

C|P|S|D

CENTRE FOR PEACE, SECURITY AND DEVELOPMENTAL STUDIES

INTERNATIONAL SEMINAR  
**STRATEGIC COERCION**  
GLOBAL DYNAMICS & SOUTH ASIA

Seminar Report



Karachi, Pakistan

12 March 2019



International Seminar Report

# Strategic Coercion

## Global Dynamics & South Asia

Organized by

Centre for Peace, Security, and Developmental Studies  
(CPSD)

12 March 2019  
Karachi

Editors

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## **Acknowledgments**

The Centre for Peace, Security, and Developmental Studies (CPSD) acknowledges the generous support and contribution of the Dadabhoy Foundation for the International Seminar on Strategic Coercion: Global Dynamics and South Asia. CPSD extends sincere gratitude to all the speakers for their valuable and timely contributions that they have offered by building conceptual and empirical understanding on the subject. CPSD is also grateful to Dr. Rizwana Abbasi for her consistent support, valuable input, and expertise during the planning and execution phases of this important seminar.

## **About CPSD**

The Centre for Peace, Security and Developmental Studies (CPSD), an outreach of Dadabhoy higher educational pursuits, is a nonprofit public policy organization based in Karachi and Islamabad. CPSD - an independent, non-partisan, and multidimensional forum - conducts research on security, political, and economic issues of national and international importance. CPSD promotes innovative ideas and is a platform of cutting-edge analysis for informed decision making.

# Executive Summary

The Center for Peace Security and Developmental Studies (CPSD) organized a one day International Seminar on Strategic Coercion: Global Dynamics and South Asia on 12th March 2019 in Karachi. This seminar was organized with the aim to foster understanding on Strategic Coercion and its relevance to the evolving global geo-political, geo-economic, and security dynamics and their implications on states' developments in South Asia. Furthermore, the seminar also aimed at comprehending the policy perspective and recommendations for Pakistan to deal with strategic coercion in the transiting regional and global order.

The conduct of an international seminar on this important subject was a resounding success. The distinguished speakers from Pakistan, Russia, and the United States shared their insights on different conceptual and empirical dimensions of strategic coercion. Given the diverse and complex nature of evolving global order, speakers - academics, former diplomats, strategists, and government officials - highlighted that the transition of power centers from the West to the East has unfolded new challenges and opportunities for South Asian region. In this context, the seminar proceedings were instrumental in highlighting the emerging strategic trends and the use of coercion as a policy tool by many states for realizing their goals of this era.

The seminar covered ground on the rising potential of regionalism where core and periphery states are coming closer to each other. The competition and cooperation among regional and extra-regional states within South Asia remained the focal point of the discussion during the seminar. In this context, the changing nature of warfare and the exploitation of nations' vulnerabilities across the political, military, economic, social, informational, and infrastructural domains were highlighted by the speakers. The growing nexus between United States and India, and its implications for regional stability and prosperity were discussed in detail during the proceedings.

It was highlighted that in the current era of rising populism and protectionism, states are being coerced through application of creative chaos, regime change, shock and awe doctrine, proxies, and informational warfare. Furthermore, there was a consensus that economic coercion and coercive diplomacy are being used as instruments of statecraft to achieve strategic goals in this anarchic global order.

The event was attended by representatives from diplomatic corps, business community, government officials, and security institutions. A large number of academics, researchers, and students also attended the seminar and participated in the interactive sessions that generated rich intellectual discourse.

The proceedings of the seminar were divided into three main sessions followed by executive summary and closing remarks by the Chief Guest. The titles of the sessions are:

- Session One** : **Strategic Coercion and Evolving Geo-Economics**
- Session Two** : **Regional Politico-Economic Order – Coercion as a Policy Tool**
- Session Three** : **Pursuit for Regional Stability, Prosperity, and Security**

# List of Speakers

## Chief Guest

**Mr. Abdullah Dadabhoy**

Chairman Dadabhoy Foundation & CPSD

## Opening remarks

**Lt. Gen. Agha M. Umer Farooq HI(M) (Retd),**

President CPSD

**Mr. Michael Kugelman**

Deputy Director of the Asia Program and Senior Associate for South Asia  
Woodrow Wilson Centre, Washington, D.C., USA

**Ambassador V/ Adm Khan Hasham bin Saddique HI(M) (Retd)**

President Islamabad Policy Research Institute (IPRI)  
Former Ambassador to Saudi Arabia

**Dr. Zafar Nawaz Jaspal**

Professor School of Politics and International Relations, Quaid-i-Azam University, Islamabad

**Mr. Maxim Shepvalenko**

Deputy Director Centre of Analysis Strategies and Technologies (CAST), Russia

**Dr. Huma Baqai**

Associate Dean and Associate Professor Institute of Business Administration, Karachi

**Dr. Ashfaq Hassan Khan**

Dean Business School National University of Science and Technology (NUST), Islamabad

**Dr. Moeed Yusuf**

Associate Vice President of the Asia Center U.S. Institute of Peace, Washington, D.C., United States

**Mr. Tariq M. Khosa**

Former Inspector General of Police Former Director General FIA

**Ambassador Abdul Basit**

Former Pakistani High Commissioner to India

**Dr. Salman Shah**

Former Federal Minister of Finance

**Dr. Rizwana Abbasi**

Associate Professor Bahria University, Islamabad

## SESSION ONE

### Strategic Coercion and Evolving Geo-Economics



#### **Lt. Gen. Agha M. Umer Farooq HI(M) (Retd)**

Lt. Gen. Agha M. Umer Farooq (Retd) commenced his speech by expressing his delight on seeing such a tremendous response from the audience on the critical subject of strategic coercion. He extended gratitude to the worthy speakers for their presence. Taking a top-down approach on strategic coercion, he noted that the US and India equation remains a predominant factor for the new global order, particularly for South Asia. Such equations play a vital role in defining strategic coercion for countries like Pakistan living under shadows of hegemonic powers.

While conceptualizing strategic coercion, he clarified the difference between coercion and deterrence, where deterrence is a passive threat to adversaries dissuading them from doing something. On the other hand, coercion is composed of both compellence as well as deterrence. He added that coercion necessarily involves trauma, fear, anxiety, anger, panic, pain, and chaos. He defined Strategic Coercion as a synchronized application of economic, diplomatic, political, psychological, informational, intelligence, technological, and selective military tools to realize the policy objectives.

He highlighted the use of strategic coercion by leading global powers for achieving their foreign policy objectives through marrying diplomacy with political and economic muscles. Explaining the context of this growing use of strategic coercion, he held that globalization and information revolution has altered the sociopolitical, socioeconomic, and psychosocial structure of the world. With the emergence of new dimensions of security calculus, the conflict has now moved discernibly into the ideological, informational, economic, psychological, cultural and cyber domains. States now manage defeats through internal implosion rather than physical occupation.

Referring to the New World Order, he clarified that the use of coercive diplomacy and other strategic tools is not limited to the USA alone; India and Israel are equally employing these new methods to coerce small states. As a result, Pakistan is experiencing sustained applications of proxy wars, informational warfare, chaos strategy, and shock and awe doctrine by India and its allies. Elaborating the generational transformation in warfare and conflict, Lt. Gen Agha Umer Farooq elucidated upon the fifth generation warfare that involves the hybrid application of soft power, hard power, and smart power. Lt. Gen Umer Farooq described the concept of No War No Peace as more relevant to the present situation.

He also deliberated upon the Pakistan-India conflict situation after the Pulwama attack. He termed it as a new and higher phase in the escalation ladder. While Indian Cold Start Doctrine is founded on the belief that there is a space for limited war, Pakistan's minimum credible nuclear deterrence policy discards the limited war option. In case of the failure of deterrence regime, Pakistan will be left with only one option, and that is to employ the full-spectrum response. Hence, the onus lies with India to ensure the prosperity and stability of the region.

Using deductive approach, Lt. Gen Umer Farooq presented theories of strategic coercion and provided

case studies to explain these theories. Speaking on mind-control, he explained the role of narrative building through education and media and emphasized on the need of counter-narrative and perception management by Pakistan. He also cited the separatist ethno-nationalist movements and political and sectarian clashes in Pakistan as the application of creative chaos whereby adversary states use sentiments of minorities to weaken state institution. Similarly, the prime example of the application of Shock and Awe doctrine in Pakistan is of East Pakistan whereby sustained soft and hard power was used to target not only two-nation theory but also the economic viability of Pakistan.

Deliberating upon the response to this heightened use of chaos and shock application in Pakistan, Lt. Gen Agha Umer Farooq emphasized the necessity of a unified, harmonized, focused and all-encompassing response. There is a dire need to build counter-narratives to challenge the false perception about Muslims spread by India and Israel in the West. He reminded the audience of their importance as a nation who can learn from the past to counter strategic coercion through resilience, clear focus, and unity.

## Mr. Michael Kugelman

Michael Kugelman while tracing out the impact of President Trump's policies on Global Order said that there are several misconceptions about the new administration in the USA. First is that the Trump administration is engineering an unprecedented international relations revolution. While it is true that there has been dramatic shift in the US foreign policy, it's not completely accurate to consider it as an unprecedented revolution. For instance, Trump administration initially regretted that East Asian countries are not doing anything for the US and threatened to stay away from their regional matters. However, it has been observed that US relations with East Asian allies are in good shape as some senior officials from the White House traveled to the region to assure its allies of US support in regional affairs. As far as the construction of a wall on the Mexican border is concerned, Trump administration has not been able to materialize this idea due to financial and legal constraints.



Second misperception about Trump administration's policies is that the US wants to withdraw from global affairs and become an isolationist country. It is true that the US has put a hold on some international agreements like Trans-Pacific Partnership (TPP) and Paris Climate Accord, but yet the US is still interested to act as the world's superpower. US engagements with North Korea testify its interest in issues of great significance for the world. The US still has a major role in top global institutions like IMF and the World Bank. The US foreign policy under Trump is perhaps going to have a deeper footprint. However, the core focus of US foreign policy under Trump is not only about protecting US interest but also protecting American lives. Trump has been able to get free its citizens held in different countries like North Korea, Turkey, and Yemen.

While deliberating upon the reasons and repercussions of withdrawal from TPP and Joint Comprehensive Plan of Action (JCPOA), he said that these decisions highlight two signature Trump principles: one is protectionism, a concern that Americans jobs are undercut, while other is unilateralism. US decision to exit from TPP alienated a number of friends including Japan, South Korea, etc. With the JCPOA the dynamics were bit different as several key US allies like Saudi Arabia were delighted with the US decision to back out of the deal.

As far as Trump administration's policy towards South Asia is concerned, the US is supporting India in its efforts to modernize military and growing out as economic power. India derives benefits from having an active United States in Asia because United States has a capacity more than any other country to back against China in the Indo-Pacific region. Given the increasing tensions between India and Pakistan, US administration is more looking to remain out of many escalating matters, though the US openly supported the Indian strikes as saying it 'right to self-defense' but also emphasized on de-escalation of this situation.

The main headline of US foreign policy under Trump is all about reorientation of strategic rivalries and rise of China that is, of course, the biggest strategic rival of the US. China's growing role in global affairs is being seen as the biggest strategic issue for the US foreign policy under Trump. One huge step which the US has taken in recent times is the release of their National Security Policy in 2017, which considers strategic alliances as the biggest threat to their national security. In this doctrine, China's rise is seen as a bigger threat than terrorism to US national security.



### **Ambassador V/Adm Khan Hasham Bin Saddique HI(M) (Retd)**

Vice Admiral Khan Hasham Bin Saddique was the third speaker for the session. According to him, strategic coercion is a tool used by states to coerce other states to undertake undesirable actions. It involves threats to influence their strategic decisions, as was done by US in the post 9/11 while dragging Pakistan as an active part of the global war on terror. He highlighted that theoretically, strategic coercion is successful in asymmetric situations where due to power imbalance weak states can

be easily coerced. He further defined the diplomatic, economic, perception, and psychological aspects of the strategic coercion.

He said that diplomatic coercion involves rigorous bargaining and tough negotiations to achieve the desired results and is often used to persuade the adversary to accept the peaceful alternatives and sometimes branded as a form of appeasement. Joint Comprehensive Plan of Action (JCPOA) and Iran Nuclear Deal are classic examples of diplomatic coercion. He further elaborated that diplomatic coercion can be equally effective through multilateral forums like United Nations where states take their matters to apply diplomatic pressure or even to legitimize their actions.

On economic coercion he said that it is an effective and widely used tool to coerce others. In today's world, most conflicts are underpinned by economic confrontations and strategic coercion that invariably involve high economic cost. Economic coercion is enforced through international financial institutions like IMF, World Bank, etc. and multinational companies to exert pressure on economically vulnerable states. On psychological or perception aspect of strategic coercion, he said that it is of utter importance in this era of shaping perceptions through ideas and narratives. While addressing psychological or perception dimension of coercion, he stated that psychological coercion is used to limit the individuals' abilities of critical thinking and informed decision making. Moreover, it destroys the will of nations to counter their adversary and affects cognitive behavior, values, attitude, and rational thinking.

## Prof. Dr. Zafar Nawaz Jaspal

Prof. Dr. Zafar Nawaz Jaspal spoke as the last speaker of the first session and said that we are at the threshold of new geo-economic world order. He explained how contemporary trends of geo-economics are driving geopolitics. In the nuclear era, war is no longer a viable option for the pursuit of geopolitical objectives and therefore economic—rather than military—leverage is more consequential. Both the global and regional powers are employing their economic leverage to achieve their long-term geopolitical goals internationally and regionally.



The geo-economic instruments are effective coercive tools alongside military measures to pursue political objectives. Dr. Zafar gave examples of sanctions, custom controls, economic blockades /embargoes, assets freeze, and aid suspensions are effective geo-economic instrument for strategic coercion. The United States is using the global economic and financial system to pursue political objectives. For instance, it is using financial sanctions against Russia, China, Iran, and Pakistan for strategic coercion. Similarly, Russia uses gas exports to put pressure on its neighbors. He traced the implications of the linkages between geo-economics and geopolitics for Pakistan. Pakistan has a strong geopolitical position but the economic front is vulnerable which creates problems for national security. Given these vulnerabilities, Pakistan needs to increase its geo-economics to counter the increasing hegemonic role of India in the region. In the contemporary era, geo-economics goes hand to hand with geo-politics to achieve military goals of nations. Lastly, he said even though geo-economic has gained unprecedented prominence but the significance of military might is still a priority for Pakistan because of the ongoing power struggle.

## SESSION TWO

### Regional Politico-Economic Order - Coercion as a Policy Tool



#### **Mr. Maxim Shepovalenko**

Mr. Maxim deliberated upon the “Regional Politico-Economic Order: Coercion as Policy Tool” and presented the Russian case in the evolving global politico-economic order. He described strategic coercion as the use of threats by states to make other states choose to comply rather than directly forcing compliance. He further elaborated that threat of war is a collective use of both defensive and offensive principles and, likewise, politics is a combination of deterrence and compellence.

While talking about Russia’s national security strategy 2015, he said that Russia views coercion as a package of cross-domain policies related to foreign, economic, defence, and informational realms. Russian coercive policy is aimed at facilitating Russia’s sustained development, securing its national interests, and maintaining its geopolitical posture and ‘great power’ status. He also maintained that coercion has evolved as a euphemism for ‘new generation warfare’ better known in the West as hybrid warfare. Nations are confronted with renewed dangers emanating from external and internal sources. The prime external danger includes use of information-communication technology against political sovereignty, plotting against neighboring legitimate governments, and foreign secret services/NGOs, whilst the internal dangers are comprised of political destabilization, International terror/trans-border crime, information influence on youth, and instigation of ethnic and religious confrontation. Lastly, he emphasized that that modern day warfare has drastically changed. The prime objective of the 21st century warfare is to alter the value systems, control adversary state’s national policy, disrupt infrastructure, cause distress to civil population, control adversary’s economy, and undermine law and order situation.

#### **Dr. Huma Naz Baqai**

Dr. Huma Baqai spoke as the second speaker for the session. She said that South Asia is witnessing the extension of the Cold War and President Obama’s policy of bringing India in Washington Camp paved way for the South Asian chapter of the Cold War. She maintained that some critics viewed the recent standoff between two nuclear powers India and Pakistan as similar to the Cuban missile crisis. She said that in South Asia, economics would be the dominant coercive force, but military forces will remain equally relevant. She elaborated that the competition around sea lanes of communications would result in a complex crisscross of geo-politics and geo-economics in maritime domain. Dr. Baqai mentioned that the key elements of the Cold War between Soviet and Capitalist block were ideological divide, bipolarity, and arms race. However, she said that arms race remains the most active and perhaps most prominent aspect of this New Cold War. According to Dr. Baqai, this evolving era of Cold War is among three global powers: US, Russia, and China. She further mentioned that the US have been facing few setbacks in this struggle due to the



rising influence of China and shifting of wealth from the East to the West.

Dr. Baqai said that since the Second World War, US remained a dominant actor in a multilateral organization like United Nations, IMF, and World Bank, having substantial impact on global affairs. However, today the focus of multilateralism is being shifted from the West to the East with establishment of organizations like Shanghai Cooperation Organization (SCO). Consequently, China is emerging as an important player in this engagement. The investments under China's Belt & Road initiative are offering alternative solutions to the nations in evolving order. She said that Russia's proactive approach to facilitate Afghan peace talks has made the country a key player in the evolving alliances in Asia. In this context, Pakistan is exposed to various challenges and opportunities. Therefore, it is needed to have a political will and viable policies to secure our interests in the region and remain relevant to the evolving paradigms of global politics.



### **Dr. Ashfaq Hassan Khan**

Dr. Ashfaq Hassan Khan deliberated upon the role of economic coercion as an instrument of hybrid warfare. He said that interstate war is less likely to be fought because hybrid war is now being utilized to achieve political objectives. He elaborated that hybrid war may combine subversion, destabilizing through armed proxies, media propaganda, disruptive cyber-attack, economic coercion, and sabotage. Thus hybrid warfare exploits the full-spectrum of modern warfare. Proxy wars and economic hit man are the key elements of grey zone war. He further said that rating agencies are also contributing to hybrid warfare through data manipulation. The compilation and manipulation of numbers are playing an important role in hybrid warfare and economic coercion and damage the country's image. Hybrid warfare is undertaken through supporting leaders in adversary countries and coerce them through loans and financial bailouts from multilateral institutions in order to exploit their vulnerabilities. Media plays an important role in establishing the desired powerful image of a state.

Dr. Ashfaq was of the view that Pakistan is in the midst of hybrid warfare for the last decade but the pace of war has accelerated in the last five years. All five elements of hybrid warfare have been unleashed on Pakistan. However, Pakistanis have not yet recognized it as an attack because hybrid war is ambiguous and shrouded in misinformation and deception. They have not yet realized the real source of the current economic deterioration and are treating it as a normal financial crisis.

Dr. Ashfaq said that a country's economic strength has a direct bearing on its military strength. A strong economy can ensure a strong defense, which in turn, enhances a country's power and strengthens national security. Weak economy generates violence, conflicts, political turmoil, and, hence, weakens national security. He emphasized that although all elements of economy are important for national security, sustainable economic growth, current account deficit, foreign exchange reserves, and debt are the significant ones. He further said that because of increasing cost, chances of open military conflicts are receding. Thus, hybrid warfare challenges appear to remain the norm in the near future, which are generally not to destroy but to disrupt, render ungovernable, and facilitate meltdown of the targeted countries.

## SESSION THREE

### **Pursuit for Regional Stability, Prosperity, and Security**

#### **Dr. Moeed Yusuf**

Dr. Moeed Yusuf was the first speaker of the third session. Dr. Moeed deliberated upon the topic of “Regional Stability and Security: Way Forward for Pakistan.” He highlighted that South Asia has always been busy with short-term crisis and that durable peace and conflict situation of the region is being driven by long-term conflicts between the two neighbors. While delving upon the rising influence and power of India, he maintained that India is central to the security and prosperity of the region. He further said that India’s relations with other South Asian states determine the regional peace and stability.



Dr. Moeed used Hub-and-Spoke model to explain how India is the hub of South Asia while all other neighbors act as spokes. Whereas only one state, Pakistan has refused to become the spoke that resulted in competition and escalation in the region. He further maintained that for the last 70 years India has been attempting to relegate Pakistan to the status of spoke but Pakistan has managed to sustain the competitiveness. Dr. Moeed said that frequent phases of tensions in the region are based on the fact that neither India has the capability to relegate Pakistan the status of spoke state nor Pakistan has enough resources to be the parallel hub. He further said that it is more like the Cold War where both states, India and Pakistan, use their leverages to undercut each other by building alliances with countries like USA, China, Russia, and Muslims countries. He maintained that Pakistan is facing serious challenges due to flourishing Indian alliances with global powers and its growing influence around the globe.

Dr. Moeed said that for managing and countering the emerging challenges in the region, Pakistan has to enhance its economic performance and GDP growth rate. He said that regionalism is a mean to break the shackles for Pakistan. Liberalization of Pakistan with China, India, and other neighbors would be instrumental for Pakistan’s economic growth. He further suggested that Pakistan’s pivotal location needs to be capitalized to challenge the hub position of India. He also recommended that Pakistan has to be the melting pot where stakes of other states are linked with the country’s progress and prosperity. However, before everything else, Pakistan will have to change the narrative of the world by making reforms in the internal governance and addressing security-related issues. The rebuttal of Dr. Moeed’s position was given by Dr. Salman Shah in his talk.



## Mr. Tariq M. Khosa

Mr. Tariq Khosa shed light on the internal security challenges faced by Pakistan as it is necessary to cope with for countering strategic coercion. He said that Pakistan's internal security challenges emanate from three main factors which include religious extremism, non-state actors, and the authoritative rule of military dictators. Mr. Khosa held that extremism emanates from a mindset which perpetuates violence and intolerance, and has always been a serious threat to the national security of Pakistan. He highlighted that soon after the death of Quaid-e-Azam, religious people, who initially opposed the creation of Pakistan, crept in and tried to control the political narrative of the country. Mr. Tariq Khosa said that Pakistan has also been threatened by a frequent takeover of military dictators that hindered the political and institutional progression of the country. Imposition of martial laws and suppression of political process have badly affected the process of institutional development.

Mr. Khosa said that from the early days Pakistan has been exposed to security threats from militants. He highlighted that during 1980s country witnessed the rise of militant organizations. During these years, militants and non-state actors got impetus as they were used as instruments of state policy against the Soviet invasion of Afghanistan. Various militant organizations based on religious and sectarian ideologies came into being. A new wave of militancy began in post 9/11 based on religious extremism, separatist movements, and various proxies driven by anti-Pakistan elements in the region and beyond.

Mr. Khosa suggested that in order to counter militancy and terrorism, Pakistan's anti-terrorism actions are well executed but simply eliminating terrorists is not going to help in the long run. He recommended that we need to review our internal security policy and need to work on non-kinetic means for producing counter narratives. He further suggested that the country needs to get over its insecurity complex and become a trading nation. He said Pakistan should have the rule of law and institutions must precede individuals. Our security institutions should be empowered to uphold the law and eschew individuals who consider themselves above the law. He proposed that in order to counter coercive schemes against Pakistan needs prompt resolution of these internal challenges.

## Ambassador Abdul Basit

Ambassador Abdul Basit was the third speaker of the third session and shared his thoughts on Coercive Diplomacy, Disputes, and Challenges of the Development. While highlighting the distinction between diplomacy and coercive diplomacy, he maintained that diplomacy is to accept feasible options to advance towards desirables. However, the coercive diplomacy is aimed to extract the desirable outcomes from a specific situation. He further explained that the coercer state resorts to multilateral diplomatic engagements when it fails to coerce its adversary in bilateral relations. He maintained that Indo-Pakistan relations often manifest the application of coercive diplomacy against Pakistan. Ambassador Basit further said that in the aftermath of Uri and Pulwama incidents, India attempted to coerce Pakistan but failed. Therefore, it has resorted to using coercive diplomacy tools through multilateral engagements for pressurizing Pakistan. Ambassador Basit said



after failing to achieve desired objectives for coercing Pakistan on bilateral front, India has taken this coercion one step ahead on regional as well as international front and cancellation of 19th SAARC summit is the prime example of this. Moreover, India is trying to coerce Pakistan by creating noise for blacklisting Pakistan under FATF.

While talking about the counter-measures, he said that for countering India's coercion, Pakistan needs to act wisely and actively at international diplomatic front. He emphasized that Pakistan needs to normalize relations with the United States and should make sure that Afghan peace dialogue turns out to be a productive venture. He also said that Pakistan should neutralize internal security threats through implementation of National Action Plan (NAP) to its full capacity. Furthermore, Pakistan needs to strengthen the relations with China for effectively availing the dividends of China Pakistan Economic Corridor (CPEC). Lastly, he said Pakistan has to make international community ponder upon the severity of the Kashmir issue and the need for its prompt resolution.



### **Dr. Salman Shah**

Dr. Salman Shah was the last speaker of the session and he highlighted that economic prosperity is important and inevitable for growth and stability of the country. He was of the view that though Pakistan military fought hard to neutralize the threats of terrorism, for achieving sustainable growth and prosperity in militancy-prone areas. He said that it is important to integrate the people of these areas in our economic sector. While shedding light on the importance of geopolitics and Pakistan's role, Dr. Shah said that Pakistan is the hub for South Asia and

Central Asia. He further said that for realizing its role it is crucial for Pakistan to have certain capabilities, especially in terms of economy and national security.

Dr. Shah mentioned that according to the Asian Development Bank till 2050 Pakistan's per capita income would be around \$ 8000, while India is going to have per capita of around \$ 42,000. The prevalent slow growth and projected figures show an alarming situation for Pakistan. In this respect, our government needs to introduce serious economic reforms to support competitiveness, productivity, transparency, human development, and ease of doing business. He also emphasized that reforms in governance system would support GDP growth and the projected per capita of \$ 8,000 could go up to \$30,000. However, failure to introduction and implementation of reforms will limit the prospects of growth and thus regional stability, prosperity and security would be a distant dream.

Lastly, Dr. Shah talked about the benefits of connectivity through corridors and emphasized on the active and wiser use of connectivity prospects. He said that the connectivity through CPEC is very important for Pakistan to sustain its position as a hub. Through CPEC, Pakistan should try to increase its global competitiveness, gain access to regional markets, and also attract international investments. In doing so, the prospects of regional prosperity and security would be accessible for all the participating states.

## Chief Guest Mr. Abdullah Dadabhoy

Mr. Abdullah Dadabhoy, Chairman Dadabhoy Foundation and CPSD, addressed the last session as the Chief Guest. He highlighted that intense power competition among states, changing nature of warfare, and a shift in the strategic priorities has made the world more complex than ever before. He further said that Fifth Generation Warfare and Hybrid warfare have become crucial for exploiting nations' vulnerabilities across the political, military, economic, and social spectrum. Mr. Dadabhoy said that in the wake of growing regionalism, Pakistan has been exposed to multifaceted challenges and opportunities. While talking about CPEC, he said that the project has enhanced Pakistan's significance in geo-economic sphere. He further said that CPEC is a windfall opportunity to strengthen Pakistan's economy and reshape it as an emerging economic power in Asia.



While talking about India's policies in the region, he maintained that India is deploying kinetic and non-kinetic means to hurt Pakistan. He further highlighted that in the aftermath of recent Pulwama attack, India acted as a highly irrational and immature state. However, Pakistan's retaliation was measured, calculated, and focused in order to avoid deliberate escalation and minimize collateral damage. More so, Pakistan's rational behavior desiring de-escalation and returning Indian captive pilot as a goodwill gesture of peace clearly manifest its strategic priorities based on regional peace. Mr. Dadabhoy also highlighted that Pakistan is fostering socio-economic growth for the wellbeing of the current and future generations of this country and the broader region.

# International Seminar on “Strategic Coercion: Global Dynamics and South Asia” - Policy Perspective

by Dr. Rizwana Abbasi

## Evolving Global Order and Strategic Coercion

The international system has undergone a significant transformation in the backdrop of the global distribution of power that is in flux. For example, global distribution of power is shifting to Asia and changes between actors within the region are also taking place. China’s economy is gradually rising and its Gross Domestic Product (GDP) has exceeded that of the US at purchasing-power parity (PPP) in contemporary times. Therefore, Asia has become the global economic powerhouse of the twenty-first century’s international political economy. For John Ikenberry, the coming phase of world order will be ‘the post-Western and post-hegemonic order having China at the Center.’ Graham Allison argues ‘as China grew stronger, the US failed to recognize that Beijing would increasingly assert its own vision for the international order, thereby challenging the American-led global system.’ Indeed, China’s rise and its Belt and Road initiative (BRI) has made Asia attractive and prominent in the global political affairs. Being that said, US also maintains its maritime supremacy in the region since the 1970s and it seems that the US will continue to play a role from a distance to safeguard its political, economic, diplomatic and military interests.



In parallel to China, a number of other Asian emerging economies are maintaining relatively steady growth rates. Thus the indicators suggest that the coming multi-polarity is not a distant dream. It is due to the fact that the existing structure of the international system is in distress due to Trump’s destructive policies. We also see divide and dissatisfaction in the existing international institutions and/or global alliance system. US withdrawal from the Joint Comprehensive Plan of Action (JCPOA), its abrogation of the intermediate range nuclear force (INF) treaty with Russia and withdrawal from the Trans-Pacific Partnership (TPP) has led to create frustration among its alliance system with EU and weakened its alliance cushion in Asia respectively. The Trump administration has dismantled the existing structure of the world by fostering arms racing trends, instability, competition, and confrontations.

## Conceptualizing Strategic Coercion

Strategic Coercion is not a new phenomenon; the strategy has been used as a policy tool in the traditional times. Strategic Coercion is the ability to achieve a state’s objective through the use of a threat that has always been in practice globally. The innovation of technologies such as nuclear weapons have made full-scale wars socially and politically costly. Thus states started heavily relying on coercive means to achieve their national political goals. Thomas Schelling’s theories on coercion are quite voluminous. Schelling’s analysis is grounded in the more decipherable nuclear age where states have enormous potential to hurt an opponent from a great distance without committing conventional forces. Indeed, use of coercion (threats, sanctions, limited force) generates fear of unacceptable escalation and a sense of urgency for compliance in the mind of the target. This is why Peter Viggo

Jakobsen's definition demonstrates that coercion 'involves threats, sanctions and, if required, limited use of force in order to stop or undo hostile actions already undertaken by the adversary.' Strategic coercion is defined by Lawrence Freedman as a 'deliberate and purposive use of overt threats to influence another's strategic choices'. The present evolving global environment compels states towards reshaping of their decision making thereby increasing their reliance on strategic coercion as a policy tool. States rely on using coercive means in multidimensional ways and in a synchronized fashion to hurt others to achieve their national multiple goals. This is due to the fact that globalization, free-market economy, diffusion of technology, and growing East-West divide has led to decreased probability of direct wars and increased use of coercive means as policy tools.

## Strategic Coercion and Pakistan

Small states such as Pakistan are undergoing and experiencing sustained application of proxy wars, informational warfare, chaos strategy, and Shock and Awe doctrine. Many scholars argued that the United States in the post 9/11 had dragged Pakistan to fight its war on terror and coerced on the latter on multiple grounds demanding to "do more" in accordance with their terms. Additionally, Pakistan is undergoing sustained pressure in multiple domains in the backdrop of evolving regional order and the manifestation of its China Pakistan Economic Corridor (CPEC) - the flagship project of China's Belt and Road Initiative. Pakistan's vulnerabilities are being exploited through Proxy wars, indirect warfare, Sabotage, BWIs, financial action task force (FATF), Rating Agencies, Travel Advisories and through Subversion activities. In recent times, Pakistan has undergone attempts of pressure through IMF, FATF, and suspension of economic aid by Trump administration. Michael Kugelman confirmed that despite its decline role, the US even under Trump still keeps major footprint in the global institutions such as IMF, World Bank and uses its leverage on blocking Pakistan's access to the IMF loans for the reasons relating to terrorism and Pakistan's role in Afghanistan, he said. More so, lately the Trump administration has suspended most security assistance, including Coalition Support Funds (CSF) to Pakistan and led the charge to place the country on an international terrorism-financing watch list thereafter. Many argue that the United States is using the global economic and financial system to pursue political objectives against Pakistan in the changing geopolitical construct.

Psychological or perception aspect of strategic coercion is of utter importance in this era of shaping perceptions through ideas and narratives using media, academic forums, and guided think-tanks. Indeed many argued that psychological coercion is used to limit the individuals' abilities of critical thinking abilities and informed decision making. Moreover, it also destroys the will of nations to counter their adversary and affects the cognitive behavior, values, attitude, and rational thinking. False narratives, fake news, and manipulated information and ideas have challenged Pakistan's global image and standing. The proceedings/discussions suggested that India continues to hurt Pakistan while using global platforms and generating guided narrative against Pakistan with the aim to isolate the latter regionally and globally.

Technological Coercion is being imposed on states like Pakistan through Nuclear Suppliers Group and/or non-proliferation regimes mechanism thereby constraining its access to global commerce. In the backdrop of China's rise, both US and India have undergone a lot of conversion resulting into India's growing wealth and power, its global nuclear mainstreaming and modernization of its deterrent forces thereby offering latter the benefits of an NPT state. India is modernizing all range of capabilities, including land, air, and sea-based platforms. For example, India is building the aircraft carriers, nuclear-powered submarines, Area Access, Area Denial (A2/AD) capability, sea-based drones, short to

long range missiles, BMD systems, S400 missiles and new Rafale aircrafts (to gain air supremacy). India is employing coercive and non-coercive means to hurt Pakistan using its strategic leverage in the backdrop of changing regional geopolitical environment and deeper convergence with the US. India, while using this leverage has recently brought the region to the brink of war in the wake of Pulwama crisis. Without probing and investigating the Pulwama incident, India initiated strikes violating the LOC in order to coerce Pakistan through limited use of force. India subsequently expelled Pakistan from the Most Favored Nation (MFN) status and used its leverage to declare Pakistan in grey list of the FATF. India's coercive policies aim at strategically strangulating Pakistan to obstruct its deepening alliance with China, block prospects for broader regional connectivity and hinder socio-economic growth.

## Policy Recommendations

Many of the speakers suggested valuable policy recommendations as highlighted below:

- It is imperative for Pakistan to secure its interests in the region and remain relevant to the evolving paradigms of global politics. It is a great win for Pakistan to strengthen its relations with China for effectively availing of the dividends of CPEC.
- It is a great win for Pakistan to be on the side of transitioning economies in the evolving multipolar order such as China, Russia and Turkey.
- Pakistan is the hub for South Asia and Central Asia in fact; it is also called a zipper state for Eurasia as it zips all the regions in Asia. Thus, connectivity through CPEC is very important for Pakistan to sustain its position as a hub. Through CPEC Pakistan should try to increase its global competitiveness, gain access to regional markets, and also attract international investments. In doing so, the prospects of regional prosperity and security would be accessible for all the participating states.
- Through CPEC, Pakistan should gain admittance to the broader regional markets, and also attract international investments to make the prospects of regional connectivity and prosperity accessible for all. Pakistan needs to be the melting pot where stakes of other states are linked with the country's progress and prosperity.
- Pakistan should have its functioning borders in order to make the connectivity sustainable, comprehensive and rules-based to reap its long-term benefits. In this context, Pakistan needs to devise active diplomatic channels to resume confidence-building measures with India, foster trust and mitigate risks of probability of future crisis for the sustainability of the socio-economic growth of the broader region.
- Regional institutions such as SCO need to be given a central role to resolve the regional problems, countering regional terrorism, overcoming proxy wars and fostering, inclusivity, cooperation and shared trust.
- Pakistan need to focus on domestic sustainable economic growth, current account deficit, foreign exchange reserves, and dealing with balance of payment crisis. In this respect, government of Pakistan needs to introduce serious economic reforms to support competitiveness, productivity, transparency, human development, and ease of doing business.
- Pakistan needs to review its internal security policy by implementing the national action plan (NAP) and deal with non-kinetic threats for producing counter narratives. Pakistan needs to act wisely and actively at international diplomatic front and work on normalizing relations with the United States while making sure that Afghan peace process reaches to a logical end.

- Pakistan must strengthen and expedite its efforts to pursue international community to ponder upon the severity of Kashmir issue and the need of its immediate resolution.
- Pakistan should have a comprehensive deterrent regime mechanism encompassing human security factors covering diplomatic, information, political, intelligence, and economic, psychological, ideological and military spectrum, with coordinated efforts of all the relevant institutions to counter multifaceted challenges of this era.

## Picture Gallery





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CPSD acknowledges the valuable contribution of its organizing team for making this seminar so successful.

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