The year 2016 saw the situation in Afghanistan and Pakistan getting worse than in 2015. The Global Terrorism Index ranks Afghanistan in the second position and Pakistan in the fourth position in the world. The Fund for Peace Index for Dysfunctional States ranks Afghanistan in the eight position and Pakistan in the thirteenth position in the High Alert List for Fragile States. The Quadrilateral Coordination Group has failed in reaching any tangible progress in resolving the situation in Afghanistan, in spite of meeting five times. In the light of failing government to government relations, India should take advantage of its strengths in trade; water issues; and international diplomacy while engaging with Pakistan.

Pakistan's Strategic Posture

- Pakistan has a “Deep State” mind set where national security not only predominates, but wholly determines the way the establishment thinks. Its strategic posture has been determined by its geography and its insecurity arising out of its geography and identity crisis.
- Further, Pakistan is a nation of contradictions – with orthodox Islamic views juxtaposed with the idea of a modern state with a western outlook. Different heads have had different views on how the state should function. Jinnah’s liberal view on Islam lies in stark contrast with the radical views of Zia.
Pakistan's deep desire to be at par with India at all levels has also shaped its decision making. Pakistan is apprehensive of every development that puts India on the global stage, for example, India's attempt to gain membership in the UN Security Council and the Nuclear Suppliers Group, created tremendous anxiety in Islamabad.

- Pakistani Army has grown in this culture marred with an identity crisis and territorial threats, which has helped the Army to push itself as the territorial and ideological guardian of Pakistan. The role of military in Pakistan is crucial, and has always been so throughout their history, but the role itself has evolved over the years.
- Pakistan's approach towards India is at three levels - sub-conventional, conventional and nuclear, where it compensates its drawbacks in conventional levels with sub-conventional strategies under the shadow of a nuclear war.
- India needs to be watchful of the developments taking place in Pakistan. The tenure of the incumbent Chief of Army Staff is coming to an end, and history has shown that such transitions have always been marked with turbulent situations in domestic scenario of Pakistan as well as India-Pakistan relations.

**Growth of Extremism: The Taliban, Islamic State and Implications for India**

- The geographical position occupied by Pakistan today has been a historical meeting point of civilisations – Chinese, Persian, Central Asian and Arab, which has led to creation of a history that is marred with chaos and conflicts arising out of conflicting interests of all the civilisations.
- The Soviet invasion of Afghanistan led to spill over effects with massive movement of refugees into Pakistan who brought with them an extremist ideology supported by funding from Saudi Arabia, which itself wanted to counter the Shia influence of Iran with Wahhabi ideology.
- Pakistan uses proxy elements to engage India in a slow, long stretched war, rooted in the success of the Mujahideen in Afghanistan. Dabbling in use of faith and religion as tools against India has led to development of radicalisation in Pakistani society.
The creation of Tehreek-e-Taliban Pakistan led to a problem for Pakistan. Pakistan may win its war over Taliban militarily, but not socially and ideologically.

The rise of ISIS is also a threat. However, ISIS may find it difficult to enter Pakistan because the ground is already too crowded with many terrorist groups and the stronghold that the Taliban maintains in Afghanistan and Pakistan.

China Pakistan Economic Corridor: Expected Dividends for Pakistan and Implications for India

- China has provided Pakistan with undeterred support with their nuclear and missile program. There is a constant supply of weapons from the Chinese to Pakistan. This support is further enhanced by the economic and diplomatic support that China extends to Pakistan.

- One Belt One Road (OBOR) and China-Pakistan Economic Corridor (CPEC) are a reflection of China’s attempts to spread its economic and military might into Pakistan, but OBOR and CPEC also attempts to push the stagnant Chinese economy and help in utilising the idle labour in China.

- However, there are opposing voices towards CPEC in Pakistan itself as:
  - Pakistan is not really benefitting from CPEC as no jobs have been generated for Pakistan, and the construction is being done by the Chinese.
  - Chinese interest rates to Pakistan to lend money to finish projects are too high.
  - Questions are being raised as to why Punjab and Sindh regions have got more share of the deal.
  - The Pakistani army has built walls to protect Chinese investments. However, most project sites are a No-Go zone for the Pakistanis.

- China is bothered with rising radicalisation in Pakistan. ISIS is a threat to China, with Uighurs in Xinjiang holding nationalist sentiments that can be exploited by the Islamists and the movement can potentially get a Jihadi colour.

- The recent restructuring of the PLA has led to the creation of a West Zone, which looks after the Chinese borders with Pakistan, India and Afghanistan and has a third
of China’s military force. The zone is tasked with monitoring and taking actions against terrorists, even in countries where they enjoy sanctuary.

- The Chinese want to create a base in Djibouti which is within the range of certain aircrafts that can fly from Xinjiang to Djibouti. This will help China to protect its investment in East Africa, monitor the Indian Ocean, and control Gwadar.

**Challenges for the Afghan State**

- The instability in Afghanistan partly arises from the bargain struck between the Pakistanis and the Americans. In 2001, Pakistan conveyed to the Americans that they needed space vis-à-vis Taliban for them to deliver on Al-Qaeda. Meanwhile, under these conditions, Taliban and Pakistan continued to consolidate power and by 2003 the Taliban activities in Afghanistan had gained momentum.

- Now, reconciliation between the Taliban and the Afghan government is being advocated as the only way forward. The NATO conference in Warsaw was dedicated to the issues in Afghanistan where pledges to provide financial aid and support to the Afghan government were made. However, it no longer holds the importance it once did in the face of new international challenges.

- Afghanistan’s aspirations are similar to those of any other country. There is a changing perception among the youth in Afghanistan. This is visible through the making of a progressive constitution and providing 25 percent reservation for women in the government. However, it is not seen as a viable trading or transit point.

- There still remains an inherent contradiction between the new Afghanistan and the old Afghanistan. Many of the refugees in Europe are reportedly professional Afghans looking for better opportunities.

- Challenges in terms of security still remain immense. The Haqqani-Taliban nexus remains resilient. North, South and East of Afghanistan are mostly under Taliban control making Kabul extremely vulnerable.

- The reconciliation process seems to be going nowhere as visible in the Quadrilateral process which includes the Americans and the Chinese. There is little clarity on the
efforts taken by US and China to coordinate their efforts and significantly contribute to the stability of Afghanistan.

India’s Role in Afghanistan: Options and Limitations

- India’s extended neighbourhood is important from the Indian foreign policy point of view. Afghanistan plays an important role in helping India with power projection in the region against Pakistan and at the same time is an important transit point for trade opportunities in Central Asia.

- India and Afghanistan have always shared good relations and they wish to see more involvement from the Indian side. India’s role in Afghanistan has been extremely positive. Other way of possible engagement could be to provide support structures to the Afghan National Army.

- Post 9/11 Indian investment in Afghanistan in the form of reconstruction and investments has been increasing. India can consider deploying its troops there to protect its investments.

- Pakistan has been a common irritant for both India and Afghanistan. It has and will always be Pakistan’s policy to keep Afghanistan weak and divided. The two major issues with Pakistan in relation to Afghanistan are its obsession with the concept of creating “strategic depth” and use of terrorism as an instrument of foreign policy.