

by Saher Liagat

The foreign policy perspective of Pakistan has consistently been a topic of rigorous examination and evaluation, particularly within the context of domestic political instability. Following the general elections held on February 8, the newly formed coalition government under the premiership of Shehbaz Sharif faces many significant foreign policy matters to address. Given the fact that the world is experiencing a highly volatile phase due to geopolitical tensions, Pakistan is confronted with both obstacles and prospects in influencing its international relations and strategic involvements.

The present era is marked by significant global instability, driven by escalating geopolitical tensions and heightened economic uncertainty. In this regard, the primary strategic dynamic of utmost importance is the ongoing battle between the United States and China, which carries profound implications for the global landscape. Simultaneously, there are enduring changes in power dynamics within a progressively divided global system, where the concept of multilateralism is facing mounting pressure.

Signaling an Era of Economic Diplomacy?

Simultaneously, geopolitical changes in the Middle East are reshaping regional relationships and altering the strategic environment in the region. The new administration must undertake a rigorous reevaluation of its foreign policy objectives, necessitating the adaptation of policies to accommodate dynamic changes and the restructuring of the nation's strategy to attain objectives with enhanced efficacy. The inaugural address delivered by the newly appointed foreign minister, Ishaq Dar, who primarily possesses expertise in economics, highlights this adaptation by emphasizing the interconnectedness of economic difficulties with foreign policy imperatives. Dar's emphasis on economic issues demonstrated a practical mindset, acknowledging that economic stability and expansion are fundamental

to Pakistan's international relations. Moreover, emphasizing the involvement of the foreign office in addressing economic challenges underscores the interdependence between economic diplomacy and conventional diplomatic endeavors within the new foreign policy imperatives of the nation. An important direction from Dar's speech was the prioritization of economic diplomacy and the encouragement of investment. Pakistan's foreign policy is now governed by a coalition, necessitating the government's adaptation to attract international investment and cultivate economic ties effectively. Dar's request for diplomatic missions overseas to develop policies that promote investment aligns with contemporary diplomatic patterns, where economic concerns frequently influence foreign policy choices. In recent times, Pakistan's foreign policy has tended to improvise reactions to regional and global events rather than being characterized by a deliberate and cohesive strategy. The approach has been responsive but deficient in proactive measures. The government must enhance policy clarity and promote a proactive approach. This initiative will allow Pakistan's diplomatic missions to contribute policy inputs. Typically, inputs are periodically requested for specific matters rather than a broader scope. The generation of novel ideas has the potential to enhance the nation's diplomatic endeavors, necessitating a more innovative approach that surpasses clichéd rhetoric.

Regional Opportunities and Challenges

Moving forward, Pakistan will face a significant foreign policy challenge in managing the U.S.-China conflict and preventing itself from becoming entangled amid great power rivalries. The prioritization of relations with China will continue to be of utmost importance for Pakistan, as it presents the most promising opportunity for achieving its security and economic goals. However, it is imperative to maintain a consistent reinforcement of relations to sustain a favorable trajectory. Additionally, fostering close collaboration is crucial to enable the comprehensive development of the China-Pakistan Economic Corridor (CPEC). The timely completion of the CPEC is of utmost importance in bolstering Beijing's economic and strategic interests in Pakistan, as it serves as the central component of China's Belt and



Road Initiative, which is widely regarded as the most ambitious geo-economic project of the 21st century. Furthermore, the bilateral relationship between Pakistan and the United States continues to be paramount. Nevertheless, relations have reached a critical juncture following the withdrawal of U.S. forces from Afghanistan. Afghanistan served as the primary foundation for diplomatic relations for nearly two decades, characterized by a lack of bilateral engagement and a combination of cooperation and suspicion. Also, Pakistan is urgently seeking a \$1.1 billion loan tranche from the IMF due to its dwindling forex reserves, currency depreciation, and soaring inflation. This loan is part of a \$6.5 billion bailout package approved in 2019, set to conclude in June before the budget.

Negotiations over fiscal deficit targets remain a key hurdle for finalizing the IMF's approval, which has been delayed since November and is crucial for resolving Pakistan's balance of payments crisis. In his recent meeting with U.S. Ambassador Donald Blome, Dar reportedly discussed mutual interests, enhancing bilateral relations, and the government's economic policies to stabilize and grow the economy, including plans regarding revenues, expenditures, and meeting financial obligations. Pakistan must enhance its diplomatic efforts in Washington, particularly on Capitol Hill, where its influence is limited. Another strategic imperative of Pakistan is to maintain stable relations with Afghanistan. Despite the significant increase in trade between the neighboring countries, the relationship has been experiencing substantial strain. The anticipated outcome of Islamabad's belief that the reinstatement of a Taliban government will contribute to Pakistan's western border security has not been realized. However, there is increasing apprehension regarding the ongoing transnational assaults and the presence of the banned extremist group Tehreek-i-Taliban <u>Pakistan</u>, which is situated in Afghanistan. Multiple iterations of security negotiations with Afghan Taliban commanders have had no substantial result. Hence, the new administration must reassess its Afghan policy and develop a strategic framework that effectively balances conciliation and confrontation to address Pakistan's security apprehensions. Undoubtedly, the most challenging foreign policy issue will be managing relations with New Delhi.

Official communication and commerce are currently halted, with intermittent outbreaks of tensions. The ongoing diplomatic deadlock persists due to additional sources of irritation, such as the disagreement on the dispute settlement method for the Indus Waters Treaty, which further contributes to the existing longstanding conflicts. Given the unlikely likelihood of normalizing ties, Islamabad should contemplate the implementation of a mutually agreed mechanism to effectively handle tensions and prevent them from escalating. The sole positive aspect inside this otherwise desolate environment is that both factions have predominantly adhered to the ceasefire on the Line of Control after the reaffirmation made in February 2021.

Furthermore, the regional reconciliation process in

the Middle East, which entails a closer relationship between Saudi Arabia and Iran, presents Islamabad with fresh diplomatic prospects. The Gulf nations have demonstrated a keen interest in concrete and viable initiatives, indicating a potential opportunity for Pakistan to capitalize on its advantageous geographical position and economic capabilities. Pakistan's shifting foreign policy dynamics are evident in its efforts to maintain a balance between longstanding allies such as China and growing partners in the Gulf region such as <u>UAE</u>. Pakistan must develop an outreach plan to effectively engage a wider range of countries and entities, beyond only governments, to achieve its foreign policy goals in an increasingly multipolar world. A multifaceted interaction between local political factors, global dynamics, and regional issues influences Pakistan's future foreign policy perspective. Successfully navigating these intricacies necessitates the possession of strategic foresight, adept diplomatic abilities, and a proactive approach to engagement that protects the national interests of Pakistan while simultaneously fostering peace, stability, and prosperity within the region and beyond. However, to accomplish these goals, all the primary stakeholders within this coalition government must be aligned and in agreement.

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