2000 - 2017 | WITS | Data." World Integrated Trade Solution (WITS) | Data on Export, Import, Tariff, NTM. n.d. <https://wits.worldbank.org/CountryProfile/en/Country/BY-COUNTRY/StartYear/2000/EndYear/2017/TradeFlow/Export/Indicator/RCA/Partner/OAS/Product/Total>.

¹¹ The role of technology and innovation in inclusive and sustainable industrial development. Industrial Development Report 2016 (n.d.). doi:10.18356/1b194e1c-en.

¹² Figure 3.1. Global Competitiveness Index: Macroeconomic Environment, 2016-17.(n.d.). doi:10.1787/888933828999.

Pakistan's imports consist mainly of core inputs which are essential to produce finished manufactured products. Pakistan imported US\$60.3 billion worth of goods from around the globe in 2018, up by 26.9% since 2014 and up by 5% from 2017 to 2018. Its top ten imports for 2018 include mineral fuels including oil and Petroleum gases (28.4% of total imports), machinery including computers (10.4%), electrical machinery, equipment (7.2%), Iron, steel (6.1%), organic chemicals (4.6%), vehicles (4.3%), plastic articles (4.1%), animal/vegetable fats, oils, waxes (3.5%), oilseeds (2.4%) and cotton (2.1%)¹³. The relative prices of commodities do not vary as much as the prices of manufactured finished products; thus Pakistan's export revenues are usually very low in comparison to its import expenditure resulting in the recurring balance of trade deficits. Therefore, it seems that Pakistan suffers from the Prebisch Singer Hypothesis.

In economics, this hypothesis argues that over the long run the prices of primary commodities decline relative to the prices of manufactured goods, which causes the terms of trade of primary-product-based economies to deteriorate. If the Prebisch Singer Hypothesis holds then countries with a high export dependence on primary products (i.e. low diversification in their commodity pattern of trade) may lose out from a discouraging terms of trade. They will have to pay more for essential imports such as raw materials, consumer goods, and capital goods. The Prebisch Singer Hypothesis suggests that a fall in world demand and prices for a primary commodity will cause a rise in the trade deficit and the fiscal deficit for an exporting country. Furthermore, exporting low value-added products does not generate enough foreign exchange currency to pay for much-needed imports which provides a valid reason for Pakistan's shrinking foreign exchange reserves. Despite the devaluation of the rupee, which should make Pakistan's exports more competitive in the global market, its export performance has continued to worsen. This is because the demand for Pakistan's exports is not price-elastic but rather it is price-inelastic. This means that any devaluation of rupee only further worsens the current account position of Pakistan because it makes imports more expensive to purchase and exports cheaper. However, this does not discourage the demand for imports as Pakistan's imports mainly consist of essential raw materials for production such as crude oil, so demand stays constant.

Pakistan's exports consist of commodities whose demand does not rise by much even if their prices are reduced. This results in low export revenue that does not compensate for high import expenditure and thus, results in a deteriorating balance of trade. The demand for Pakistan's exports is not income-elastic but rather income-inelastic which means that as incomes continue to rise in the world trade market and living standards of countries continue to improve, this rise in income does not generate an increase in demand for Pakistan's exports because of their primary nature. Countries whose export are manufactured finished products continue to benefit in the long run as demand for their exports is income-elastic and as a result, these countries enjoy favorable terms of trade.

Pakistan's economy is going through a rough patch. Pakistan's current account position and rupee's value will not improve permanently if it does not improve its export performance over the long run. However, export performance and unfavorable terms of trade are not the sole cause for a deteriorating current account balance. The structure of industrial production in Pakistan has mostly remained unchanged since the 1970s¹⁴. The country seems to be stuck at the lower end of the technology ladder while other Asian countries have exhibited tremendous growth moving from low technology to high technology production. The reason behind this

¹³ Pakistan's Top 10 Imports. World's Top Exports. Last modified March 27, 2019. <http://www.worldstopexports.com/pakistans-top-10-imports/>.

¹⁴ Industry Tables. Pakistan Bureau of Statistics. Last modified March 8, 2019. <http://www.pbs.gov.pk/industry-tables>.

progression is the successful innovation leading to the introduction of new refined products and processes as well as the up grading of existing processes. Pakistan adopted a private sector-oriented approach somewhat earlier than other economies in the region but has not been able to expand its exports compared to other economies in the region.

Manufacturing activity in Pakistan is dominated by resource-based and low technology activities. Although the share of complex products has risen over time but still the performance of the manufacturing sector is not optimal, especially when it is compared with other countries in the region. Textiles and food remain the two major manufacturing activities. In terms of exports, our manufactured exports are concentrated in a few items. Cotton yarn, cotton fabrics, apparel, leather, and its products are among the major export categories. The share of medium to high technology products in our total export basket is hardly 6% whereas low-tech textiles-based exports account for 60% of total exports¹⁵. Pakistan's manufacturing sector is not dynamic and is among the slowest growing industrial sector in the world offering limited potential for learning or technological and skill development. Textiles being the main manufacturing activity with the longest production chain along with the inherent potential for value addition at each stage of processing, but value-added activities are limited. Consequently, Pakistan's current export structure is neither complex nor technologically sophisticated reflecting a weak competitive base which is not suitable for sustainable economic growth. By not moving up the value chain, Pakistan is facing competition from low-income countries exporting low technology products at more competitive wage rates, while countries with comparable income to Pakistan, have moved up the technology ladder to high technology activities.

Thus, the issue of primary importance to be addressed by the new government is to take Pakistan out of this vicious circle by correcting the imbalances of the current account and the fiscal budget. The government has been trying its best to bring down the imbalances faced by Pakistan, hence, it had to seek help from the IMF in the form of more loans. Short term measures will only contain the problem temporarily before Pakistan has to run back to IMF for more funds. To take Pakistan out of this vicious circle, the government needs to focus on i) improving supply-side measures such as increasing the production of manufactured goods; ii) introducing new advanced technology to help Pakistan make its manufacturing sector more competitive and efficient; iii) encouraging more business activity in Pakistan through business-friendly policies. It needs to encourage entrepreneurs to start new businesses by lowering the marginal tax rate or another commonly used policy which is to not require new businesses to pay corporate taxes during their first three years, if they don't cross a minimum revenue during the initial years. However, this may interfere with current economic objectives and policies as taxes are high in the economy to reduce the fiscal deficit and to fund government spending. In addition to this, the interest rate is very high at 13.25% as recorded in July 2019¹⁶ to protect the rupee but it further discourages business activity and investment spending in Pakistan because it has increased the cost of capital.

The government also needs to increase competition between firms and ensure the overall efficiency of the economy. It could do this through the removal of monopolies, by privatizing certain state owned enterprises such as Pakistan International Airlines, Pakistan Railways, and Pakistan Steel that are incurring or have incurred losses in the recent past, offer tax relief and other incentives to exporters and discourage imports by implementing import duties on products

¹⁵ OEC - Pakistan (PAK) Exports, Imports, and Trade Partners. OEC: The Observatory of Economic Complexity. n.d. <https://oec.world/en/profile/country/pak/>.

¹⁶ Pakistan - Key Rates 2019. *Countryeconomy.com*. Last modified July 16, 2019. <https://countryeconomy.com/key-rates/pakistan>.

which have price elastic demand or are considered luxurious. Pakistan needs to reduce its dependence on its imports especially those which are essential for production processes such as crude oil and other mineral fuels and should rather replace them with other energy sources such as wind and solar power. This decrease in Pakistan's dependence will make their demand a little more price elastic which would be favorable for the current account balance and would result in favorable terms of trade because the volatility in oil prices will be less likely to disrupt the economy.

Pakistan's manufacturing sector needs to go through a lot of development. Supply-side policies can be expensive to implement but would ensure sustainable development. However, this is all possible through integration of various policies introduced for uplifting the pace of economic growth and activities in the country.

- i. **Foreign Direct Investment (FDI):** can provide funds to be spent on infrastructure and technological development of the economy.
- ii. **China-Pakistan Economic Corridor (CPEC),** has transformed Gwadar into an industrial hub, internally that will cater to the local population by providing jobs, enhanced infrastructure thus, improving their livelihoods. Externally, the same would facilitate and improve the trade transactions and subsequent relations based on this trade in the Asia region at the outset.
- iii. **New Trade Block - Turkey, Malaysia and Pakistan:** there may be a new trade bloc to be formed between these three countries which would encourage trade and investment in Pakistan and may also invite additional inflow of funds directly and indirectly as foreign remittances¹⁷.

Nonetheless, the implementation of some supply-side measures may hinder current short-term economic objectives set by IMF as conditions for the loan provided, for instance higher taxes are needed to finance the budget deficit but high taxes hinder business activity. Supply-side policies usually provide results in the long run and not the short run which may discourage the government to emphasize on them in the fear of being accused of not achieving anything in their short period of power. However, given the resilience nature of Pakistan economy, size of population, and the public support to the sitting government; it is high time to start allocating resources towards solving long-term problems. Aid from the Friends of Pakistan and IMF's bailout have improved the current account position temporarily that should provide some support to the tumbling rupee and improve Pakistan's economic prospects in the short run. Now the country should attempt to maintain current account balance through:

- i) Improving supply-side measures e.g increasing the production of manufactured goods;
- ii) Introducing new advanced technology to help manufacturing sector more competitive and efficient;
- iii) Encouraging business activity through business-friendly policies. With improvement in good governance and economic discipline that will provide external as well as internal enabling environment within which the economy should flourish.

Lastly however, any long term economic turn-around is impossible without political stability, business friendly environment and above all triggering of economic cycle with employment opportunities in the production finished goods sector.

¹⁷ "Turkey, Malaysia, Pakistan to lead Muslim renaissance": FM Qureshi welcomes Mahathir, Erdogan's remarks." *The News*, July 27, 2019.

CONCEPT

Rule of Law for Labour Inspection in Pakistan and the International Obligation under National Action Plan on Business and Human Rights *(Ban on labor inspections in Punjab factories - Violation of Human Rights)*

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Abstract

This research article aims to analyze and explore Pakistan Constitutional labour law, Provision of labour Rights , Pakistan –Signatory of UN Treaty Body, Ratified ILO Convention in Pakistan and UN Guiding Principle framework i.e. National Action Plan on Business and human rights and the gaps in implementation. The report is basically highlighting key focuses of constitutional framework, international commitments and ILO conventions with respect to Pakistan labour laws. However, the main focus is on the problems faced by the labors and weak implementation of labour laws in Pakistan. Where the core rights of labour Rights were supposed to support and provide through Constitution of Pakistan, United Nations Guiding principal framework and international labour standard to seek, provide guidance and establish new standard obligation to operationalize the Protect, Respect and Remedy framework so in lieu of enabling and operationalizing legal standard obligation to state and companies. State of Pakistan has given rise to some new crisis of labour right to banned labour inspection in industrial units across the Punjab province of Pakistan which is leading towards the exploitation of industrial workers and violation of Human Rights to increasing safety risks.

1. Introduction

Pakistan is Signatory of UN Treaty Bodies and UNGP Framework on Business and Human Rights. United Nations Human Rights treaty bodies are committees of State experts that monitor implementation. Each State party to a treaty has an obligation to take steps to make sure that everyone in the State that can enjoy the rights set out in the treaty so Pakistan is among the signatory of UN treaty bodies.

The government of Pakistan is party of seven out of Nine Human Rights Conventions. The Human Rights Council endorsed the Guiding Principles. The process of UN Conventions is continuous action which involves coordination and consultation with relevant stakeholders (Federal and Provincial Government, UN Agencies, INGOs and NGOs). The Government of Pakistan has also established Treaty Implementation Cells at the Federal and Provincial levels for the implementation of ratified human rights conventions where Consultative meetings are held with Government Departments, UN Agencies, INGOs, NGOs and Civil Society Representatives for preparation of reports, recommendations, observations are reviewed, awareness raising and capacity building of the relevant departments on human rights conventions and communicated to all the relevant stakeholders for taking required policy, legislative and administrative measures.¹

¹ United Nations Human Rights, Office of the High Commissioner, "Human Rights by Country: Pakistan," <https://www.ohchr.org/EN/Countries/AsiaRegion/Pages/PKIndex.aspx>.

2. United Nations Guiding Principles Framework on Business and Human Rights

In 2008, Dr John Ruggie's, Professor of Harvard university, UN Secretary General's and Special Representative on the issue of human rights and transnational corporations and other business enterprises, represented the draft on Protect, Respect and Remedy Framework in the connection with business sector and human rights. The Framework led in 2011 for publication of the United Nations Guiding Principles on Business and Human Rights. Later on referred as the UN Guiding Principles, which were unanimously endorsed by the UN Human Rights Council on 16 June 2011. The UNGPs is a practical guideline drafted booklet that helps to teach how to respect and protect human rights in business operations. The UNGPs do not introduce new international obligations, but only seek to provide a framework for governments, businesses and other government actors to ensure respect for human rights in business activities. UNGPs guidelines include how to protect and respect of human rights, explaining rule of law, prevention of human rights violations and Remedy for victims.²

The "United Nations Guiding Principles" include thirty one principles and are organized according to the following three pillars:

- i. **Protect:** The duty of the state to protect human rights abuses, including those committed by third parties.
- ii. **Respect:** The corporate responsibility to respect human rights in business activities (i.e. to ensure that they do not interfere with the human rights of others) and must address any negative impacts on human rights due to their business activities.
- iii. **Remedy:** The responsibility of states and businesses to ensure victims of abuse have access to effective remedy and grievance mechanisms i.e. judicial and non-judicial.³

3. Implementation of the UNGPs National Action Plan on Business and Human Rights in Pakistan

To enhance the implementation of the UNGPs in Pakistan, the following measures could be considered:

A. State of Pakistan

Address gaps in laws, policies and practices related to Pakistan's obligations to core international standards on human and labour rights. This includes strengthening and implementing existing laws, policies and practices that seek to protect human rights at the federal and provincial levels. Include business and human rights requirements, in accordance with the provisions of the UNGPs, in the National Action Plan on Human Rights.

² United Nations Human Rights, Office of the High Commissioner, "Guiding Principles on Business and Human Rights, 2011, https://www.ohchr.org/documents/publications/GuidingprinciplesBusinesshr_eN.pdf; State National Action Plans on Business and Human Rights, <https://www.ohchr.org/EN/Issues/Business/Pages/NationalActionPlans.aspx>

³ Steve Gibbons, "Protect, Respect, and Remedy: What does Ruggie's framework mean for ethical trade?" April 13, 2011, <https://www.ethicaltrade.org/blog/protect-respect-and-remedy-what-does-ruggies-framework-mean-ethical-trade>.

B. Business community in Pakistan

Publicly commit to respecting human and labour rights, put in place adequate and transparent mechanisms to identify and prevent abuses resulting from business activities, and ensure effective provision of remedies where necessary.

C. Civil society and national human rights institutions:

Integrate the framework of the UNGPs into research, campaigns and strategic plans. Mainstream the UNGPs' framework for state and non-state grievance mechanisms into all activities that work towards providing remedies and redress for victims of rights abuses linked to business activities.⁴

4. The International Labour Organization and status of Pakistan

International Labour Organization is the U.N. agency, since 1919 whose mandate is to bring together Pakistan governments, employers and workers to set labour standards, develop policies and devise programs promoting decent work for all employers. Pakistan has ratified convention of International Labour Organization and came a long way since it adopted its first convention in 1919.

Conventions

International Labour Organization has 189 Conventions in total, where there are 8 core fundamental Conventions, binding on every member state regardless of ratification, and a further 71 Conventions that are up to date and in force. The subjects covered by the 8 fundamental Conventions are in force which details are under:

Pakistan Fundamental Conventions

The ILO Governing Body has identified eight “fundamental” Conventions, covering subjects that are considered to be fundamental principles and rights at work. The Government of Pakistan has ratified a total of 36 ILO Conventions, including 8 fundamental conventions. In the South Asian sub-region, Pakistan is the second country that has ratified all eight fundamental conventions as enshrined in the ILO Declaration on Fundamental Principles and Rights at Work.

The eight fundamental ratified Conventions of Pakistan are:

SR #	Fundamental Convention	Date	Status
i.	Freedom of Association and Protection of the Right to Organize	14 Feb 1951	In force

⁴ Ministry of Human Rights, Government of Pakistan, Mandate , Rules of Business Ministry of Human Rights <http://www.mohr.gov.pk/index.php/home/mandate>;
Business and Human Rights in Pakistan, <https://democracy-reporting.org/recognising-the-impact-of-business-on-human-rights-in-pakistan/>

	Convention, 1948 (No. 87)		
ii.	Right to Organize and Collective Bargaining Convention, 1949 (No. 98)	26 May 1952	In force
iii.	Forced Labour Convention, 1930 (No. 29) (and its 2014 Protocol)	23 Dec 1957	In force
iv.	Abolition of Forced Labour Convention, 1957 (No. 105)	15 Feb 1960	In force
v.	Minimum Age Convention, 1973 (No. 138)	06 Jul 2006	In force
vi.	Worst Forms of Child Labour Convention, 1999 (No. 182)	11 Oct 2001	In force
vii.	Equal Remuneration Convention, 1951 (No. 100)	11 Oct 2001	In force
viii.	Discrimination (Employment and Occupation) Convention, 1958 (No. 111)	24 Jan 1961	In force

Governance (priority) Conventions

The ILO Governing Body has also designated with four Conventions as governance on priority basis and as fundamental instrument to encourage the member of States to ratify because of their importance for the functioning of the international labour standards system. Four Governance (Priority) conventions are:

- i. Labour Inspection Convention, 1947 (No. 81)
- ii. Employment Policy Convention, 1964 (No. 122)
- iii. Labour Inspection (Agriculture) Convention, 1969 (No. 129)
- iv. Tripartite Consultation (International Labour Standards) Convention, 1976 (No. 144)

Pakistan is ratified and endorsed for two governance (Priority) Conventions which are in force

Sr#	Ratified Convention	Date	Status
i.	C081 -Labour Inspection Convention, 1947 (No. 81)	10 Oct 1953	In force
ii.	C144 - Tripartite Consultation (International Labour Standards) Convention, 1976 (No. 144)	25 Oct 1994	In force

Pakistan Ratification for Technical Convention which are in Force:

Sr#	Ratified Convention	Date	Status
	<u>C001 - Hours of Work (Industry) Convention, 1919 (No. 1)</u>	14 Jul 1921	In Force
	<u>C006 - Night Work of Young Persons (Industry) Convention, 1919 (No. 6)</u>	14 Jul 1921	In Force
	<u>C011 - Right of Association (Agriculture) Convention, 1921 (No. 11)</u>	11 May 1923	In Force

C014 - <u>Weekly Rest (Industry) Convention, 1921 (No. 14)</u>	11 May 1923	In Force
C016 - <u>Medical Examination of Young Persons (Sea) Convention, 1921 (No. 16)</u>	20 Nov 1922	In Force
C018 - <u>Workmen's Compensation (Occupational Diseases) Convention, 1925 (No. 18)</u>	30 Sep 1927	In Force
C019 - <u>Equality of Treatment (Accident Compensation) Convention, 1925 (No. 19)</u>	30 Sep 1927	In Force
C022 - <u>Seamen's Articles of Agreement Convention, 1926 (No. 22)</u>	31 Oct 1932	In Force
C027 - <u>Marking of Weight (Packages Transported by Vessels) Convention, 1929 (No. 27)</u>	07 Sep 1931	In Force
C032 - <u>Protection against Accidents (Dockers) Convention (Revised), 1932 (No. 32)</u>	10 Feb 1947	In Force
C045 - <u>Underground Work (Women) Convention, 1935 (No. 45)</u>	25 Mar 1938	In Force
C059 - <u>Minimum Age (Industry) Convention (Revised), 1937 (No. 59)</u>	26 May 1955	Not in force
C080 - <u>Final Articles Revision Convention, 1946 (No. 80)</u>	25 Mar 1948	In Force
C089 - <u>Night Work (Women) Convention (Revised), 1948 (No. 89)</u>	14 Feb 1951	In Force
C090 - <u>Night Work of Young Persons (Industry) Convention (Revised), 1948 (No. 90)</u>	14 Feb 1951	In Force
C096 - <u>Fee-Charging Employment Agencies Convention (Revised), 1949 (No. 96)</u> <i>Has accepted the provisions of Part II</i>	26 May 1952	In Force
C106 - <u>Weekly Rest (Commerce and Offices) Convention, 1957 (No. 106)</u> <i>The Government has declared that the Convention also applies to persons employed in the establishments specified in Article 3, paragraph 1(c).</i>	15 Feb 1960	In Force
C107 - <u>Indigenous and Tribal Populations Convention, 1957 (No. 107)</u>	15 Feb 1960	In Force
C116 - <u>Final Articles Revision Convention, 1961 (No. 116)</u>	17 Nov 1967	In Force

	C118 - Equality of Treatment (Social Security) Convention, 1962 (No. 118) <i>Has accepted Branches (c) and (g)</i>	27 Mar 1969	In Force ⁵
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UNGP Global Compact & International Labour Standards

UN guiding Principle in Business and Human rights context has global connection with ILO standard which is the core values and Principle of Human and labour rights. The UN guiding principles and International Labour Organization (ILO) has same mandate and common interest to advance, promote social justice and decent work by setting international labour standards and adopt UN guiding principles. Both always take active part in creating value to help the human rights and companies from all the regions and state members to implement the Guiding principles with aim to bring together government, employers, employees where they can publicly debate and create labour standards with best practice and labour standard, develop policies and come up with programs for promoting decent work for all.⁶

5. Labour Rights in the Pakistan Constitution and C081:

With independence, Pakistan nearly adopted all the laws of the British –India where the Constitution of Pakistan contains a range of provisions with regards to labour rights. Pakistan is the commonwealth country and following common law principles.

Provisions on Labour Rights:

- **Article 11** of the Constitution prohibits all forms of slavery, forced labour and child labour;
- **Article 17** provides for a fundamental right to exercise the freedom of association and the right to form unions,
- **Article 18** proscribes the right of its citizens to enter upon any lawful profession or occupation and to conduct any lawful trade or business,
- **Article 25** lays down the right to equality before the law and prohibition of discrimination on the grounds of sex alone,

⁵ International Labour Organization, “Conventions and Recommendations,” <https://www.ilo.org/global/standards/introduction-to-international-labour-standards/conventions-and-recommendations/lang--en/index.htm>;

International Labour Organization, “International labour standards in Pakistan,” <https://www.ilo.org/islamabad/areasofwork/international-labour-standards/lang--en/index.htm>; International Labour Organization, “Ratifications for Pakistan, 1996-2018,” https://www.ilo.org/dyn/normlex/en/f?p=1000:11200:0::NO:11200:P11200_COUNTRY_ID:103166.

⁶ International Labour Organization, “About the ILO,” <https://www.ilo.org/global/about-the-ilo/lang--en/index.htm>;

ILO, “The ILO and the UN Global Compact,” https://www.ilo.org/empent/Informationresources/WCMS_101256/lang--en/index.htm;

ILO, “The role and the mandate of the ILO,” <https://www.ilo.org/fairglobalization/mandate/lang--en/index.htm>.

- **Article 37(e)** makes provision for securing just and humane conditions of work, ensuring that children and women are not employed in vocations unsuited to their age or sex, and for maternity benefits for women in employment.⁷

Convention 081: Labour Inspection Convention 1947

The provisions of labour inspection cover all the functions which include the duties, responsibilities of labour inspection system, recruitment of inspection staff, and resources for inspectors along with their powers and obligations. The Convention 081 declared that labour inspection should be placed under the supervision of a central authority to cover primary set of parameters such as hours of work, wages, safety and health of workers employed. Moreover, the inspectors must be empowered to have the authority to conduct an inspection visits, impose penalties on violation; produce an annual inspection report detailing the issues raised at the time of inspection visits.

Labour inspection system aims to secure the enforcement of legal provisions, particularly through inspection visits, supplying technical information and advice to employers, workers and their respective organizations, and bringing to the notice of the competent authority defects or abuses not covered by existing legal provisions.

Labour inspection is provided under various labour laws in Pakistan. These include:

1. Factories Act, 1934 Payment of Wages Act, 1936
2. Shops and Establishment Ordinance, 1969
3. Industrial and Commercial (Standing Orders) Ordinance, 1968
4. Minimum Wages Ordinance, 1961
5. Road Transport Workers' Ordinance, 1961
6. Maternity Ordinance, 1958
7. Mines Act, 1923
8. Employment of Children Act, 1991
9. Dock Workers Act, 1934⁸

6. Key Obstacles and Gaps in Implementation of Labour Laws

The government of Pakistan is not firm to follow the formal policy and guidelines seriously regarding business and human rights. Pakistan's National Action Plan for Human Rights, was announced in 2016. But there is no sign of allusion neither to business and human rights, nor to frameworks such as the UNGPs and ILO. There are many inputs in the form of projects which are currently being carried out by Autonomous bodies of Pakistan, civil society organizations and international organizations in collaboration with government partners in Pakistan, such as Pakistan Institute for Parliamentary services, Oxfam Pakistan, the International Labour Organization's (ILO) Decent Work Country Program. Similarly, the Pakistani authorities have

⁷ ILO, "National Labour Law Profile: Islamic Republic of Pakistan," https://www.ilo.org/ifpdial/information-resources/national-labour-law-profiles/WCMS_158916/lang--en/index.htm/; Iftikhar Ahmad, "Labour and employment law: a profile on Pakistan," https://wageindicator.org/documents/Labour_and_Employment_Law-A_Profile_on_Pakistan.pdf.

⁸ "Ratified ILO Conventions & Legal Regime in Pakistan: gap analysis," http://www.ilr.org.pk/wp-content/uploads/2018/01/Gap-Analysis_final-30-SEP.pdf.

established Treaty Implementation Cells (TICs) at the federal and provincial levels to monitor and report on Pakistan's progress in implementing the human and labour rights conventions but still there are significant gaps in the implementation, enforcement and policy development in the regime of Pakistan.

There are number of factors that come up with the significant gaps in implementation of Labour Laws:

- a. **Devolution of constitutional powers to provinces:** when 18th Amendment of the constitution of Pakistan was passed by the National Assembly of Pakistan there were several aspects of state responsibilities for human rights and labour rights in Pakistan's provincial governments which have resulted in gaps and delay with hindrance in implementation of legislation and policy frameworks. There are also capacity shortages in the provincial authorities where the big example is ban on labour inspection in industrial units across the Punjab province.⁹
- b. **Poor coordination at the federal level:** As a result of the devolution of state powers after the 18th Amendment, provincial authorities are also implementing their labour laws and policies independently. For better implementation there is need of strong coordination but unfortunately there is no coordination between the Federal and Provincial governments to make efforts for implementation of labor rights. That makes the government's task of monitoring compliance more difficult.
- c. **Gaps between National legislation and international treaty commitments:** In some Circumstances, the state is lacking legislation and policies to enforce and implement its obligations under ratified international human and labour rights conventions, or is unwilling to do so.¹⁰
- d. **Lack of knowledge and expertise:** Government of Pakistan lacks the expertise and knowledge on business and Human rights and international labour standards best practice which is threat to labour market. There is dire need of understanding on the matter of Pakistan's commitments and obligations under international human rights conventions which is in force in Pakistan.¹¹
- e. **Poor Implementation of human rights and labour rights protections on National & Provincial level:** Law enforcement authorities, Provincial labour inspectors and Judiciary lack the capacity to enforce rights protections. There are many flaws and hurdles in National and provincial law departments of Pakistan. The last available National labour policy was announced in 2010, Pakistan lacks unionization of workers in formal and informal sectors both and lack of strategic guidelines. Pakistan passed national and provincial labour laws, passed labour laws but failed in implementing these Laws and adoption of Conventions.¹²

⁹ Devolution: Provincial Autonomy and the 18th Amendment, February 11, 2015, see website <https://jinnah-institute.org/publication/devolution-provincial-autonomy-and-the-18th-amendment/>

¹⁰ Ferya Ilyas, "New survey highlights gaps in implementation of labour laws," *The Express Tribune*, October 10, 2015, <https://tribune.com.pk/story/970471/new-survey-highlights-gaps-in-implementation-of-labour-laws/>.

¹¹ Human Rights Watch, "Unfair and Abusive Labor Practices in Pakistan," January 23, 2019, <https://www.hrw.org/report/2019/01/23/no-room-bargain/unfair-and-abusive-labor-practices-pakistan>.

¹² Foqia Sadiq Khan, "Labour Issues," *The News*, February 24, 2019, <https://www.thenews.com.pk/print/436015-labour-issues>; "Ratified ILO Conventions & Legal Regime in Pakistan: gap analysis," op. cit.

https://www.ohchr.org/documents/publications/GuidingprinciplesBusinesshr_eN.pdf/;

Business and Human Rights Resource Center, "UN 'Protect, Respect and Remedy' framework and guiding principles," <https://www.business-humanrights.org/en/un-secretary-generals-special-representative-on->

7. Current Scenario of labour inspections in Pakistan

Pakistan has complex and uncertain laws for the protection of labor rights and facing a number of serious human and labour rights challenges relevant to protection of labor rights in Pakistan where it should be implemented federally and provincially. Unfortunately, the government of Pakistan in Punjab has effectively dismissed labor welfare and exempted factories from labour inspections. Hence, abolishing labor inspections is violation of the constitution and infringement of fundamental rights of the industrial workers and increasing safety risks.¹³

According to Provision of labour Rights Article 37(e)

“The Constitution emphasizes that “the state shall create allowance for the protection of fair and humanitarian working circumstances.”¹⁴

The government has established such circumstances under which employees are no longer feeling secured related to protection and safety in their workplace in the absence of labour inspections. All the workers consider their live worthless and disposable as commodity.¹⁵

These labour issues are leading to incidents like the one the country witnessed in Karachi's textile unit Baldia Town Garment Factory fire incident back in 2012 where more than 250 workers were locked up inside the factory and burnt alive.¹⁶

Government of Pakistan lacks adequate safety monitoring in the business. The absence of inspections by the labour department officials would further worsen the situation. Labour representation and debut is missing not only from the plan of labour department but also from their implementation practice and by banning labour inspections we are losing many golden opportunities to monitor and suggest better safety measures in business sector. There is need of appropriate measures to ensure safety of workers. State should protect its citizens and fulfill its constitutional and international obligations in this respect.¹⁷

According to UN Guiding Principle Pillar 1:

“Protect: The duty of the state to protect human rights abuses, including those committed by third parties”¹⁸

business-human-rights/un-protect-respect-and-remedy-framework-and-guiding-principles/; ILO, “C081 – Labour Inspection Convention, 1947 (No.81),”

https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:C081.

¹³ Dawn, “Ban on labour inspection to increase safety risk, 9/13/2019,” September 13, 2019, https://epaper.dawn.com/DetaillImage.php?StoryImage=13_09_2019_177_004.

¹³ Dawn, “Ban on labour inspection to increase safety risk, 9/13/2019,” September 13, 2019, https://epaper.dawn.com/DetaillImage.php?StoryImage=13_09_2019_177_004.

¹⁴ ILO, “National labour law profile: Islamic Republic of Pakistan,” op. cit.; Ministry of Labour, Manpower and Overseas Pakistanis, Government of Pakistan, “Labour Protection Policy 2006,” http://www.ciwce.org.pk/downloads/Labour_Protection_Policy_2006.pdf.

¹⁵ Dawn, “Ban on labour inspection of factories callous,” September 14, 2019, <https://www.dawn.com/news/1505034>.

¹⁶ “The Baldia (& Lahore) Fire September 2012 - Part 3,” <https://archive.dressedandstripped.nl/2012/11/20/the-karachi-lahore-fire-september-2012-part-3-20121120-now//>;

Naeem Sahoutara, “Owner names MQM lawmaker, six others in Baldia factory fire case,” *Dawn*, September 20, 2019, <https://www.dawn.com/news/1506170>.

¹⁷ “Ban on labour inspection to increase safety risk,” op. cit.

¹⁸ “Protect,” <https://www.shiftproject.org/resources/protect/>

All industrial sectors must take their own responsibility to Respect and ensure workers safety to protect them from abusing their human rights make efforts for their safety instead of blocking inspection of these facilities.¹⁹

According to UN Guiding Principle Pillar 2:

“Respect: The corporate responsibility to respect human rights in business activities (i.e. to ensure that they do not interfere with the human rights of others) and must address any negative impacts on human rights due to their business activities”²⁰

8. Key Recommendations & Way Forward

- a. Government of Pakistan i.e. federal and provincial governments should revise all relevant labor laws and make sure they are in order with key international labor standards under Industrial Relations Act, 2012 and monitor all the provincial laws where there are gaps with regard to ILO standards ratified by Pakistan. There is need to update Existing labour laws for better implementation to improve labour working conditions.
- b. Government of Pakistan should expand and implement a National action plan on Business and Human Rights to increase the number of government labor inspectors, improve their training, establish clear procedures for independent and credible inspections and expand the resources at their disposal to conduct effective inspections.
- c. The government should make an integrated strategy so that the business community and labor unions should be taken on board to respect and protect human rights at businesses and organize tailor made documents to enable environment to continue the process of consultation on guiding principles for further adoption.
- d. Pakistan should formally commit to the development of National action plan on Business and Human Rights in line with the provisions of UNGPs. The action plan on business and human rights can facilitate Pakistan to a great extent in addressing the gaps by strengthening and implementing existing laws, policies and practices that will protect human rights at the provincial and the federal levels both.
- e. There is a need to engage people at massive level to make them aware of the existing laws and getting input for future legislation and focus on sustainability.²¹
- f. There should be coordination between the federal and the provincial authorities and they should take their own responsibility for the implementation and monitoring of policies with international human rights obligations under UNGP.
- g. Ministry of Human rights and Ministry of labour and human resource department should ensure, guarantee and actively register workers in the state benefits system and for identification cards; they should regularly carry out labour inspections, and improve the quality of justice processes in the labour courts.
- h. The low levels of unionization among the workers must address the existing laws so that the workers able to exercise their rights to freedom of association, freedom of speech, engage in bargaining pattern, right to organize and collective representation.

¹⁹ “Ban on labour inspection to increase safety risk,” op. cit.

²⁰ “Protect,” op. cit.

²¹ National Action Plan on Business & Human Rights, Joint Report of the Consultative Round Tables , Pakistan Institute for Parliamentary services & Oxfam, (December 20-21, 2017, March 20 and March 21, 2018).

- i. Urgent steps needs to be taken to implementing existing laws on its activities and operations so that the rights of the workers can be protected.
- j. There should be effective measures to review legislation and practices in order to reduce labour rights exploitation through awareness raising programs for business leaders, employers, local authorities, judges and prosecutors, all workers about labour rights.
- k. The government needs to formulate specific strategy to engage with business enterprises in conflict affected areas of the country.
- l. Pakistani government needs to encourage the International and National enterprises to follow UNGP guidelines and pay attention on broader level of national legislative labour framework, based on constitutional rights, national legislation and international labour standards, to devise constitutional mechanism in place to ensure that provincial laws adhere to the National Action Plan on Business and Human Rights.
- m. Parliament should play an active role in the debate on labour policies and laws.
- n. Occupation safety and health laws must be given priority and harmonized across provinces. Implementation of building laws must be ensured to curb the incidences of factory collapse. Data on accidents and casualties should be shared with the parliament and put on the website. Labour inspection system in the provinces must be strengthened through increased budgetary allocation and enhanced training to labour inspectors.
- o. Trade union and federation i.e. (to secure workers for better working conditions) should merge for strength and facilitate the industrial union in the textile sector. The government must regularly hold tripartite labour conferences for better working condition.
- p. Minimum wages for unskilled workers are inadequate to guarantee a decent living for an average family. Minimum wage enforcement mechanism should be evolved. Non-payment of minimum wage should be declared a criminal offence.
- q. Bonded labour laws should be implemented. In order to eradicate child labour from all sectors, a survey on the prevalence of child labour should be conducted and free and compulsory education law implemented.²²

Conclusion

Constitution of Pakistan has more than 70 laws related to labour issues where Pakistan promises equal right for all citizens related to employment policy such as equal wages, health, and occupation safety. The national policy also gives consideration to constitutional commitments in adopting and the international labour obligation and Human rights. Pakistan ratified 36 ILO conventions including 8 fundamental conventions which is in force and has incorporated these clauses in National and Provincial policies.

Unfortunately, the past and recent situation of Pakistan revealed that Constitution of Pakistan has weak anti labour laws and enforcement mechanism for both national and provincial level with suppressed policies which resulted in violation of labour rights in terms of Business and human rights. Current situation of ban on labour inspection in Punjab, province of Pakistan proved that provincial laws are exploitive, anti labour and not sufficiently addressing the fundamental rights of labor which has been promised in Constitution of Pakistan and

²² Myra Imran, "Human rights action plan launched," *The News*, February 26, 2016, <https://www.thenews.com.pk/print/101108-Human-rights-action-plan-launched%E2%80%999>.

international Covenants. Government of Pakistan should recognize constitutional amendments which have not resulted in protecting the labour rights. There's dire need to take essential measure to secure Pakistani labors and workers especially on provincial level from the abusive and exploitive practice. Federal and Provincial government should ensure to frame the laws under international commitment i.e United Nations guiding principles and ILO Conventions and implement the laws in true sense. Since the Federal government is the member of ILO, not the provinces, therefore federal government has responsibility to save the provincial labour from exploitation. Government of Pakistan needs to develop broad policy frame work on National Action Plan on Business and Human Rights to guide provinces on labour laws. Federal government should strictly develop coordination with all provinces and provide necessary guide line of labour laws under international commitments.²³

²³ Iftikhar Ahmad, "Labour and employment law: a profile on Pakistan," op. cit.

OPINION**BREXIT: Breaking the Chain of Globalization****Asim Khan,**

Young Parliamentary Officer, PIPS

Introduction

European Union (EU) gave extension to Boris Johnson led UK Government till the end of January 2020 to reach consensus decision on Brexit, acceptable to stakeholders in UK Parliament including the treasury opposition benches and coined a new terminology about this extension i.e. “flexextension”¹. Amid all the crises Johnson has announced early election in December to get second tenure and to buy more time for Brexit deal. It means the Brexit deal is far from approval even after resignation of the premier.

The rise of nationalism, regionalism, populism and protectionist policies have triggered deglobalization around the globe. More popular leaders have emerged like President Trump, Prime Minister Modi, President Erdogan and even Prime Minister Trudeau is heralded as popular one. The wall of Mexico, the identification of 2 million Muslims in Assam and the exodus of Rohingyas are the falling feathers of World System. Thus, Brexit seems an extension of deglobalization chain which is powered by USA, India, Myanmar and others where President Trump used the phrase “America First”, Prime Minister Modi says “Hindus First” and Myanmar oust millions of Rohingyas from their native homeland.

Overview of European Union (EU)

European Union is social, economic and political integration of 28 European States. It was formally started in 1993.

How EU is Social Union?

EU can be said to be a social union due to multilateral reasons. For instance all the member states of EU have almost common migrant and refugee policies. Along with this there is concept of EU citizenship. Euro Train also connects the EU states socially.

How EU is political Union?

EU is a political union because of the existence of following EU bodies²:

1. European Parliament
2. European Council
3. Council of the European Union
4. European Commission
5. Court of Justice of the European Union (CJEU)
6. European Central Bank (ECB)
7. European Court of Auditors (ECA)
8. European External Action Service (EEAS)
9. European Economic and Social Committee (EESC)
10. European Committee of the Regions (COR)

¹ Pakistan Observer, “EU approves Brexit extension up to jan 31”, October 29, 2019, <https://pakobserver.net/eu-approves-brexit-extension-up-to-jan-31-2/>

² https://europa.eu/european-union/about-eu/institutions-bodies_en

11. European Investment Bank (EIB)
12. European Ombudsman
13. European Data Protection Supervisor (EDPS)
14. Inter institutional bodies

How EU is Economic Union?

EU can be said to be an economic union because of the lack of trade barriers among the EU states. Secondly each EU state is bound to contribute an annual amount according to its size and GDP to the EU Common Fund. This Union provides, all the EU citizens a common job market and eighteen EU states have common currency i.e. Euro.

Exit of United Kingdom (UK) from EU

In 2016, due to anti EU sentiments among the masses of UK, referendum was conducted to ascertain the proportion of pro Brexit people. Fifty two percent voted in favor of exit.³ The due process for exit from EU states that if any of the members want to quit the union it has to register its case with the Union after conducting referendum. Hence, negotiation would commence and the process of withdrawal has to be completed within two years. Likewise UK registered its case with EU for exit on 29th March, 2017.

Reasons of anti EU sentiments

The major reason behind the Brexit is the wave of nationalism that has swept across Britain in the wake of share of UK to EU and increase in number immigrants from Europe. British contribution to EU since 2015 reached 13 billion pounds while they were getting meager amount in return in the form of profits. Moreover the unemployment in UK reached all-time high. These issues were loudly raised by the opposition and leftist parties. UK believes that EU is undermining its sovereignty by its cumbersome regulations which cost UK a lot.

The slogan of “Leave” was far more spread than “Remain” slogan. Number of the people above the age of sixty outranked the youth and they are conservative. Most of the voters in favor of Brexit were either old, less educated or leftists. However they failed to realize that the amount of EU immigrants in UK neutralizes the number of UK diaspora in EU, working to earn livelihood.

Analysis of the options available

Currently the government is having two options

1. Soft exit
2. Hard exit

Soft exit means exit with an agreement to settle the conditions after exit of UK from EU. For instance settling tariff rates, status of European employees in UK and vice versa and the future of free border between UK and EU.

Hard exit means UK exit from EU without any future settlement through pact.

Complications

- i. UK is having following parts

³ https://www.bbc.com/news/politics/eu_referendum/results

1. England and Wales
2. Scotland
3. Northern Ireland

Northern Ireland is strictly against the policy of obstruction of border.

- ii. The vague future of employees of UK across other EU and Europeans working in UK.
- iii. There exists an uncertainty regarding the economic policies of UK after exit from EU

Hence the dilemma of Brexit seems to be the greatest political crises for UK, after WWII. Two elected Prime ministers have resigned due failure to resolve this issue. Still there exists strong division in the parliament and among the masses on Brexit issue.

UK has seen governments change three times in the short space of two years which is unprecedented in modern British history. Even Boris Johnson has hinted another snap election to buy more time from EU. This is making things more complicated and one thing is certain and that is uncertainty around the Brexit for the Britishers and the EU residents who will be affected directly or indirectly by the exit. There will be massive distrust among opposition such as Labour party as enunciated by Jeremy Corbyn but Scottish National Party (SNP) and liberal democrats have welcomed the idea of fresh contest. Vote for fresh elections and it will decide the future way of action for Boris Johnson. Brexit will impact the economy of both UK and EU. However, it is an evidence of the fact that deglobalization sentiments are on full swing among the states who were former perpetrators of the contrary ideology.

TRIBUTE**Tribute to Azad Kashmir's Struggle for Independence****Honorable Ms. Noureen Ibrahim**

Member, National Assembly of Pakistan

1947 – the most prominent year in the history of the Subcontinent, where Gandhi led the hindu-majority India and the Quaid e Azam Muhammad Ali Jinnah, envisioned a free Pakistan comprising muslim majority regions, but amidst this geographic divide lies the former princely state of Jammu and Kashmir, which was denied its rightful self-determination by becoming part of Pakistan - a veritable example of the colonial mantra of 'divide and rule'.

The fate of its majority Muslim population misrepresented by the ruling Hindu Maharaja, who succumbed not only to the pressure of the British backed Indian government but also deprived the indigenous populace of its basic human rights. Ironically, it was an end to the Great War in the West and the beginning of genocide in the East, a different kind of holocaust yet lacking the international attention it deserved and brazenly stripping Kashmiris of any indications of hope.

But Kashmir was not destined to be a mere disputed land at the hands of tyrants, from within the valley emerged its liberator, Sardar Mohammad Ibrahim Khan. And it was his vision and determination along with the natives that maps Kashmir as we know it. He was born in 1915, after acquiring his early education from Poonch, Bachelor's degree from Islamiyah College Lahore leading up to becoming a Barrister at Law from Lincolns Inn. For him even obtaining his education was a struggle, not only financial, but one of a daily strenuous travel miles from his abode. In 1943, he started his legal practice in Srinagar and was soon appointed as the Government Advocate by Maharaja Hari Singh's government in Mirpur. Later, he was promoted as Assistant Advocate General and moved back to Srinagar.

The People of Kashmir had lived for centuries, subject to religious intolerance and Hindu fanaticism. With the establishment of Pakistan across the border, an uprising was brewing even within Kashmir and Dr Muhammad Iqbal who gave the idea of Pakistan as the President of All India Muslim League was himself a Kashmiri. The Kashmiris lacked education; they could not have possibly secured representation in the state services, despite being the Muslim majority. At this point the people demanded a solid standing but were compelled to do so silently, behind closed doors. It took great courage at the time, for a handful of Muslims to strategize a revolt against the Hindu Dogra rule. A group of Kashmiri Muslims from the two most prominent cities had joined forces to form the Muslim Conference. The Jammu and Kashmir government and its agencies were of course skeptical of this development. A convention was to take place secretly, and Khan had made supreme sacrifice in the interest of the conference by placing his residence at this disposal, jeopardizing his security and life.

The Muslim Conference's prime objective was natural accession to the State of Pakistan. However, as the proceedings of the Muslim Conference grew, the Maharaja's government grew increasingly aggressive. The members of the Muslim conference including Khan agreed that if the government could be seriously challenged, it could only be possible from the Poonch. Poonch, formerly considered part of Punjab, had always hindered the paths of its ruling Maharajas. In 1935 it refused the entitled sovereignty of the Dogra Maharaja, and its people resisted submission, but to eventually give into sheer increase of strength and arms. Fatefully, it was these same people who rose against the Dogras in 1947.

A great responsibility rested on Khan's shoulders, and because he had accommodated the Muslim conference convention in his home in Srinagar, he knew that his arrest loomed over his

head. And so he escaped to Lahore, where he saw an unexpected collapse of humanity and in his words a small ‘qayamat,’ as hundreds and thousands of migrants, injured and attacked by Hindu extremists, entered Pakistan. Against this background of a serious incursion of wounded refugees, muslim women and children, he could barely conceive any form of help coming from a seemingly helpless nascent country. Nevertheless, he knew that if there was going to be any assistance to his own cause, it was going to be from the resilient people of Pakistan.

The Libration movement, after despairing efforts to seek immediate help from across Jhelum River, where little could be attained, as Pakistan itself stood fragile and drained, chaotic with an influx of wounded helpless refugees. On the contrary, Khan was determined to the Kashmiri cause. By September 1947, the Azad Kashmir’s army of volunteers had started to gain momentum, and people across Kashmir were covertly joining it. The age-long tyranny of the Dogra Maharajas had to come to an end and the people needed to defend themselves. In spite of the muffled efforts, lack of weapons and any line of communication against the Indian backed Jammu government, the “Azad” Army true to its cause liberated Kashmir, earning its leader with the title of Ghazi-e-Millat. The event described in his own words from his book “The Kashmir Saga” Sardar Ibrahim wrote:

“...during the Azad Kashmir movement miracles were performed by our soldiers. Whether history will ever give this movement the credit it deserves is a separate matter. Of course, to expect any reward from any human agency for what people did would be a great fallacy.”

Kashmir is a pristine valley, inhabiting a people of great valour and bravery. But no nation should have its courage tested to this degree. The misfortune of this impeccably beautiful land ironically has been anything but beautiful. Despite its strategic value and placement as the crown jewel of the sub-continent, Kashmir still remains subject to negligence. It is imperative then, to understand and acknowledge that the geographic part of the land on our side of the border is “Azad” but only at the hands of a strategic freedom fight, led by one man, Ghazi-e-Millat Sardar Mohammad Ibrahim Khan. Inhumanity and treachery will always be considered a part of Indian mindset displayed even today by presence of 9 lac Indian troops in Indian occupied Kashmir. The people of Azad Kashmir will owe a debt of gratitude for generations to come to an entity who accorded them their freedom.

KASHMIR WATCH**Diplomatic Victory of Pakistan in perpetrating Kashmir issue**

Rabia Basri,
Deputy Director (IPR),
National Assembly of Pakistan

1. Kashmir Issue in French Parliament

On 24th September, 2019 Kashmir issue was highlighted in the French parliament for the first time in a conference organized by Jean Bernard Sempastous, the president of Pakistan France Friendship Group. The conference held on the theme, “Kashmir, the oldest conflict of the World”, was attended by the members of the French parliament, scholars, researchers, human rights activists and French and Pakistan media in large number.

The need for restoration of fundamental freedoms of the people of Kashmir along with Kashmir dispute from the historical perspective, current developments and future prospects were discussed in the conference.

Stimulating France, the permanent Member of Security Council to highlight Kashmir issue in its Parliament can be said to be the great diplomatic achievement of Pakistan. It would further strengthen Pakistan’s stance upon Kashmir, globally and unveil the real face of Indian atrocities in Kashmir.

2. Kashmir issue in US Congress

On 5th October 2019 the US Senate Committee on Foreign Relations asked the Indian government to lift its lockdown and curfew in Kashmir and release the detainees. Along with this a fifty members bipartisan group of US Senators urged President Donald Trump to immediately intervene and pursue Modi to lift curfew and end communication blockade in the Indian occupied Kashmir. Highlighting of Kashmir issue for the first time by the US congressmen can be said to be a big diplomatic success for Pakistan.

PARLIAMENTARY NEWS

Honorable Senator Raza Rabbani elected as Member of Executive Committee of Inter Parliamentary Union (IPU)

Honorable Senator Raza Rabbani emerged victorious for membership of executive committee of the Inter Parliamentary Union (IPU) on October 13, 2019. The election was held during meeting of the IPU's Asia Pacific Group. The group has three seats in the Executive Committee, two of which are already held by China and Thailand. He will serve at this position for a period of three years.¹



Honorable MNA Shandana Gulzar Khan elected as Chairperson, Commonwealth Women Parliamentarians



Honorable MNA Shandana Gulzar Khan on September 24, 2019, in a landslide victory has been elected to the position of Chairperson Commonwealth Women Parliamentarians (CWP). She will serve at this position for a period of three years. She received 48 votes while 34 votes were polled in favor of her opponent Tara River from Cayman Islands.² The election was held during the CWP Business Meeting at the sixth triennial conference of the Commonwealth Women Parliamentarians (CWP) that took place in Kampala, Uganda.³

During her campaign, Ms Shandana has pledged to promote trade and development in Pakistan through CWP forum. As Chairperson Commonwealth Women Parliamentarians, she will be responsible for mobilizing governments to facilitate and enhance women participation in their parliaments and creating a conducive environment for them.

¹ "Raza Rabbani elected member of Inter Parliamentary Union executive committee", *Dawn*, October 14, 2019, <https://www.dawn.com/news/1510728>, (retrieved on 25 october,2019)

² Daily Monitor, "Pakistan's Shandana elected Commonwealth Women Parliamentarians Chairperson", September, 25, 2019. <https://www.monitor.co.ug/News/National/Pakistan-Shandana-elected-Commonwealth-Women-Parliamentarians/688334-5287214-rhv8rp/index.html> (retrieved on 25 october,2019)

³ CWP News, "Newly elected Commonwealth Women Parliamentarians Chairperson pledges to increase women's representation and political participation in Parliaments", Commonwealth Parliamentary Association, September 24, 2019.



Workshop on Women Parliamentary Leadership for Honorable Members of Provincial Assembly of Punjab at PIPS, October 24-25, 2019



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