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FROM THE DESK OF THE CHAIRMAN



The need to curb extremist-related violence

There are several global trends that should cause worry. The rise of extremist Islam has reversed what appeared to be a move towards perpetual peace. The end of the Cold War with the collapse of the Soviet Union in 1991 ended the ever-present threat of a nuclear war. While the mutually assured destruction doctrine, MAD, kept the fingers in Washington and Moscow off the nuclear push button, the fear that war may breakout did not go away. On one occasion – the Cuban Missile Crisis of 1961 – a nuclear confrontation between the two super powers became a real possibility. However, when Communism that had posed a real threat to the West and its liberal democracies suddenly died, there was hope that the world may have finally entered an era of peace. That that may have happened was supported by facts on the ground.

After 1956, according to Peace Research Institute Oslo, the peak years for battle-deaths resulting from state-based armed conflict were 1971 and the years from 1982 to 1988. In 1971, the institute counted 380,000 fatalities; in the 1982-88 six year period they averaged 250,000 a year. These peaks were the consequence of the wars in South Asia. In 1971, the Pakistan army fought separatist forces in what was then

East Pakistan and went on to become the independent state of Bangladesh. The latter period saw several Islamic groups challenge and ultimately defeat the forces from the Soviet Union that had invaded Afghanistan in 1979. But deaths declined. Between 2002 and 2007, the average was just under 17,000 battle-field fatalities. The historian Niall Ferguson provides a number of possible explanations for this decline.

He attributes the first to the psychologist Steven Pinker who believes that the decline in violence among states is the result of long-run civilizing process. The spread of democracy and the growth of supra-national institutions, notably the European Union that brought wars in Europe to an end may be another reason. Technology, from the atom bomb and television to the internet possibly reduced the incentives for large-scale warfare. It appears that destructive wars are averted when old rivals such as India and Pakistan go nuclear. Before 1998, when the two countries became nuclear powers, they had fought a major war every 13 years. They had not taken to the battlefield now for almost two decades. Finally, the ideologies that did so much to encourage violence in the 20th century – fascism and communism – have been emphatically defeated.

The biggest argument against the perpetual peace hypothesis is ideology, in particular, the rise of Islamic extremism. Political Islam as proclaimed by the Islamic State in Iraq and Syria is proving to be as destructive, albeit for the moment confined to a limited space, as

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fascism and communism. Holy war is back. According to the International Institute for Strategic Studies, total fatalities resulting from armed conflict have increased by a factor of four since 2010; most occurred in conflicts among Muslims – from 35 percent of the total in 2000 to 79 percent in 2014. The main reason for this escalation in the level of violence “is the lethal combination of economic volatility, a youth bulge, disruptive technology and the viral spread of lethal ideology,” writes Ferguson.¹

From all accounts, the military in Pakistan has done well in pushing back the extremists in the country’s tribal belt. It has also

MESSAGE OF THE MONTH



Pakistan’s agriculture is going through a deep crisis. Farmers are facing rising costs of inputs with declining output prices and revenues. The subsistence agriculture is dominated by small farmers caught in vicious cycle of low risk appetite

resulting in low investment, low productivity, weak market orientation, little value addition and low margins. For too long, the sector is being supported with a rigid cropping pattern. We have

PERFORMING THE HEALTH SECTOR OF PAKISTAN: ISSUES, CHALLENGES AND POLICY – FROM THE THINK-TANK WING

The role of the Federal Government with regards to the health sector management has become highly fragmented and fragile following the diminution of the Ministry of Health and devolution of responsibilities to the Provincial Departments of Health. The urban-rural disparities in healthcare delivery and an imbalance in the health workforce, with insufficient health managers, nurses, paramedics and skilled birth attendants in the peripheral areas further accentuate the situation. Indeed, Pakistan’s health profile is characterized by a dual burden of communicable and non-communicable diseases, high fertility, low life expectancy, a young age structure, high child mortality, high incidence of infectious and communicable diseases and wide prevalence of malnutrition among children and women. Pakistani women continue to face the risk of limited access to reproductive health services and pregnancy related morbidity and mortality. The maternal mortality

achieved good results in Karachi and has promised to extend its operations to other areas of the country that have been affected by this phenomenon. However, the long-term solution needs state’s attention to education – promoting it, especially among girls; ensuring that it is of good quality, with the right messages going out to the students; and making it meaningful so that the educated can enter the modern sectors of the economy.

¹ Niall Ferguson, “The west has blown its peace-dividend,” *Financial Times*, September 26, 2015, p. 11.

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not been able to transform this strategic sector to its potential and translate our comparative advantage to competitive advantage. Intensive research, thus, needs to be carried out to facilitate facts and evidence based policy decisions that will lead to adoption of good agriculture practices; raise land and water productivity; provide access to information technology, credit and markets; reduce food losses; and improve post-harvest handling.

Mahmood Ahmed

ratio is also high at 260 per 100,000 live births, signifying one of the highest maternal mortality rates in the region.

The Shahid Javed Burki Institute of Public Policy at NetSol, in view of the gravity of the problems especially the policy and institutional fragmentation and operational dysfunctions in the delivery of health services, is planning to conduct an in-depth study and inclusive dialogue on the health sector. The objective is to bring out the major policy and institutional issues and operational challenges that the sector faces and suggest interventions, with the involvement of health practitioners, medical professionals, political leaders, senior government officials, representatives of the media and the citizens, to improve policy makers’ understanding of the dynamics of health sector and facilitate robust policy choices for better health sector management.

THE RESEARCH AND CONSULTANCY WING

(i) MOU WITH AKHUWAT: The Vice Chairman, Shahid Javed Burki Institute of Public Policy at NetSol (BIPP), visited Akhuwat Gulberg office on 8 September, 2015 to conclude a Memorandum of Understanding (MoU) between BIPP and Akhuwat. Dr. Amjad Saqib, Executive Director, Akhuwat represented the Akhuwat Foundation.

The purpose of the MOU is to provide a framework of cooperation between the Parties, in the areas of mutual interest especially relating to public policy, institutional development, poverty alleviation and empowerment of the deprived segments in the political, social, economic, financial and decision making spheres.

Akhuwat's main emphasis is on alleviating poverty; empowering socially and economically marginalized families through interest free micro-finance; harnessing the entrepreneurial potential of the poor; and, building their capacity. Its ultimate mission is to establish a poverty free society built on the principles of compassion and equity.

BIPP and Akhuwat have identified the broad areas of cooperation
(ii) A SHORT-RUN SOLUTION OF POWER CRISIS OF PAKISTAN

A research project on the current power crisis by Muhammad Imran, Research Fellow BIPP has been recently published in the Energy Policy Journal which is an international peer-reviewed publication. The Journal focuses on the policy implications of energy supply and use from economic, social and environmental perspectives. The research paper scrutinizes the current power sector strategy of the government and avers that it woefully lacks the measures for resolving the power crisis in the short-run. It argues that efficient and prudent utilization of already available resources could contribute significantly to mitigate the impact of power crisis in the short-run. The paper recommends a power sector model with multiple modules of generation, transmission and distribution to overcome the power

(iii) THE SMART PROCUREMENT, SUPPLY CHAIN AND DISTRIBUTION OF MEDICINES AT GOVERNMENT HEALTH FACILITIES

During the first quarter of implementation of the Project, considerable progress has been made in terms of achievement of all the milestones provided in the Work Plan.

The MoU with the IT partner, E2E, has been activated followed by signing of the formal detailed Agreement for process customization



involving: research on policy issues related to poverty alleviation, peoples empowerment, sustainable human development, micro-finance etc.; capacity and institutional development; sharing and exchanging knowledge products, publications and reports produced by the Parties; assisting each other in the conduct of training courses and learning opportunities for staff development; and conducting joint internship programmes.

crisis. Based on the 2013 data, the model results show that if the existing resources are utilized efficiently, the power generation could increase by 3222 GWh or 5% of the actual output and the revenue increase by \$ 945 million or 12% than the actual revenue collection. The extra generated power could contribute to the decrease of the cost of power production by 0.52 ¢/KWh and reduces the power load-shedding by 2–3 hours. The results of the model have important policy implications both for the operational efficacy of the sector as well as for the circular debt reduction. The paper is available online and can be accessed through the web link: <http://www.sciencedirect.com/science/article/pii/S0301421515301142>.

of the Software "Tameerdar". The hardware procurement has also been initiated based on the Work Plan; two servers have since been purchased. The training need assessment of government staff has been carried out and training specification document containing training outline with training schedule has been designed.

The District Government has provided extensive support for the roll out of the project. The DCO and EDO Health are personally engaged in ensuring the smooth implementation of the Project. Their assistance in conducting process studies and pre-testing of survey by deploying focal personnel from district administration for facilitating project tasks, and, in advocacy and communication of project objectives, deserve special mention. The Project Management Committee meeting was held in the DCO office Sheikhpura on 23 September, 2015 to review the pace of project

implementation and discuss the 2nd Quarter Work Plan including the formal launch ceremony of the Project.

It may be noted that the Project has been funded by DFID through the District Development Challenge Fund (DDFC) under the Sub-National Governance (SNG) programme which is designed to help the Provincial and District Governments improve governance and facilitate citizens-responsive public services. SNG provides competitive grants for developing and piloting innovative, scalable ideas and initiatives.

GENDER EQUALITY – FROM THE EDUCATION AND TRAINING WING

Equality of women and men, as enshrined in a number of international conventions and indeed in the Constitution of Pakistan, is a fundamental right and an inviolable value for democracy. In order to fully achieve gender parity, this right should not only be legally recognized but also effectively applied to all aspects of life.

The United Nations Convention on Elimination of Discrimination Against Women, adopted as an international treaty in 1979, serves as an international bill of rights to end discrimination against women in all its forms and manifestations. It envisions a world without distinction, exclusion or restriction made on the basis of sex; a world where women enjoy and exercise their fundamental rights and freedoms in the political, economic, social, cultural, civil or any other field.

Pakistan, despite vociferous expression of intent by the successive rulers and governments, has not been able to make major strides or show strong progress regarding women's rights in the political, social, cultural and economic fields. The efforts by the governments to expand opportunities for women have not fructified in bringing about tangible improvements nor have the NGOs, academia and the private sector been able to achieve significant results beyond rhetoric and sentimentality.

The fact that Pakistan ranks 127 out of 182 countries on the Gender Inequality Index and 145 out of 187 countries on the Gender Development Index (UNDP Human Development Report 2014) is an eloquent testimony to the prevailing sordid state of affairs.



The role of Parliament and the Parliamentary Bodies and Commissions is vitally significant for mainstreaming gender in the legislative, policy and development frameworks. They could lead and inspire a transformative change to allow both the state and the society to harness the enormous reservoir of talent, energy and resource which the women possess. Enactment of gender sensitive laws and policy frameworks; reforms of the institutions to better respond to gender needs; and making the processes more gender friendly do not necessarily entail massive costs; what is required, however, is the will and commitment of which there seems to be a pervasive dearth.

FROM THE KNOWLEDGE MANAGEMENT WING

VISIT TO GWADAR: Mr. Khalid Sherdil, Director BIPP, recently visited Gwadar and trekked the old town (dubbed as Slums) and the proposed new town, both by land as well as all around by sea. He reports that starting next month, over 3,500 Chinese will arrive at Gwadar to begin construction of the East Bay Expressway and the water pipeline. China will also develop the new Gwadar Airport and a hospital as a gift to the people of Pakistan. The current 4 berth port will be expanded ultimately to around 80 berths. Pakistan will also benefit from Chinese assistance to develop the Pakistani portion of the Iran-Pakistan (IP) Gas Pipeline. This pipeline, besides transporting gas from Iran, will be used to supply LNG from Gwadar to the central transmission line at Nawabshah. An LNG terminal at Gwadar is already a part of the master plan.

Currently Gwadar is getting merely 14 MW of electricity; has almost non-existent internet bandwidth; and meager fresh and potable water resources barely equivalent to the water supply by 4 or so tube wells. Indeed inability of Pakistan to import electricity from Iran, despite Iranian offer, is due to merely the lack of extension of Iran Jeevani grid to Gwadar (70 km) by Pakistan. The gross inadequacy of the basic services, he reports, accentuate the sense of deprivation and grievances of Gwadar's citizens.

In order to make the Gwadar Port fully operational, the water and electricity problems have to be solved. An 80 km long fresh water pipeline and a 300 MW coal fired plant in Gwadar are a part of the infrastructure development plan which will also cater for the citizens' needs.

It should also be noted that Gwadar port is ideal for importing coal through large vessels and hence has a strong business case for more coal plants.

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Unfortunately, there are no short term plans to construct additional coal plants or evacuate electricity from Gwadar to the main transmission line of Pakistan. The argument given is that such a venture would entail heavy line losses if built on existing HV AC technology; not to mention the 625 kV HV DC technology with lower losses being used for CASA 1300 project from Kyrgyzstan and Tajikistan to Afghanistan and Pakistan.

As a gesture of their commitment to inclusive development, the locals have agreed to relocate to the newly planned Gwadar city, in exchange for equitable compensation, just as the local fishermen have agreed to relocate from Gwadar harbor to the nearby harbors of Pishukan and Sur Bandar. This has been accomplished smoothly without giving what Naomi Klein (author of "The Shock Doctrine") describes a "Shock" to the local community in great contrast to Sri Lankan fishermen after the Tsunami. There is, however, a need to ensure and demonstrate to the locals that they will be the major beneficiaries from the Gwadar bonanza. In the wake of the past record of the government with regards to access and availability of basic needs and services like water, electricity, jobs, micro-credit and ICT, this is indeed an uphill task which requires both the political will and commitment to pro-poor-pro-local development paradigm. Access to finance will enable them to take their businesses to the next levels and avail the transportation and logistics business potential to compete with the transporters from Karachi who currently seem to monopolize the business.

Similarly, the major chunk of export of fish from Gwadar is still being done via Karachi, benefiting the middle-men of Karachi exporters rather than the local fishermen. A robust policy and operational framework needs to be introduced to boost the local production system based economic activity.



Mission Statement

IPP's mission is to improve welfare of the citizenry with particular emphasis on identifying policy measures that will lead to inclusive growth, socio-economic stability and sustainable development, besides fully harnessing the potential for regional and global integration.

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