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INSIDE THIS ISSUE:

ANALYSIS

State of Pakistan Economy:
Opportunities and Challenges
Page 01

OPINION

Understanding Turkey's
Parliamentary Democracy
Page 09

OPINION

President Trump's
Impeachment: Myth or Reality
Page 14

OPINION

Foreign Policy of Pakistan
2018-19
Page 19

FROM THE
PARLIAMENTARY PAPERS
Inner Title

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Editorial

All Praises to Allah, the Compassionate and the Most Merciful for bestowing close team effort to the Pakistan Institute for Parliamentary Services (PIPS) that completes its decade of dedicated legislative, research, capacity building and outreach services to Members of eight parliamentary institutions as mandated by the PIPS Act 2008. Hats off to the across party Board of Governors of the Institute, secretariat leadership of the Senate and National Assembly of Pakistan as well as all provincial and legislative assemblies for their resolute ownership to consolidate PIPS into a recognized centre of parliamentary excellence the world over.

The dawn of January 01, 2020 saw the entire PIPS team welcoming the new Executive Director, Mr. Muhammad Anwar, former Secretary Senate, seasoned parliamentary expert with decades of parliamentary services and longstanding faculty member of the Institute; looking forward for rise to new horizons. The 34th meeting of Board of Governors, held on January 14, 2020, presided by Honourable Chairman Senate/ President PIPS BoG eulogized the relevant and strong research, legislative, training and outreach services rendered by the smart team PIPS.

This issue of digest includes three articles on SWOT analysis of Pakistan's economy, Turkey's Parliamentary Democracy and President Trump's Impeachment which were ranked amongst three best papers in PIPS 6th Annual National Parliamentary Development Course submitted by grade 17-18 officers as part of their research project. We have also included an absorbing article on foreign policy of Pakistan 2018-19. "From the Parliamentary Papers" key statistics on Foreign Direct Investment (FDI) over past years have been shared.

May Allah SWT bless every soul and household a happy and contented 2020, *Amin!!!*

Muhammad Rashid Mafzool Zaka

Senior Director General (Research and Legislation)



Honorable Chairman Senate/ President PIPS BoG Senator Muhammad Sadiq Sanjrani presiding over 34th meeting of PIPS Board of Governors Tuesday, January 14, 2020

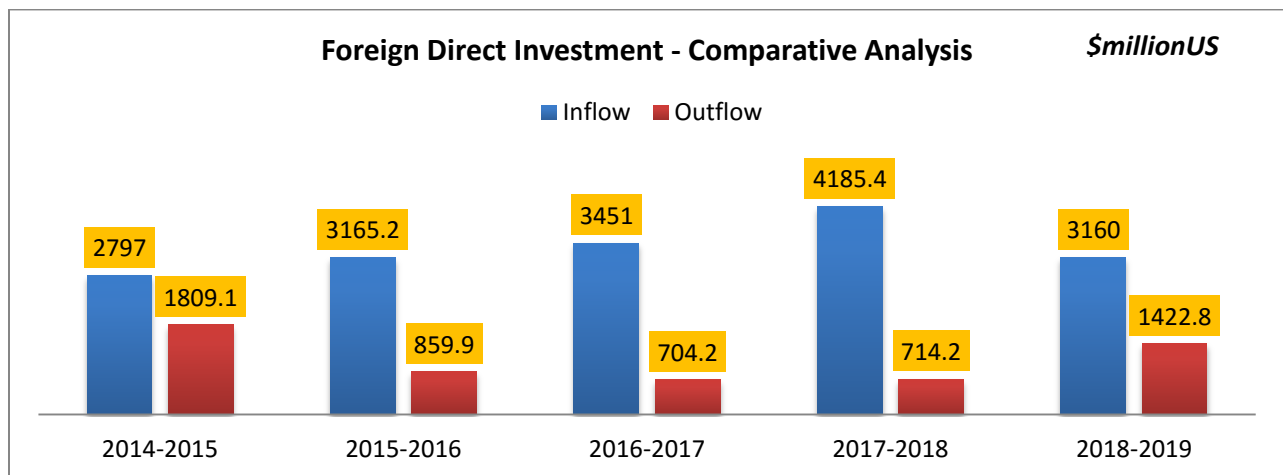
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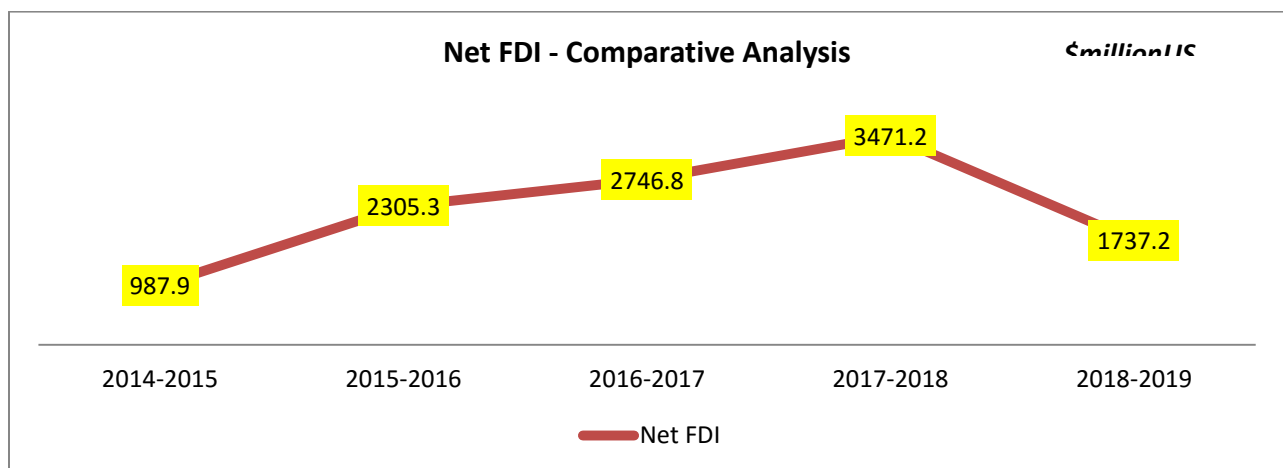
Analysis of Foreign Direct Investment (FDI) over past years

On September 3, 2019, Minister In-charge of the Prime Minister's Office shared a comparative data of FDI in the upper house of Parliament – Senate of Pakistan and detailed the reasons of variation over the years. He also stated the steps taken by government under Prime Minister's leadership to attract FDI. Analysis of the figures presented is as follows;

Snapshot of Inflow/Outflows over last 5 Financial Years



Net FDI comparison over last 5 Financial Years



The net FDI has decreased by 50.7% during the first ten months of FY2018-2019, as stated by the Minister In-charge.

ANALYSIS

State of Pakistan Economy: Opportunities and Challenges

Muhammad Rizwan Manzoor¹

Research Officer, PIPS

Introduction

For any country, economy has huge importance that determines the level of financial wellbeing of its government and its people. The economy is measured or assessed through different indicators such as gross domestic product (GDP) growth, per capita income, inflation rate, interest rate, currency exchange rate, foreign exchange reserves, trade balance, budget balance and current account balance. The trends of these indicators help one to know how the economy of a country is performing. GDP growth rate is the most used indicator to evaluate the economic performance of any country. For the developing or under developed countries that have huge untapped potential in shape of raw inputs and labor force should grow at or above 5 percent GDP growth.

Pakistan's economy experienced turbulent trends since inception. In few years, it performed at better pace i.e. above 5 percent whereas in majority of years its growth rate remained below 5 percent. These ups and downs in economic growth may be associated with government systems and regimes Pakistan had. Unfortunately, Pakistan had witnessed political upheavals and interventions by other strong institutions of the country. So far, Pakistan has seen marshal law eras spread over almost three decades. Such inconsistency political adventures did not let country enjoy the political and economic stability keeping economy under stress resulting poor GDP growth and economic performance.

This research will focus on the current state of Pakistan economy highlighting indigenous strengths and internal challenges; as well as, it presents the external opportunities and threats to Pakistan economy. On the basis of this analysis, key conclusion and way forward may be presented that will identify the key issues faced by Pakistan economy and some set of remedial measures may be suggested as way forward.

Comprehensive Picture of Current State of Economy

Pakistan's GDP growth reduced to 3.3 percent in FY 2018-19 as economic policies to address the twin deficit took effect. It witnessed a 2.2 percent decline as compared to previous year². During previous year, the exchange rate was depreciated by 25.5 percent. Government reduced the development budget; the prices of energy were increased, as well as the policy rate was increased by 575 basic-points.

¹ This paper was selected as one of the best paper among 27 papers submitted during PIPS 6th National Parliamentary Development Course as part of their research assignment.

² Economic Survey of Pakistan 2018-19

Resultantly, private consumption growth slowed from 6.8 percent in FY 2017-18 to 4.1 percent in FY 2018-19 whereas the investment tightened by 8.9 percent. On supply side, the industrial sector growth decelerated to 1.4 % in FY 2018-19 against 4.9 percent in FY2017-18. The growth of services sector remained at 4.7 percent. The growth of agriculture sector remained at 0.8 % in FY 2018-19 that was significantly lower than the targeted growth of 3.8 percent. The inflation rate during FY2018-19 remained 7.3 % against 3.9 % in FY 2017-18³.

The Current Account Deficit (CAD) showed a positive picture that has declined and narrowed to US\$ 13.5 Billion i.e. 4.8 percent of GDP in FY 2018-19 as compared to US\$ 19.9 Billion i.e. 6.3 percent of GDP in previous year. This decline was largely due to cut on imports because of heavy import duties on luxury items. Imports dropped by 23.4 % year-on-year in Jul-Aug FY2018, while exports recorded a marginal recovery of 1.4 percent year-on-year.

This part of the paper also presents the strengths and challenges to Pakistan economy in shape of SWOT analysis that presents a brief on strengths, weaknesses, opportunities and threats. The strengths and weakness are taken from inside of the economy whereas opportunities and threats are directed from outside i.e. external phenomenon.

Pakistan's Economy: SWOT Analysis

A. Strengths

- a. **Young Population:** Pakistan currently has the largest generation of young people ever in its history, with about two-thirds of the total population under 30 years of age. The youth cohort, defined as those between 15-29 years of age, currently forms nearly a third of the country's total population. This factor has all the reasons to take Pakistan ahead to the developed countries, if proper resources and attention is invested of this youth potential. The countries who like Japan, Italy, and Germany are facing the challenge of aging population where young population is reducing by every passing year.⁴ Whereas, Pakistan has huge strength in the shape of its vibrant youth, due attention should be given to this potential to translate the benefits out of it.
- b. **Strong Agricultural Base:** Pakistan has a rich and vast natural resource base, covering various ecological and climatic zones; hence the country has great potential in agriculture sector that can produce almost types of food commodities, raw materials for industry and number of agricultural exports.⁵ As this sector engages almost more than half of the population of the country therefore, uplifting of this sector can bring prosperity to the lives of million people.

³ Ibid

⁴ Muhammad Amir Rana, "The youth challenge", *The Dawn*, December 01, 2019, Accessed on December 15, 2019, <https://www.dawn.com/news/1519761>

⁵ Aman Choudhry, "How Pakistan can become an agriculture production powerhouse?", *Pakistan & Gulf Economist*, March 27, 2017, Accessed on December 15, 2019, <http://www.pakistaneconomist.com/2017/03/27/how-pakistan-can-become-an-agriculture-production-powerhouse/>

As much as 30% (3.4 MT) of horticultural produce that goes to waste every year can be converted into economic gain by investing in agribusiness value chain industries. Netherlands may be taken as role model, where agriculture is a high-tech business. Technology has turned small country into the world's second-biggest exporter of agricultural products and services. Pakistan can take benefit of this strong sector base.

- c. **Prime Geo-Strategic Location:** The geo-strategic location of Pakistan plays a very significant role in influencing and shaping the dynamics of the region. It is due to this strategic backdrop that the neighboring countries find themselves compelled to rely on Pakistan for their strategic interests.

Pakistan's geo-strategic importance can be best understood in the regional and global perspective. In geographical terms, it is surrounded by four countries. In one way or the other, the presence of Pakistan is vital for all neighboring countries and this raises its international importance.⁶ It has long coastal area, beautiful mountains, vast deserts and fertile plains which are unparalleled in economic potential. It provides shortest route to the Central Asian States to the sea route. This rich geo-strategic location attracted China to invest billions of dollars in Pakistan under CPEC projects.

- d. **Established Industrial Sector:** Industrial Sector contributes 20.88pc to GDP and is a major source of tax revenues. The sub-sector of manufacturing, with a share of 64.4pc in the industrial sector, registered the growth of 5.27pc in the outgoing fiscal year compared to 3.66pc a year ago.⁷

The manufacturing sector is the backbone of Pakistan's economy and constitutes the second largest sector. It consists mainly of large-scale manufacturing (LSM) that has a share of 80pc within manufacturing and 10.7pc in overall GDP. Small-scale manufacturing accounts for 1.8pc in GDP and 13.7pc within manufacturing.⁸

Industrial sector has the potential to provide millions of people employment, enhance exports and to raise tax revenues. To tap into the potential of this important sector government need to devise dedicated efforts.

- e. **Tourism potential:** Pakistan has the most beautiful tourist attractions in its Northern areas but, it is a pity that tourist numbers in Pakistan hover around an abysmal 2 million per annum on average, which too mostly comprises domestic tourists. This is in stark contrast to our eastern neighbors, China and India, who attract 60 million and 10 million tourists on average respectively.

Globally, the tourism industry accounts for nearly 10% of the world GDP while its share in Pakistan is merely 2.7% of GDP. This shows that the tourism industry is operating

⁶ Dr Qaisar Rashid, "The ravages of Pakistan's geo-strategic importance", *Daily Times*, August 20, 2013, Accessed on December 15, 2019, <https://dailytimes.com.pk/107903/the-ravages-of-pakistans-geo-strategic-importance/>

⁷ Economic Survey of Pakistan 2019-20

⁸ Ibid

way below its potential and has immense capacity to expand, create jobs and generate revenue for the country.⁹

The present Government of Pakistan dedicated good efforts to revive religious tourism which has huge potential in the country. Under this, Kartarpur Corridor was constructed that connects Indian areas with Gurdwara Darbar Sahib in Pakistan and has potential to attract millions of Sikh pilgrims annually. Similarly, government is working to revive number of sights of Buddhism and Hinduism to attract more religious tourist to the country to tap tourism potential.

B. Weaknesses

- a. **Poor Governance:** Good governance comes through strong and independent institutions of the state. These institutions need to be built, sustained and stronger than individuals. Pakistan is suffering from weak institutional set-up, political instability, rampant corruption, lack of accountability and transparency and bad law and order situation. All these issues have seriously pushed off the country to an abysmal state of poor governance.

Every government looks down upon the policies of the previous government, throws them away and establishes new ones. Due to bad governance education, health, civic services, agricultural infrastructure are all in bad state. Even the most basic social needs of citizens are not fulfilled.¹⁰ Law and order situation is deteriorating and people are being robbed and killed in bright day light. People don't feel safe and secure. Places of worship have to be guarded for the fear of terrorism. This sorry state of law and order scares the investors away from the country thereby severely harming the economy.

- b. **Weak industrial base:** Pakistan's industrial base has always been narrow and lacking required dynamism of modern times. In 2016-17, textile sector's share in the total exports has been 60% and only 5 items make 80% of Pakistan's total exports.¹¹ It has structural problems that led to low output, slack investment rates and sluggish exports.¹² It lacks diversification, has technical and resource allocation inefficiencies, low standard production processes and neglecting investment in Research and Development (R&D) have made the country less competitive than its real potential in the global market. It made exports a hostage of a bunch of products and made economy a factor driven economy where low skilled labor and natural endowments were the main strength for growth. The country's efforts to pass through efficiency driven economy stage and then to reach to innovation driven economy stage could not be materialized.

⁹ Asif Javed, "Potential and need of promoting tourism in Pakistan", Daily Times, October 03, 2019, Accessed on December 15, 2019, <https://dailytimes.com.pk/477232/potential-and-need-of-promoting-tourism-in-pakistan/>

¹⁰ Dr. Moonis Ahmar, "Crisis in economy and governance", *The Express Tribune*, January 18, 2019, Accessed on December 15, 2019, <https://tribune.com.pk/story/1890732/6-crisis-economy-governance/>

¹¹ Ministry of Commerce, "Sectoral Performance of Exports", (Islamabad: Official Printers, 2017), 07.

¹² Abdul Razzaq Kemal, "Key issues in Industrial Growth in Pakistan", *Lahore Journal of Economics* 11, (2006).

- c. **Country's objective image:** Pakistan needs to capitalize its enhanced peace and security as well as its ever improving quality goods and services including its finished goods such as surgical instruments, clothing and footballs. This image should be persuading for importers of good quality and high end products to engage with Pakistani exporters. Pakistan produces 50% footballs of entire world and it won the contract of official FIFA ball for the World Cup held in Russia in June 2018. Pakistan needs to utilize the occasion to motivate its businessmen, laborers and world at large that country produces quality that not only matches but outscores other counterparts. Success stories of quality country's exports must be told comprehensively by the media through documentaries. Even in the existing supply importers are inviting our exporters in the Middle East to strike deals which increases our exporters order managing cost. Negative travel advisories of the developed world about Pakistan discourage the importers to travel to Pakistan, examine the production facilities and place orders. Most of the insurance companies of the developed world do not offer insurance cover to their policy holders for Pakistan. In some cases, they charge additional fee or the importer has to buy second insurance. An overall image projection portraying strong political will and hosting more international people to people contacts and activities would trigger a positive and objective image of the society.
- d. **Lack of entrepreneurship for exports:** Pakistan is suffering from a long term entrepreneurial vacuum. The export sector direly needs new entrants that could reinforce and diversify export base of the country. The lack of export culture which is also stymieing export development efforts leads to more investment in the domestic economy than injecting finance into the exporting sector. The problem becomes multifold when we see that the traditional players are shifting their investment from export to non-export sectors. For example, almost all local textile and clothing giants have focused on retail outlets within the country in recent years rather than establishing new industrial units.
- e. **Unskilled Labor Force:** Pakistan has huge unskilled labor force pushing the tormented economy further down and frustrating all strategic planning being mapped out by financial wizards of the government. Deficit in demand-driven quality labor is the much needed factor that hurts the economic indicators and comprehensive development in every sector.

Huge youth potential need to transform into quality human resource by providing them proper training and skill sets so that they may contribute effectively into national economy. Unfortunately, Pakistan remained relatively poor in this regard and more focus was given on conventional education instead of skill education program that may bring quick and easy results by improving local industry and providing livelihood to millions.

C. Opportunities

- a. **China Pakistan Economic Corridor (CPEC):** Pakistan has number of infrastructure and industrial projects signed with China under CPEC. These projects are of worth over US \$ 60 Billion and have the potential to boost industrial sector of Pakistan as number of Special Economic Zones (SEZs) are being established under these projects. As per the

initial plans, around 37 SEZs are being proposed that would be developed in all the provinces including Azad Jammu & Kashmir and Gilgit Baltistan¹³. In these SEZs, investment from China and other countries are expected because industries in these SEZs would be granted special status, low taxes, subsidized utilities that would provide incentives for local and international investors and businessmen. Such international investment is expected to enhance industrial growth and exports of Pakistan that will also provide employment opportunities to local labor and educated people in near future.

The road infrastructure has improved the communication system in the country and reduced the travel times by many hours. It has provided easy access to the products of the local farmers and growers into markets.

b. Capitalizing benefits of existing trade agreements: Pakistan has three Free Trade Agreements (FTAs) i.e. with China, Sri Lanka and Malaysia as well as three Preferential Trade Agreements (PTAs) i.e. with Indonesia, Iran and Mauritius. However, Pakistan's last FTA was signed in 2009 and since then the global trading order has observed a plethora of improved market access arrangements amongst our trading partners. Due to lack of extension of these preferential trading arrangements to Pakistan, the margin of preference of Pakistani firms has eroded to our competitors in these markets. For example, China has established an FTA with ASEAN where they have granted 0-5% duty concession on up to 90% of the products which is considerably wider coverage of tariff lines than those covered under the Pak-China FTA. Thus, Pakistan is needed to update existing trade agreements in line with its existing strengths so that it may enhance its exports to the partner countries. Similarly, it should work to curtail its imports other than raw materials because it consumes billions of dollars of foreign exchange reserves of the country. Similarly, Pakistan needs to sign new trade agreements with countries having trade potential for Pakistan such as UAE, Saudi Arabia, and Turkey etc. However, proper feasibility studies should be conducted before going into any such agreement and relevant stakeholders should be taken on board so that all the required areas may be studied and evaluated before signing such agreement.

c. Economic Potential in Afghanistan and Central Asian Republics (CARs): Landlocked countries such as Afghanistan, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan have huge trade and economic potential for Pakistan. If Pakistan develops good diplomatic and trade relations with these states, it can provide them easy access to the sea route and meanwhile can capitalize economic incentives in terms of trade and business. Newly constructed road and business infrastructures under CPEC can work as catalyst to exploit these great opportunities for Pakistan.

d. Opportunities in Regional and International Trading and Economic Blocs: Pakistan is member of South Asian Association Regional Cooperation (SAARC), Economic Cooperation Organization (ECO) and Shanghai Cooperation Organization (SCO) in the region that has important regional countries such as China, Russia, India,

13 Husnain Javaid, "Special economic zones under CPEC", The Nation, February 19, 2018, accessed December 20, 2019, <https://nation.com.pk/19-Feb-2018/special-economic-zones-under-cpec>

Iran, and Turkey as their members. These blocs can provide potential opportunity to their member countries if trade is promoted on low tariff rates and enhances trade facilitation. The European Union and North American Association could be taken as role model to capitalize such opportunities that can turn the region into an economic opportunity for all members.

- e. Employment potential for Pakistanis in Friendly Countries:** The Government of Pakistan under the leadership of PM Imran Khan enjoys good diplomatic relationships with Muslim countries such as Saudi Arabia, United Arab Emirates, Turkey and Malaysia. These countries have huge potential to import Pakistan labor into their countries. As Pakistan has abundant labor force, Pakistan can use relationship with these countries to export its labor that will not only provide employment to thousands of unemployed or underemployed Pakistanis but will also bring foreign remittances to Pakistan.

D. Threats

Along with the number of opportunities, Pakistan also has threats from international countries and neighboring economies that may threaten the economic conditions and position of Pakistan.

- a. Cut throat trade competition:** Pakistan is facing hard trade competition from its neighboring economies specially China, India and Bangladesh. Number of textile products where Pakistan used to enjoy competitive advantage few decades back has developed complete industry in these countries. The international export orders have consequently shifted there, putting adverse pressure on Pakistan industry.
- b. Conspiracies from Enemies:** Pakistan continuously faces conspiracies knitted by India against it. It uses its diplomatic relations to create troubles for Pakistan on international forums. During US-Afghanistan war where Pakistan was suffering huge losses in terms of lives of its people and billions dollars economic loss, India launched vicious propaganda against Pakistan during these hard times. It blamed Pakistan as terror financing countries and used its relatively strong media houses for campaigns to sabotage Pakistan's image internationally. These actions by India damaged Pakistan in number of channels. It hurt Pakistan's international trade especially with European and North American countries.
- c. Financial Action Task Force (FATF):** Pakistan is facing continuous threat from Financial Action Task Force (FATF) that it is not following international obligations to streamline financial matters in its banking system. International lobby led by India tried to malign Pakistan on international forums and attempted to put Pakistan in black list of FATF that could create number of economic and financial challenges for Pakistan. China supported Pakistan during FATF meeting in October 2019, and suggested to remove Pakistan's name from the list¹⁴. However, India led lobby resisted this and Pakistan is

¹⁴ Mubarak Zeb Khan, "Pakistan escapes FATF blacklist, but gets warning", *Dawn*, October 19, 2019, Accessed December 21, 2019, <https://www.dawn.com/news/1511678>

continued to be placed in grey list till February 2020. To get removed from FATF list Pakistan is taking all required measures including adding extra procedure on financial transactions by banking and non-banking channels to curb terror financing by all means.

d. Digitalization and Artificial Intelligence: World is moving towards digitalization era where artificial intelligence has transformed the industrial world. The companies have moved to new tech advancements that are more cost effective and give more sophistication in production process. Pakistan needs to adopt this emerging phenomenon to remain active player of global industrial world. Realizing these required digitalization trends, the Government of Pakistan has taken initiative for digitalization of the systems.

Conclusion

Presently, the newly elected political government is spending its first fiscal year for which they presented fiscal budget. Like previous governments, they inherited some economic crises from last government that require some time to settle down. On the basis of extensive discussion, it may be concluded that Pakistan economy is facing number of internal and external challenges but it has strong resilience and potential of growth as well. Pakistan needs to capitalize internal strengths that can bring sustainable economic growth and prosperity in the country. Additionally, Pakistan needs to overcome the weaknesses such as poor governance, promotion of skilled education and advancement of latest technologies in the industry and other related areas. Overcoming challenges will give further boost to existing strengths of economy and will help achieve high economic growth.

Similarly, the external opportunities and challenges presents a satisfactory picture showing that Pakistan economy has high potential to tap internationally in the shape CPEC projects, existing and future trade agreements, strategic regional positioning that can help achieve high targets of economic growth.

OPINION

Understanding Turkey's Parliamentary Democracy

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Abstract

The constitutional amendments accepted following the referendum of April 2017, were not only a positive step towards renewal of Turkish law and the structure of its election system, but also a step that initiated reforms in all dimensions of Turkey's political system. The transition of parliamentary system to presidential system greatly expands the power of presidency. President has full authority over all institutions including military, judicial and supreme Electoral Council (YSK). This commentary aims to provide an analysis of the period from April 16, 2017 referendum to the election of President Recep Tayyip Erdogan and the key development under President Recep Tayyip Erdogan.

Keywords President, Constitution, Coup, Parliamentary system, Presidential system, Referendum

Introduction

Turkey is experiencing a structural transformation following the adoption of "Presidential System of Government". Starting with the Basic Law (*Kanuni Esasi*), the Ottoman Empire made attempts to employ the parliamentary system of Government from 1876 onwards during the Constitutional Era. In the Constitution of 1921, all the powers were concentrated with the parliament, and a parliamentary tradition has continued since then. On April 16, 2017, Turkey adopted a new system of government²; it transitioned from parliamentary to the presidential system. Under the Presidential system, the executive power is consolidated in a single person. Inner circle around the President is made up of finance, communications, resources, technology, and investment offices; the other circle comprises boards – which will make policies in different areas, and ministries surrounding these boards. For the first time in the Republic of Turkey, the executive is privileged over the legislature on an institutional level. At the same time, the political earthquake and its aftershock, created by the attempted coup, caused social disruption, polarization and tensions.

¹ This paper was selected as one of the best paper among 27 papers submitted during PIPS 6th National Parliamentary Development Course as part of their research assignment. However, this is edited version of the paper.

² Sevtaç Yokus, *Elections and The Presidential System in Turkey Is A Return To Democratisation Possible In This New Period?* (DPI, 2018), <https://www.democraticprogress.org/wp-content/uploads/2018/09/4.April2019-SevtaçYokus%C5%9FAugustAssessment2018-Proof2-WEB.pdf>.

Aim

The purpose of this paper is to understand the Turkey's parliamentary democracy. Turkey has seen many constitutions, all of which have declared the parliamentary system as the governmental regime. This paper will examine the transformation of Turkey's parliamentary system to presidential system, the executive power of President Recep Tayyip Erdogan and the political rights and civil liberties. This study attempts to find answers to the following research questions.

1. Constitutional development and Parliamentary History of Turkey
2. What are the authorities of President, Parliament and Judiciary in Presidential system of Turkey?
3. What key developments (constitutional and parliamentary) took place under the President Recep Tayyip Erdogan?

Turkey in the Annals of History

Ottoman Empire was defeated in First World War. Many of the major cities such as İstanbul and İzmir were occupied by the Allies and Greeks. Mustafa Kemal Pascha did not accept the situation and launched a war of independence on May 19, 1919. A new revolutionist parliament named ***Türkiye Büyük Millet Meclisi*** (The Grand National Assembly of Turkey – TBMM) was founded in Ankara on April 23, 1920. After a little while, on December 20, 1921, TBMM approved the *Teşkilat-ı Esasiye Kanunu* (Law of Fundamental Organization) to be the first Constitution of newly-emerging state³.

Constitution of 1921 was short, flexible and transitory. However, the process of state formation required a more detailed, rigid and permanent text. In order to meet the need, TBMM adopted a new constitution on April 20, 1924. Constitution of 1924 remained in force for 36 years. Through this period, the text was amended several times. Mustafa Kemal, to whom TBMM granted the surname ***Atatürk*** (Father of Turks), managed to transform Turkish law in a strong and conclusive way. Under the Constitution of 1924, Islamic law was abrogated and secular codes of European countries were adopted such as Civil Code from Switzerland, Penal Code from Italy, and Commercial Code from Germany. Constitution of 1924 was not appropriate for a multi-party system introduced in 1946. On 9th July 1961, a new constitution prepared by the Constituent Assembly entered in force through a referendum⁴. Due to the continual political and economic crisis fed by the Cold War, the Constitution of 1961 was not being able to bring neither democracy nor stability. Once again, Turkish Armed Forces intervened and took the power in 12th September 1980.

Under the Constitution of 1961, it was quite difficult to restrict fundamental rights and freedoms. Generals who staged the coup of 1980 considered that there must be a less democratic constitution enabling more powerful governments to emerge. That was the reason behind the Constitution of 1982. Constitution of 1982 is still in force, despite of the fact that

³ Marszałek-Kawa, Joanna, and Ahmet Burak. "The Political System of the Republic of Turkey, Past and Present." *Przegląd Politologiczny* 3 (2018): 95-108.

⁴ Ibid.

it has been amended nearly twenty times. At first, the Constitution of 1982 predicted a parliamentary regime with a strong president, who was to be elected by TBMM⁵. By the referendum held in 2007, it was approved that the President of the Republic would be elected directly by popular vote. This amendment transformed the system into a Presidential system which lets the President of the Republic dominate both the legislative and the judiciary.

Key Developments since President Recep Tayyip Erdogan

1. 2016 coup

On July 15, 2016, a coalition of units within the Turkish military launched a coup and tried to acquire the control of *Adalet ve Kalkınma Partisi* (AKP) government⁶. Following the failed coup attempt, the government declared a state of emergency throughout Turkey on July 21, 2016 and prolonged it seven times until July 19, 2018. President Erdogan announced that the state of emergency was required to take immediate and effective measures against the distraught movement, which had penetrated every state institution⁷. The AKP made changes in areas such as the military, police, judiciary, public administration, education, business and many others.

2. April 2017 referendum and constitution amendment

On April 16, 2017, Turkey adopted a new system of government⁸. With the constitutional amendments, which were adopted in the 2017 constitutional referendum, the country transitioned from parliamentary to the presidential system. The constitutional reform bill proposed a gradual shift towards presidential system and stipulated that the new system of government would become fully operational following the next general election⁹. Certain other changes, in turn became effective immediately after the referendum. The constitutional amendments, which resulted in the adoption of the presidential system, amounted to more than ordinary constitutional reforms. Recep Tayyip Erdogan and his Justice and Development Party (AK Party) made significant efforts to transform the country's political system to promote political stability; consolidate Turkish democracy; address the problem of dual legitimacy; ensure the effectiveness and efficiency of the executive branch; eliminate bureaucratic tutelage; facilitate the proper functioning of the executive and legislative branches through a clear separation of powers; promote transparency and accountability of the executive branch through popular presidential elections; and eliminate the risk of crises in future presidential elections held by the Parliament. Advocates and opponents of change explained in great detail that why is the prevailing system of government better than the other in terms of their capacity to overcome existing crises and prevent future problems.

⁵ Marszałek-Kawa, Joanna, and Ahmet Burak. "The Political System of the Republic of Turkey, Past and Present." *Przegląd Politologiczny* 3 (2018): 95-108.

⁶ Kgalalelo Gaebee, "Autocracy Behind A Democratic Facade: The Political Regime In Turkey", *Civics.Org*, accessed 23 January 2020, <https://www.civics.org/index.php/re-imagining-democracy/stories-from-the-frontlines/3529-autocracy-behind-a-democratic-facade-the-political-regime-in-turkey>.

⁷ Ibid.

⁸ "Reforming Turkey's Democracy", *INSIGHT*, 2017, <https://www.insightturkey.com/commentaries/reforming-turkeys-democracy>.

⁹ Nebi Mis and Burhanettin Duran, *Turkey's Presidential System Model And Practices* (SETA, 2018).

3. Election Regulations

Three different types of elections have been introduced into the system i.e. ordinary, renewal and completion elections. Ordinary elections are held every five years, the parliament and the president are elected concurrently, but, it is not obligatory to elect the parliament and the president on the same date. Renewal elections may be held in the period between two elections, and a completion election may be held in circumstances when the post of presidency is vacated. The election is held within 45 days from the vacation of office¹⁰.

4. Authorities of President, Parliament and Judiciary in Presidential system of Turkey

The President is the head of the State, and the executive authority belongs to the President. The heading in the Constitution "Qualifications and Impartiality of the President" was amended to "Candidate and Election". The administration of a political party in the legislative body by the President has become possible, as well as the administration of the executive body¹¹. The President's term of office is five years. A person may be elected as President for two terms at most. In the second term of the Presidency, if the Parliament decides to renew the elections, the President could run once again for another term. In such case, the provision that allows the same person to be elected as President "for a maximum of two terms" may be rendered ineffective. "Inspecting the Council of Ministers and Ministers" had been an authority of the Parliament arising from the Constitution. The Parliament could authorize the Council of Ministers to issue decrees on certain issues. In the new system, the Council of Ministers is abolished, the authorities of the Council of Ministers are transferred to the Presidency, and the President is given the authority to issue "Presidential Decrees." A Presidential decree cannot be issued in matters that are foreseen to be regulated exclusively in the Constitution or that which are clearly regulated in the law. The President may also issue regulations to enforce the application of laws, providing that there are no provisions to the contrary.

In the new system, the budget of the State is determined by the President and presented to Parliament. Previously, Parliament was mandated to prepare the budget. Further, the President is granted the authority to declare a state of emergency; formerly, this authority was exercised by the Council of Ministers meeting under the chairpersonship of the President. The reduction of electoral threshold from ten percent to five percent, and allowing voters' direct nominations, are among the notable changes¹². In past, the deputies had the authority to request information by asking verbal questions to the Prime Minister and the Council of Ministers – who were the heads of the executive body. In the new system, the President becomes head of the executive body, by replacing the Prime Minister and the Council of Ministers, and all authority therein is held by the President. Thus, the President is expected to be able to receive questions. However, deputies are not allowed to question the President, and questions may only be addressed to Vice-Presidents and Ministers in writing.

¹⁰ "Reforming Turkey's Democracy", *INSIGHT*, 2017, <https://www.insightturkey.com/commentaries/reforming-turkeys-democracy>.

¹¹ Cansu Ozsan, "The Start Of A New Era In Turkey: Presidential System Of Government - I", *Mondaq.Com*, 2018, <http://www.mondaq.com/turkey/x/729820/Constitutional+Administrative+Law/Election+Terms>.

¹² Ibid.

Martial law and military courts have been abolished, except in the event of war. The High Military Court of Appeals and the High Military Administrative Court have been abolished, thus the appointment of members from these institutions to the constitutional court is no more.¹³ All members of the constitutional court are appointed by the President.

5. Political Rights

- i. **Electoral Process:** The president is directly elected for up to two five-year terms, but is eligible to run for a third term if the parliament calls for early elections during the president's second term. If no candidate wins an absolute majority of votes, a second round of voting between the top two candidates takes place. A constitutional referendum passed in 2017 instituted a new presidential system of government, expanding presidential powers and eliminating the role of prime minister, effective after the snap presidential vote in June 2018. The 2017 constitutional referendum enlarged the unicameral parliament, the Grand National Assembly, from 550 seats to 600 seats, and increased term lengths from four to five years; these changes took effect with the June 2018 general elections¹⁴. Members are elected by proportional representation.
- ii. **Political pluralism and participation:** Turkey has a competitive multiparty system; with five parties represented in the parliament. The 2018 electoral law permits the formation of alliances to contest elections, allowing parties that would not meet the threshold alone to secure seats through an alliance. Parties can be disbanded for endorsing policies that are not in agreement with constitutional parameters, and this rule has been applied in the past to Islamist and Kurdish-oriented parties.
- iii. **Rule of law:** The establishment of the new presidential system in June 2018 also increased executive control over the judiciary. Under the new structure, members of the Board of Judges and Prosecutors (HSK), a powerful body that oversees judicial appointments and disciplinary measures, are now appointed by the parliament and the president, rather than by members of the judiciary itself.

Conclusion

Turkey is among the world's most developed countries, but most recently, on July 15, 2016, a military coup was attempted in Turkey against Erdogan's government. The coup failed. It was a great victory for the democratically elected government of Turkey; the defiant citizens of Turkey defended their democracy. Since the 1960s, Turkey has experienced a coup about once every 10 years. The proceedings of the last coup of July 15 changed this trend. This is because Turks do not want a return to military rule. In the meantime, the government of the AK Party, the MHP, agreed to adopt a presidential system. As a result, the Parliamentary Constitutional Committee approved the amendments to the Constitution. The changes essentially shift Turkey's ruling system from a parliamentary to a presidential one¹⁵.

¹³ Cansu Ozsan, "The Start Of A New Era In Turkey: Presidential System Of Government - I", *Mondaq.Com*, 2018, <http://www.mondaq.com/turkey/x/729820/Constitutional+Administrative+Law/Election+Terms>.

¹⁴ *Freedom In The World 2018: Democracy In Crisis*, Turkey Profile (Freedom House, 2018), <https://freedomhouse.org/report/freedom-world/2018/turkey>.

¹⁵ Marszałek-Kawa, Joanna, and Ahmet Burak. "The Political System of the Republic of Turkey, Past and Present." *Przegląd Politologiczny* 3 (2018): 95-108.

OPINION

President Trump's Impeachment: Myth or Reality

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Introduction

The US Constitution empowers House of Representative to charge any public office bearer involved in any wrongdoings, may it be the highest rank such as President of the United States. Impeachment means “*to charge (a public official) before a competent tribunal with misconduct in office.*”² Four American presidents have faced impeachment trails including President Andrew Johnson, President Bill Clinton, both of whom were impeached by the House of Representatives but acquitted by the Senate. President John Tyler and President Richard M. Nixon resigned before completion of impeachment process.³ Currently, President Donald Trump is facing an impeachment inquiry over a phone call with Ukrainian President Volodymyr Zelensky in which he is accused to misuse his official power by demanding the Ukrainian President to announce investigations against his political rival and democratic candidate in 2020 elections, Joe Biden and his son Hunter Biden. President Zelensky assured President Trump that he would pursue the investigation.⁴

Overview

President Trump has been pro-actively trying to secure his position in office in the upcoming presidential elections. President Trump is currently facing intense public criticism and backlash as an anonymous whistleblower launched an extensive complaint against the President. In the complaint, the whistleblower has accused President Trump of misuse of power “to solicit interference from a foreign country in the 2020 U.S. election”.⁵ It was revealed in the complaint that President Trump spoke to Ukrainian President Volodymyr Zelensky asking him to find and reveal information to tarnish the public image of his strong competitor Joe Biden, in the upcoming elections. According to the complaint, President Trump demanded investigation about Hunter Biden’s activities with a Ukrainian energy company Burisma Holdings. The intent was to somehow prove that Joe Biden used office to benefit his son or that his son was involved

¹ This paper was selected as one of the best paper among 27 papers submitted during PIPS 6th National Parliamentary Development Course as part of their research assignment. However, this is edited version of the paper.

² "Definition of Impeachment", Merriam-Webster.Com, 2020, accessed on December 22, 2019, <https://www.merriam-webster.com/dictionary/impeachment>.

³ Tom Murse, "Only Three Presidents Have Been Impeached", Thoughtco, December 2, 2019, Accessed on December 22, 2019 <https://www.thoughtco.com/presidents-who-were-impeached-3368130>.

⁴ Phillip Bump, "The day of Trump's call with Ukraine's president, minute-by-minute", The Washington Post, 2019, accessed on December 22, 2019, <https://www.washingtonpost.com/politics/2019/11/26/day-trumps-call-with-ukraines-president-minute-by-minute/>.

⁵ Transcript of Complaint by Whistleblower

in corrupt practices. However, there is no evidence to prove this controversy and this allegation is broadly discredited.

The House of Representatives has significant evidence to have President Trump removed from office as seeking assistance of another state in Presidential elections, USA's domestic politics is illegal and detrimental to state security and interests. Meanwhile, President Trump strongly denies the said accusations against him and calls it a 'witch-hunt'.

Transcript of the complaint, however, tells a completely different story. The complaint specifies that the word for word transcript of the call between President Trump and President Zelensky was moved to a highly secret record and officials at White House were greatly concerned and disturbed. Meanwhile, some of the officials intervened to keep the matter under wraps. This conversation occurred shortly after military aid (worth US\$ 400 Million) to Ukraine had been blocked. The complaint also suggests that it was made clear to President Zelensky that the release of the military aid is conditional to his compliance to President Trump's demands (announcing investigation regarding Bidens and Burisma Holdings).

Initiation of Impeachment

Impeachment is a constitutional clause, initiated against any public office holder but it is not the final verdict against the accused. In the impeachment process, everyone who has direct or indirect connection is brought to book. The House of Representatives takes testimony of the witnesses, collected evidence and draws articles on the basis of which the impeachment is to be carried out.

Article 1 of the US Constitution explicitly lays down the guidelines for impeachment process. It states that the House of Representatives "*shall have the sole Power of Impeachment*" while Section 3 says

"The Senate shall have the sole Power to try all Impeachments. When sitting for that purpose, they shall be on Oath or Affirmation. When the President of the United States is tried, the Chief Justice shall preside...."

- i) **Preliminary investigation:** When an anonymous whistleblower filed complaint alleging the President of abused his power, Speaker of the House, Nancy Pelosi initiated impeachment inquiry. On October 31st, 2019 the House voted to establish procedures for public hearings. Investigation was initiated by the House of Representatives Judiciary Committee to draw the articles of impeachment. While the House Intelligence Committee furnished a 300-page report accusing President Trump of putting his personal interest over state interest.
- ii) **Judiciary Committee:** The Committee consulted and questioned four experts on constitutional law, three⁶ of which were chosen by Democrats while one by Republicans.⁷ The experts chosen by Republicans maintained that President Trump demanding Ukrainian help in winning the upcoming elections is a serious misconduct. Three out of four experts were of the view that President Trump

⁶ Prof. Pamela Karlan, Prof Noah Feldman, Prof Michael Gerhardt from Stanford University, Harvard University and University of North Carolina .

⁷ Prof. Jonathan Turley of George Washington University

misused his power seeking political gain and this is an impeachable offense.⁸ The fourth expert Prof. Jonathan Turley opined that although President Trump's actions are not exactly appropriate, they are non-impeachable. He moved on to say that this would set a wrong and dangerous precedent.

- iii) Permanent Select Committee on Intelligence:** A 300 page report reflecting the evidence collected by the House Permanent Select Committee on Intelligence was presented as a part of the impeachment inquiry. The report is based on numerous documents summoned and studies as evidence and testimonies of 17 witnesses. The reports suggested that President Trump personally and through agents solicited Ukrainian interference to benefit him in the upcoming elections in 2020. President Trump with his allies schemed to exploit US military aid to Ukraine as a bargaining chip and pressured announcement of politically-motivated investigations against his political opponent's son. The declassified version of the call revealed that the President bent the US foreign policy for his personal benefit and endangered the US national security and interests abroad.⁹

Witnesses before the Committee

- a) **The whistleblower**, a White House official who launched the complaint citing the 25th July telephone conversation in which President Trump demanded Ukrainian aid in digging out information to smear his political rival.
- b) **Marie Yovanovitch**, former US ambassador to Ukraine, renowned for her anti-corruption efforts, abruptly removed from her position due to differences with President Trump and faced severe slandering by the President himself.
- c) **Bill Taylor**, the diplomat who replaced Yovanovitch testified that his staff member overheard a call between US ambassador to the European Union Gordon Sondland and President Trump in which President Trump was informed that the Ukrainians are ready to move forward with investigation against Hunter Biden.
- d) **Fiona Hill**, the National Security Council's former senior director for Russian and Eurasian affairs, testified that USA's foreign policy on Ukraine was hijacked by President Trump for his personal interests and the dealings were shady like a 'drug deal' as referred to by her former boss John R. Bolton.
- e) **Lt. Col. Alexander Vindman** the NSC's top Ukraine expert testified that he was present in a meeting with Oleksandr Danylyuk, the Secretary of the National Security and Defense Council for Ukraine. During the meeting Amb. Sondland distinctly conditioned meeting between US and Ukrainian President to Ukraine officially opening up investigation related to the Bidens and Burisma Holdings. He also witnessed July 25 phone call and raised his concerns with his senior officials.¹⁰

⁸ "Trump's Ukraine Conduct Impeachable - Law Experts", *BBC News*, December 4, 2019, <https://www.bbc.com/news/world-us-canada-50651514>.

⁹ US House OF Representatives Permanent Select Committee on Intelligence, The Trump-Ukraine Impeachment Inquiry Report (Washington DC: House Permanent Select Committee on Intelligence, in coordination with the Committee on Oversight and Reform, Committee on Foreign Affairs, December 2019), <https://intelligence.house.gov/report/#executivesummary>.

¹⁰ Amita Kelly, "Ukraine Expert Lt. Col. Alexander Vindman's Opening Statement", *Npr.Org*, October 4, 2019, <https://www.npr.org/2019/10/28/774256868/read-ukraine-expert-lt-col-alexander-vindmans-opening-statement>.

- f) **David Holmes**, member of Bill Taylor's staff overheard telephonic conversation during which President Trump was informed by Amb. Scotland of Ukraine's agreement to probe against former Vice President Joe Biden.¹¹
- g) **Mark Sandy**, White House budgeter informed the committee that Ukraine's military aid was frozen by the President without the relevant team being informed and they became aware of it when the aid was soon to be released.¹²
- h) **Laura K Cooper** revealed that Ukrainian officials were alarmed by the withholding of the security aid and were aware about well before July 25, 2019.¹³
- i) **David Hale** testified that he learned about the military aid being frozen from public sources rather than official. He also informed that Marie L. Yovanovitch, expressed concern about being target of smear campaign by Rudolph W. Giuliani, the president's personal lawyer.¹⁴
- j) **Gordon D. Sondland** publicly testified that meeting between US and Ukrainian and military aid had distinctly been tied to investigations demanded by Mr. Trump.
- k) **Timothy Morrison** testified of being informed by Mr. Sondland that Ukraine's military aid would be released only when the country commits to investigating the Bidens. He expressed reservations about the political implications of the President's telephonic conversation with Ukrainian Counterpart.

Have not complied with inquiry

- a) **The White House** received subpoena to furnish multiple documents which were not complied with. The White House counsel, Pat A. Cipollone, refused to co-operate and referred to House's impeachment inquiry as illegitimate.
- b) **Mike Pence** was asked by the committee to present declassified information about the call by Oct. 15, 2019 refused to comply by the request.
- c) **Mike Pompeo** was subpoenaed to furnish documents, however, it was revealed that Mr. Pompeo was well aware of the whole situation and listened to the call on July 25, 2019. He refused to answer congressional investigators and vigorously defended how President Trump dealt with Ukrainian counterpart.
- d) **Rudolph W. Giuliani**, President Trump's personal attorney and a key figure in the Ukraine issue, upon receiving subpoena adamantly refused to present any documents related to the Ukraine inquiry.

Analysis

The evidence and testimonies collected by the House of Representatives indicate that President Trump has misused his power for his personal benefit, urged foreign influence in

¹¹ "State Department Official David Holmes' Impeachment Inquiry Testimony", Npr.Org, November 2019, <https://www.npr.org/2019/11/18/780621852/read-state-department-official-david-holmes-impeachment-inquiry-testimony>.

¹² "Republicans: Mark Sandy'S Testimony Deflates Dems' Trump-Ukraine Bribery Claim", The Washington Times, December 1, 2019, <https://www.washingtontimes.com/news/2019/dec/1/mark-sandy-house-testimony-used-down-trump-ukraine/>.

¹³ Ryan Browne and Devan Cole, "Pentagon Official overseeing Ukraine Policy set to testify publicly before Impeachment Inquiry", CNN, November 19, 2019, <https://edition.cnn.com/2019/10/22/politics/who-is-laura-cooper/index.html>.

¹⁴ Executive Session of Permanent Select Committee On Intelligence, November 6, 2019, <https://docs.house.gov/meetings/IG/IG00/CPRT-116-IG00-D018-U1.pdf>.

a domestic matter, and obstructed investigations by directing the White House staff not to provide any documents or evidence despite subpoenas from the House. Moreover, President Trump is also engaged in intimidation and public slandering of individuals who testified against him or played any part in the impeachment trial. According to the inquiry report, President Trump made a conscious effort to bend the foreign policy of the country – putting the national security and interests at stake. The inquiry found Vice-President Mike Pence, Secretary of State Mike Pompeo, Secretary of Energy Rick Perry and White House Acting Chief of Staff Mick Mulvaney among active participants and aides of the President in the pressure campaign or were well-aware that President Trump has halted an official procedure to extract personal political favor from a foreign government.

Conclusion

The power to impeach a public office bearer enshrined in the US constitution is pivotal to ensure accountability and supremacy of the law. After impeachment from the House of Representatives, President Trump will face trial in the Senate. In the Senate, the situation is a bit trickier as two-third majority is required to impeach the President. The current party position suggests that the Democrats will require significant Republicans to go against President Trump to impeach him. Past precedents suggest President Trump's impeachment is unlikely. However, this will still send out a strong message of supremacy of law and democracy and will strengthen faith in the democratic institutions.

OPINION

Foreign Policy of Pakistan 2018-19

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Pakistan was facing critical challenges at domestic and international level when Pakistan Tehreek-e-Insaf (PTI) came into power under Pakistan's 22nd Prime Minister Imran Khan. Pak-U.S relations were at a historic low point; military aid to Pakistan was halted as punitive measures. Moreover, Pakistan faced continuous scapegoating for not taking any meaningful action against the Afghan Taliban and Haqqani Network. India proactively worked to isolate Pakistan globally using its diplomatic links and media to tarnish Pakistan's global standing. Relations with Kabul had also gone critically strained due to cross border militancy and Indian interference and propaganda. Meanwhile, there was also an uncertainty pertaining to China-Pak relations due to PTI's criticism for not making financial details public regarding development projects under CPEC.¹ However, Pakistan's relations with Arab countries strengthened as they extended much need financial help to the country² at a juncture when average growth for the Financial Year 2018-19 fell to 3.29% against the target of 6.2%. The GDP reserves calculated were not for more than 4 weeks and negotiations with IMF commenced³. The inflation rate which was at 3.9% in general during 2018 increased to 7.3%⁴ in 2019. PTI made a lot of promises and showed dreams of revived economy, 10 million jobs, 5 million houses for lower class and establishing model just society.

The article aims to analyze and discuss the progress of the government in foreign policy with different states. The article also highlights the potentials and challenges confronting Pakistan on diplomatic fronts and suggests pragmatic way forward.

A. Relations with India

The Prime Minister expressed his sincere intent in strengthening relations by increasing bi-lateral trade and commitment and preference for dialogue and diplomacy for resolution of issues. PM Imran Khan wrote a letter to Indian PM Narendra Modi on 14 September proposing a meeting of the foreign ministers on the sidelines of UNGA that Indian counterparts did not reciprocate.⁵ In February 2019, two major incidents i.e. Pulwama attack and Balakot airstrikes immensely undermined the bilateral relations jeopardizing regional peace and stability. Yet Indian pilot caught during the Balakot airstrike was released by Pakistan as a goodwill gesture.

¹ Fahad Nabeel, "One Year in Office: Revisiting Imran Khan's Foreign Policy," *South Asian Voices*, Sep 4, 2019. <https://southasianvoices.org/one-year-in-office-revisiting-imran-khans-foreign-policy/>.

² Prashanth Parameswaran, "Touqir Hussain on Pakistan Foreign Policy under Imran Khan," *The Diplomat*, Sep 10, 2019. <https://thediplomat.com/2019/09/touqir-hussain-on-pakistan-foreign-policy-under-imran-khan/>.

³ Government of Pakistan, "Pakistan Economic Survey 2018-19" Government of Pakistan, Dec 02, 2019, http://finance.gov.pk/survey/chapters_19/Economic_Survey_2018_19.pdf.

⁴ Statista, "Pakistan: Inflation rate from 1984 to 2024 (compared to the previous year)," Statista, Nov 20, 2019, <https://www.statista.com/statistics/383760/inflation-rate-in-pakistan/>.

⁵ Mutaher Khan, "Rightening the wrongs: Pakistani foreign policy under Imran Khan," *Inside Over*, Oct 13, 2019, <https://www.insideover.com/politics/righting-the-wrongs-pakistani-foreign-policy-under-imran-khan.html>.

Meanwhile the government took punitive action against notorious Lashkar-e-Taiba and Jaish-e-Mohammed, which was considered to be earnest effort from Pakistan to curb terrorism. The Indian Government paid little heed to Pakistan's one sided initiatives as PM Modi went ahead with a heinous plan to revoke Article 370 of the Indian constitution, robbing Indian Occupied Kashmir of its autonomy.

Kashmir Issue: India has deprived Kashmiris of their basic human rights by repealing Article 370 of the Indian constitution. Kashmiris are under complete lockdown, with no access to communication network and facing food and medicinal scarcity for more than 150 days now. The intent behind this amendment is to carry out demographic changes and turn Muslims into minority. It also intends to turn down the article 35A, which says that outsiders or females who marry outsiders are not allowed to buy property in Kashmir⁶. This Indian move against Kashmiris and violation of UN declaration has made it clear that Kashmir issue can never be resolved bilaterally by dialogues with PM Modi in charge. Pakistan has made the world aware of Indian brutalities in Kashmir through different forums. The UNGA address of the Prime Minister and communication to several states (Switzerland, France, UK, USA, New Zealand, Australia, UAE, and KSA) raised the Kashmir issue. France has passed a bill in their Parliament against the Indian brutality and the repeal of Article 370.

B. Relations with USA in reference to Afghanistan

In Nov 2018, the US government suspended Pakistan's military aid worth US \$1.66 Billion for not taking decisive action against the terrorist groups including Haqqani network and Taliban, supposedly active on its soil⁷. US also advised the IMF against giving financial aid to Pakistan accusing that it will be used for CPEC instead of public development⁸. PM Khan paid two visits to US recently which melted some ice between two nations. The PM offered assistance in withdrawal of US troops from Afghanistan and in return President Trump offered to mediate between Pakistan and India to resolve Kashmir issue. US had kept financial pressure on Pakistan but as soon as PM Imran Khan expressed will to help pull out US troops safely from Afghanistan, the relations got back on track. IMF also approved a much necessary aid of US \$6 Billion.⁹

C. Relations with China

China Pakistan Economic Corridor is an international project worth approximately US \$46 Billion. In a recent development, the total cost of CPEC has increased to US \$62 billion, which

⁶ Claire Parker, "Kashmir's new status could bring demographic change, drawing comparisons to the West Bank," *The Washington Post*, Aug 9, 2019, <https://www.washingtonpost.com/world/2019/08/08/kashmir-s-new-status-could-bring-demographic-change-drawing-comparisons-west-bank/>.

⁷ The Economic Times, "USD 1.66 billion in security aid to Pakistan suspended: Pentagon," *The Economic Times*, Nov 21, 2018, <https://m.economictimes.com/news/defence/usd-1-66-bn-in-security-aid-to-pakistan-suspended-pentagon/articleshow/66735931.cms>.

⁸ Ahmed Awais Khaver, Muhammad Awais Umar, Dr. Shafqat Munir Ahmad, "Evaluating Foreign Policy Of Pakistan In The Context Of Strategic Coercion." *Islamabad: Sustainable Development Policy Institute (SDPI)* 1 (July 2019):1-12.

⁹ Aizaz Chaudhry, "PAK-U.S. Relations: Time to reset?", *Pakistan Politico*, Aug 6, 2019, <http://pakistanpolitico.com/pak-u-s-relations-time-to-reset/>.

is expected to cross \$100 billion by 2030.¹⁰ The incumbent PTI government sought CPEC to focus on agriculture, job creation and development of poor instead of large scale projects like infrastructure, which may be done at later stage. 15 MOUs were signed during Prime Minister's first visit to China in Nov, 2018. Chinese government proposed a series of bailout packages and showed their interest in investment in Pakistan to extend CPEC project in more areas. Iran has also shown interest in becoming part of CPEC, which was accepted by the Chinese government. It has been extended in the fields of energy, technological advancement and agriculture. Iran's inclusion has established trilateral cooperation among the three states¹¹.

D. Pak-Iran relations

Pakistan and Iran enjoy historical friendship and helped each other through tough times. Iran's supreme leader Ayatollah Khamenei always raised concern over the grave situation of Kashmir.¹² However terrorist attack on Pakistan's western border that killed 14 security workers distressed Pak-Iran bilateral relations. For taking some serious action against cross border attacks, PM Imran Khan visited Iran in April 2019 and proposed conducting joint operations to curb cross border terrorism¹³. An attack by Houthi rebels on Saudi oil fields in September 2019 cutting off 5% of world's oil supply caused serious tensions between the two states. The US and Saudi Arabia accused Iran for the attack while Iran denied involvement in the attack.¹⁴ PM Imran Khan made sudden visit to Iran amidst flared tensions and offered to mediate.

E. Relations with Turkey

Pakistan-Turkey relations are on the redo following quite a while of stagnation. Historically, the two states have been close and enjoy cordial relations. They have cooperated in many fields particularly military. Pakistan Navy Special Services Group (SSGN) and Turkish Navy Special Forces, Su Altı Taarruz (SAT) completed a 12 day joint military exercise in 2019, which included anti-terrorism, hostage rescue, counter-terrorism in the maritime domain, and intelligence-based training operations¹⁵. Historically, leaders of both countries have strongly advocated strengthening relations through economic co-operation in various fields. During visit to Turkey PM Imran Khan addressed the Turkish Union of Chambers and Commodity Exchanges (TOBB) where he emphasized that there remains huge potential to increase trade volume between the two countries and encouraged Turkish businessmen to invest in Pakistan.

¹⁰Darakhshan Anjum, "Chinese investment in CPEC will cross \$ 100 billion," *Research Snipers*, Feb 10, 2018, [http://www.cpecinfo.com/news/chinese-investment-in-cpec-will-cross-\\$-100-billion/NDg1Mw](http://www.cpecinfo.com/news/chinese-investment-in-cpec-will-cross-$-100-billion/NDg1Mw)

¹¹Fatima Raza, "Prospects for Pakistan-China-Iran Trilateral Cooperation: Opportunities and Challenges." *Institute of Strategic Studies*. 39(3), (2019): 37-52.

¹²Rupert Stone, "Don't underestimate Pakistan's relationship with Iran." *TRT World*, April 29, 2019, accessed on December 01, 2019, <https://www.trtworld.com/opinion/don-t-underestimate-pakistan-s-relationship-with-iran-26251>.

¹³Umair Jamal, "Pakistan-Iran Relations under Imran Khan", *The Diplomat*, April 30, 2019, Accessed on December 01, 2019, <https://thediplomat.com/2019/04/pakistan-iran-relations-under-imran-khan/>

¹⁴David D. Kirkpatrick and Ben Hubbard, "Attack on Saudi Oil Facilities Tests U.S. Guarantee to Defend Gulf." *The New York Times*, Sep 19, 2019, accessed on December 01, 2019, <https://www.nytimes.com/2019/09/19/world/middleeast/saudi-iran-attack-oil.html>.

¹⁵"Pakistan, Turkey naval special forces complete joint exercise", *The Express Tribune*, July 28, 2019, accessed on December 01, 2019, <https://tribune.com.pk/story/2023366/1-pakistan-turkey-naval-special-forces-complete-joint-exercise/?amp=1>.

F. Relations with Malaysia

Economic Relations with Malaysia are dominated by trade of rice, fish, and potatoes¹⁶. Pakistan's export to Malaysia increased to 49.5% in first six months of 2018 as compared to 2017 whereas imports have improved by 1.46%. This means that the trade balance of Pakistan has expanded by 5.38 percent¹⁶. Due to higher tariffs, Pakistan's major exports of rice, fish and potatoes were not preferred by Malaysian importers making Pakistan lose their market. Moreover, Pakistani exporters prefer European and US markets for exporting textile products over Malaysian market, due to which the trade relations are have not improved much.¹⁶

Pakistan's government has encouraged Malaysian investors to invest in booming tourism sector in Pakistan. Pakistan and Malaysia also expressed keen interest in the co-operating in automotive industry. Earlier this year, heads of the two states inaugurated PROTON plant in Islamabad to boost co-operation in automobile sector.¹⁷ During the Malaysian PM's visit to Pakistan MoUs were signed with Malaysia for 5 mega projects. The two nations agreed to ascend relations to strategic partnership and agreed to open branches of their respective banks in one another's countries¹⁸. In September 2019, on sidelines of UNGA, Pakistan, Turkey and Malaysia pondered to start a joint news channel which will portray a positive image of Muslims to end radicalization and curtail islamophobia and propaganda.

G. Relations with Arab countries

The incumbent government has focused a lot on making the economic relations stronger with Gulf countries especially UAE and Saudi Arabia¹⁹. The UAE and Saudi Arabia provided a much needed aid of US \$3 Billion each to help Pakistan decrease their current account deficit. Additionally, KSA also provided US \$3 Billion and the Abu Dhabi Fund for Development financed eight development projects in Pakistan valued AED 1.5 Billion in which AED 931 Million were given as grants to Pakistan²⁰. Additionally KSA gave US \$3 in deferred payments on oil imports. These agreements were signed on the sidelines of the second edition of the annual Future Investment Initiative (FII) Conference in Riyadh.

However, on Kashmir issue, the Arab countries role has been rather disappointing. In 2017-18, Indian PM and US President visited UAE and KSA and signed several oil and other trade agreements. UAE and other Arab countries awarded Indian PM Narendra Modi their highest civilian award, to boost bilateral relations while a bloodbath ensued in Kashmir. Arab nations have been silent spectator while humanity was murdered each day in Kashmir. The silence of

¹⁶Abdul Aziz Ahmet Yasar, "Now is the time to strengthen Turkish-Pakistani relations," *TRT World*, Jan 4, 2019, Accessed on December 01, 2019, <https://www.trtworld.com/turkey/now-is-the-time-to-strengthen-turkish-pakistani-relations-23075>.

¹⁷ Zamir Ahmad Awan, "New Era of Pakistan- Malaysia relations," *Southeast Asia*, April 1, 2019, Accessed on November 25, 2019, <https://moderndiplomacy.eu/2019/04/01/new-era-of-pakistan-malaysia-relations/>.

¹⁸Sanaullah Khan, "Pakistan, Malaysia sign agreements for 5 'Big Projects,'" *Dawn*, March 22, 2019, Accessed on November 25, 2019, <https://www.dawn.com/news/1471200>.

¹⁹Sana Jamal, "Pakistan: PTI government's first year praised," *World Asia*, Aug 18, 2019, Accessed on November 25, 2019, <https://gulfnews.com/world/asia/pakistan/pakistan-pti-governments-first-year-praised-1.65880502>.

²⁰Asad Farooq, "These 19 developments shaped Pakistan's economic future in 2018," *Dawn*, Dec 27, 2018. Accessed on November 25, 2019, <https://www.dawn.com/news/1452810>.

Arab friends delivered a huge blow to relations with Pakistan. Kashmir is nuclear flashpoint and Pakistani government has addressed the issue with KSA and UAE briefing them about the grave human rights situation that can trigger conflict engulfing whole region anytime.

H. Pak-Russia Relations

In June 2019, PM Imran Khan visited Kyrgyzstan to attend the Council of the Heads of State of the Shanghai Cooperation Organization meeting. He met the Russian President Vladimir Putin and strongly advocating strengthening the bilateral ties. The Russian President invited Pakistan Premier as a special guest to the Eastern Economic Forum, which was later denied by the Russian officials. In an interview with a Russian TV channel PM Imran Khan underlined that Pakistan wants to cooperate with Russia on Human Development and defense projects. PM Imran Khan also expressed desire to improve trade with Russia in energy and other sectors.²¹

Way forward

Since last year or so, besides volatile regional situation, Pakistan has tried to maintain and fortify its historic relation with China. Though relations with USA are complex, Pakistan needs to act tactfully. Sustainable peace in Afghanistan is critically important for not only regional peace but also central to peace and security in Pakistan. Pakistan can no longer afford the spillover effects of terrorism in the regions. Hence, Pakistan needs peace in Afghanistan as much as Afghans. For this, Pakistan should extend diplomatic support to facilitate peace process and complete withdrawal of US forces.

Iran's recent visit may turn out to be a big breakthrough for taking the bilateral relations on more positive side. However, as a new great game continues to unfold Pakistan should essentially avoid becoming a part of conflict between Iran, USA and Saudi Arabia. Encouraging diplomatically resolving issues and establishing trust for the sake of regional and global peace and security should be Pakistan's priority.

Relations with India undoubtedly remain an immense challenge, especially since 5th August, 2019. While war mongers are reigning India and instigating desire for conflict, the government should address the international community to raise the plight of Kashmir and bolster diplomatic support to stop Indian heinous barbarity against innocent Kashmir. Both Turkey and Malaysia have supported Pakistan's stance over Kashmir. They have assured Pakistan to raise this issue at every international forum and will make the world aware of it. Pakistan should focus on boosting co-operation with these states. Moreover, Pakistan should concentrate on boosting relations and economic co-operation with regional states for energy security and increasing trade. CPEC and its infrastructure development projects can bring the much need economic boost in the country. Meanwhile, Pakistan should use this opportunity to develop greater trade links with Central Asian Republics that can offer lucrative market for Pakistani goods and produce.

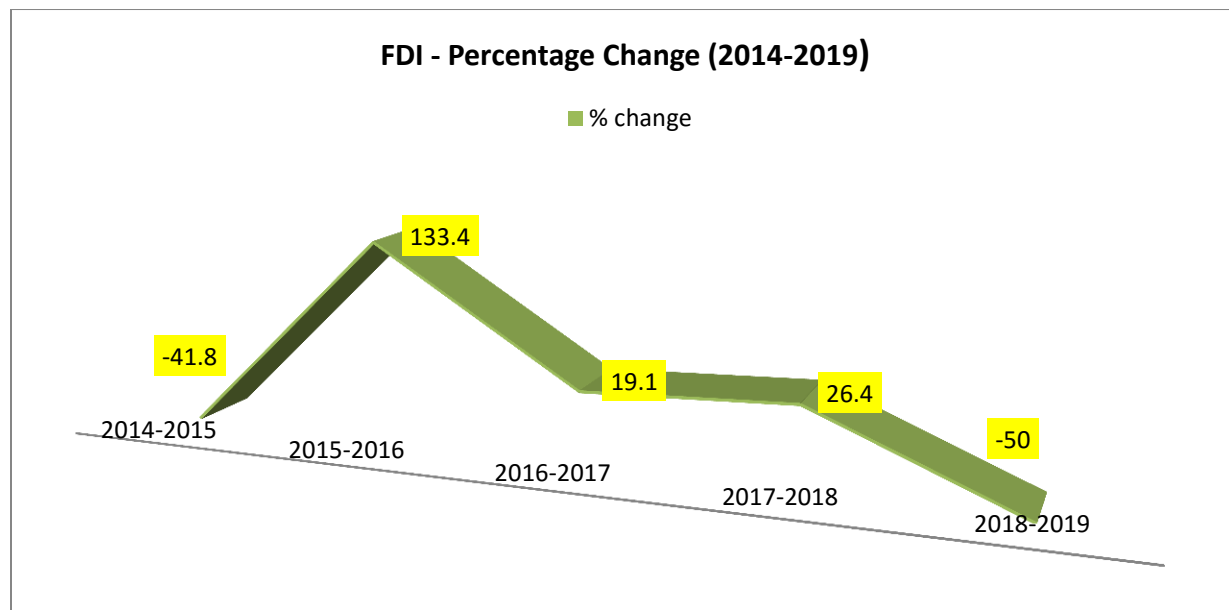
²¹"PM Imran to visit Russia in September", *Pakistan Today*, July 6, 2019, Accessed on December 1, 2019, <https://www.pakistantoday.com.pk/2019/07/06/pm-imran-to-visit-russia-on-president-putins-invitation/>.

MEMBERS AND READERS FEEDBACK/COMMENTS ON PIPS

- i. **PIPS has a smart yet strong research team serving the Parliament.** (Hon Chairman Senate/ President PIPS Board of Governors Senator Muhammad Sadiq Sanjrani), Jan 14., 2020.
- ii. **PIPS technical research assistance has been very relevant for provision of preparatory material to Members of Parliament representing Pakistan at international forums** ,(Hon MNA Amjed Ali Khan), Jan 14., 2020.
- iii. **The Institute's professional legislative support to individual MPs in an asset of Parliament of Pakistan**, (Hon Minister Shehryar Khan Afridi), Dec., 2019.
- iv. **PIPS presentation on Public Accounts Committees in UK, Australia and Canada provided great insights for similar reforms in Pakistan**, (Hon Senator Mushahid Hussain Sayed), Dec., 3, 2019.
- v. **We express our gratitude for PIPS cooperation, hospitality and valuable session given to the officers of Pakistan Bait Ul Maal delegation**, (Mr Aon Abbas Buppi, MD, Bait ul Maal), Dec., 26th , 2019.
- vi. **PIPS is passionate about Parliamentary work in the country; it is indeed great support through its research, legislative and capacity building initiatives** (Hon Senator Shahzad Waseem), Oct., 2018.
- vii. **Research taught and practised at PIPS never seen before** ; (MNA Ms. Nafeesa Khattak shared students' impressions after PIPS session in Board of Governors Meeting.
- viii. **Narrative of Peace and Tolerance well written** (Senator Nisar Memon).
- ix. **PIPS bridge between Parliament and People** (Former Senator Farhatullah Babar).
- x. **PIPS playing great role in developing youth's synergy for parliamentary democracy by engaging in opportunities of learning** (Hon MNA Mohsin Shah Nawaz Ranzha, on Int'l Conference on Youth and Parliament), Dec., 2018.
- xi. **PIPS budget analysis, legislative and research services for MPs and programmes on Youth outreach with Parliament and orientations are great initiatives** (Hon. MNA Ms Shahida Akhter Ali).
- xii. **We look forward to being part of PIPS initiative on building narrative of peace, tolerance and democracy** (Hon MNA Mr Mustafa Mahmood, Dec, 2018)
- xiii. **Found PIPS Research papers much relevant as compared to many others** (Hon MNA Jaffer Iqbal on an international conference on security and anti-terrorism)
- xiv. **All PIPS publications are thorough and very relevant to any parliamentary institution or House** (Speaker Balochistan and Speaker GB Assembly, 2017 during National SDGs Moot, 2018)
- xv. **PIPS is on top of it vis a vis setting and implementing best parliamentary research practices** (Rob Clement, former Director Research UK House of Commons)
- xvi. **PIPS Research Digest a great piece of scholarly objective analysis** (VC Sindh University Jamshoro), Nov., 2018.
- xvii. **Research Digests are very important for our institutional Scholars/readers** (Prof Dr Khalil Ahmed, Dean, Faculty of Life Sciences)
- xviii. **Legislative support by PIPS amazing** (Senator Sehar Kamran, April 2018)
- xix. **Providing so many research services and contributing so many books in short span great achievement** (Secretary General King Prajhdapok Institute, Thailand, Prof Woothisarn Tenchai at 20th anniversary conference) Nov., 2018.
- xx. **PIPS publications of great academic and research value** (Dr Shaheen Akhter, HoD, NDU).

Information Centre – PIPS (*continued*)

FDI % change over last 5 Financial Years



As stated by the Minister, it is evident that net FDI increased by 133.4% in 2015-2016 with start of early harvest projects under CPEC and the trend continued till FY 2017-2018. In 2018-2019, almost all projects having FDI component (Energy Projects) are now completed – resulting in declining trend of FDI.

Government initiatives in progress to attract FDI – as stated by the Minister In-charge

1. Enhancing ease of doing business through use of technology and automation
2. Using CPEC opportunities in the next phase through industrial cooperation
3. Establishing Special Economic Zones (SEZs) to boost industrialization in country
4. Promoting Pakistan as an attracting destination for investment through investment forums/roadshows



Group photo of PIPS employees with New Executive Director, Mr. Muhammad Anwar at PIPS
Wednesday, January 01, 2020



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