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Message from National Coordinator

I am delighted to introduce Vol. 03, issue 01, of Pakistan Journal of Terrorism Research (PJTR), a biannual peer reviewed journal. The aim of publishing this research journal is to present quality scholarly work in the field of terrorism, counter extremism, radicalism and militancy to both national and global audiences. PJTR is gradually emerging as a leading platform that provides credible knowledge about terrorism and its various tangents in Pakistan and beyond.

Against the backdrop of emerging global challenges, Pakistan is actively playing the role of a responsible nation that strives for peace and stability in the region. As the country is confronted with myriad of internal and external challenges, desirability for peace and stability remains the utmost goal of the state apparatus. Pakistan's frontline status in the global war against terrorism has often embroiled it in situations that are detrimental to its core interests. Safeguarding the country's interests while dealing with the fallout of war on terror demands thorough research and methodical investigation. This issue of PJTR, like its predecessors, sets out to accomplish the assigned mandate.

The themes in this issue are related to contemporary challenges of security such as Hybrid Warfare, threats of extremism, national security policies and Pakistan's compliance with the recommendations of Financial Action Task Force (FATF). Such a wide array of contemporary topics, make this publication a valuable contribution that will appeal to both policy makers and academics alike. I sincerely hope that in its coming issues PJTR will prove to be an even more credible source of knowledge and resource on issues of national and international security.

NACTA's Research Wing has upheld its professionalism and commitment in accumulating valuable literature from the academics, practitioners and other scholars for the current issue. This edition of PJTR offers a panoramic view of the concept of terrorism, drivers of violent extremism, Pakistan's response to FATF and its internal security policies. All contributors were urged to uphold values of objectivity and value-neutrality.

I am greatly indebted to the unconditional support of contributors, peer reviewers, advisory board, and the editorial team. Without their contribution, the publication of PJTR would have not been possible. I congratulate the editorial team for making this happen.



Mehr Khaliq Dad Lak
National Coordinator, NACTA

Editor's Note

Violent extremism and terrorism have imperilled Pakistan's peace and security. Nevertheless, the nation has been remarkably resilient in its resolve to tackle the menace of extremism and terrorism. The devoted endeavours of Law Enforcement Agencies (LEAs) and provincial Counter Terrorism Departments (CTDs) have demonstrated unparalleled resolve to eliminate and counter the violent extremism and terrorism. The year 2020 sustained the declining trend in the terrorist incidents in Pakistan that has been on-going since 2014; the year witnessed a 19 per cent decrease in the number of terrorist attacks as compared to 2019.

The objective of 'Pakistan Journal of Terrorism Research' (PJTR) is to advance the scholarship on a broad range of issues associated with terrorism and violent extremism. In doing so, it publishes quality research papers alongside insightful reviews.

I am glad to present Volume.03, Issue 1 of 'Pakistan Journal of Terrorism Research' (PJTR). PJTR is a Bi-annual journal started publication since July 2019. The journal is now getting indexed in the Directory of Open Access Journals (DOAJ) and has been widely acknowledged in both policy and academic circles. It would not have been possible to achieve this feat without the continuous support and encouragement of Patron-in-Chief. I shall also applaud the efforts of the contributors, the editorial team and the advisory board who together with their diligence and meticulousness made this publication a reality.

This issue contains six articles that provide a comprehensive picture of the landscape of terrorism, counter-terrorism and extremism. Dr. Dayyab Gillani, Assistant Professor, University of Punjab, a PhD in terrorism

studies from St Andrews University takes on the core topic of "Terrorist Tactics Contradiction: Academic Disjuncture Between Terrorism and Terrorist Tactics" -in which the author explore the implications of terrorism in three perspectives (i) as tactic (ii) as strategic in nature (iii) as an ideology. Dr. Ijaz Khalid carried out analysis of "Terrorism in Pakistan: Pre & Post COVID-19". The author elucidates the terrorism in Pakistan during pre & post COVID-19 period through analytical and historical approach. Sidra Shabbir, Research Scholar at NUST, Islamabad elaborates on the shift from the Traditional Security to Human Security Approach by analysing NISP (2018-23). Halima Zia, Director Communications, ADAL Foundation Islamabad, establishes linkages between artificial intelligence and its implications on cyber-security and hybrid warfare. Rakhshanda Iqbal, Assistant Professor at Government Islamia Graduate College for Women, Lahore, enlightens the sources of terrorism financing in Pakistan and Pakistan's efforts to stamp out those sources. Lastly, Dr. Musarat Amin and colleagues writes about "Pakistan in the FATF Grey-list: Compliance and Policy Readjustments" in which the author elaborate Pakistan's response i.e structural measures through FIA, SBP & FBR. The author gave recommendations for dealing Grey-list of FATF.

NACTA is committed to playing a constructive role in counter-terrorism and extremism research by promoting scientific knowledge. With each edition, this journal moves closer to realising its ambitions and takes a step forward in our collective national resolve to eradicate the menace of terrorism and extremism from Pakistan. I am confident that such efforts will attract more researchers and bring them more closely to the policymakers.

Disclaimer

The views and opinion expressed in this publication are solely those of the authors and do not necessarily reflect the policy of NACTA.

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Mehr Khaliq Dad Lak, National Coordinator NACTA

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The Terrorist-tactic Contradiction: Academic Disjuncture Between Terrorism and Terrorist Tactics

Dayyab Gillani

Abstract:

The pejorative connotation of the term terrorism and the never-ending debate on its definition has prompted many commentators in the field of terrorism studies and political violence to use the term 'terrorist tactics' in place of terrorism. This practice has resulted in a semantic severing of terrorism and terrorist tactics, with the latter acquiring a relatively milder tone. Thus, where most scholars were hesitant to use the word terrorism because of its emotive overtone and pejorative connotation, they have instead started using the word terrorist tactics to describe the activities of a range of actors like guerillas, insurgents, militants and even criminals. In the midst of all this it has become exceedingly difficult to point out who the terrorist is, as using terrorist tactics alone does not necessarily make one terrorist. Such a practice creates confusion as it contradicts the semantic and epistemological basis of the term. This paper will examine this academic disjuncture between terrorism and terrorist tactics- the reasons for it and how it is unhealthily contributing towards theoretical and conceptual ambiguity in the field of terrorism studies. Addressing this problem will immensely contribute to greater conceptual clarity in the terrorism discourse.

Key Words: Terrorist, Tactic, Definition, Emotive overtone, Pejorative, semantics, epistemology, Academic disjuncture, Theoretical, Conceptual, Terrorism discourse.

Introduction

The moral dilemma of terrorism largely overshadows all conceptual and theoretical discussions in the field of terrorism studies. It is generally believed that the existing theoretical stalemate will never be resolved as long as the moral problem persists. There have, therefore, been attempts from both within and outside the field of terrorism discourse to address this problem.

At its most fundamental level the debate is at a crossroad between two opposing viewpoints. At one end there are academics that accept the term's pejorative undertone and argue that terrorism is inherently immoral and it should therefore be studied as such. On the other hand, there are those who believe that the moral underpinnings of the term prevent academics from studying terrorism objectively. They therefore hold that terrorism must be disconnected from its pejorative underpinnings so that it can be studied impartially.

The word terrorism, as a result of this disagreement, tends to invite a plethora of questions, which often compel the academics to spell out their use of the term as a simple usage could be inferred completely differently. Using the term terrorism has therefore become a source of nuisance for scholars in the field of terrorism studies.

In order to avoid the questions and criticism the word terrorism invites, most academics at both ends of the moral spectrum, have become wary of using the term altogether. Instead, there is now a growing trend in terrorism scholarship to use the term 'terrorist tactics' in place of 'terrorism' and 'terrorist' - under the assumption that such a practice will permit evasion of terrorism's pejorative connotation.

This paper will analyze this recent academic tendency to shy away from the word terrorism. It will point out the contradiction that accompanies all such practices, the academic silence over it and the semantic and logical dilemma it creates. But first it is important to discuss academic apprehensions regarding terrorism "s moral underpinnings.

The academic apprehension of the pejorative connotation

Despite widespread disagreements on the definition and meaning of the term terrorism, there is an overwhelming general consensus among scholars that terrorism is a pejorative term. As Bruce Hoffman points out, 'on one point, at least everyone agrees: terrorism is a pejorative term'.[1] Many other influential scholars in the field also emphasize and endorse this position.[2] This academic agreement on the pejorative connotation of the term has had a detrimental impact on the study of terrorism. It is imperative, therefore, to first briefly discuss this negative undertone of terrorism, what it means and how it has proven to be consequential for terrorism studies.

The word ' pejorative' on its own means contempt and disapproval. Its application to terrorism implies negativity and foul play. The pejorative connotation of the term terrorism has its roots in its moral underpinnings, where terrorism is largely seen as illegitimate and an illicit unsanctioned activity. Almost the entire academic discourse agrees that the moral problem of terrorism is mainly responsible for the existing theoretical and conceptual deadlock. Grant Wardlaw, for instance, believes that the main

[1] Bruce Hoffman, *Inside Terrorism* (New York: Columbia University Press, 2006), 23.
[2] See e.g., Thornton (1964), Wilkinson (1977), Jenkins (1980), Wardlaw (1989), Crenshaw (2011).

hurdle in understanding it is that, at base, terrorism is a moral problem'. [3] Brian Jenkins also points out that the Use of the term implies a moral judgment'.[4] This moral judgment brings forth the fact that terrorism is a value-laden term with a strong disapproving undertone, which whenever used, automatically gives a moral verdict over the act under question.

The academic community largely recognizes and acknowledges this moral problem, although it remains fundamentally divided on the issue. Some (mostly in orthodox scholarship) view it as an essential attribute and argue that terrorism must be studied in the light of this pejorative backdrop. Mark Rigstad, for instance, deems it unwise to uproot the ordinary core appraised meaning of the term.[5] Tamar Meisels, likewise, points out that any understanding of the term must point out the 'prima facie wrong' with it and what it is that makes terrorism morally repugnant to most of us.[6]

Recent emancipatory and postmodernist approaches to the study of terrorism, such as the critical studies on terrorism' have criticized and challenged the longstanding pejorative status of the term terrorism. They protest against this derogatory backdrop and strongly urge the academic community to shed this attitude and study terrorism objectively. However, in their attempts to observe value neutrality, they do in the process acknowledge the existing predicament of the term's negative undertone in

[3] Grant Wardlaw, *Political Terrorism: Theory, Tactics, and Counter-Measures* (Cambridge: Cambridge University Press, 1989), 4.
[4] Brian Jenkins. "The Study of Terrorism: Definitional Problems," No. RAND/P-6563. (RAND CORP SANTA MONICA CA, 1980): 63.
[5] Mark Rigstad. "The Senses of Terrorism," *Review Journal of Political Philosophy* 6, no.1 (2008): 76.
[6] Tamar Meisels. "The Trouble with Terror: Liberty, Security and the Response to Terrorism," (2008): 19.

the academic discourse.[7] In fact it will not be an exaggeration to say that the very reason why critical studies have emerged is to address this pejorative connotation of terrorism. Thus, even its most vocal critics will not contest the popular usage and implications of the term.

Whether there are attempts to acknowledge the pejorative connotation of terrorism or to redress it, there is a prevailing general sense that the moral problem exists. This moral problem, being the only attribute, most academics agree upon, has had a deep and profound impact on the way scholars study terrorism. The use of the term terrorism because of its implied pejorative connotation (and the conflicting academic positions it raises) always invites a plethora of questions. Therefore, the scholars that use the term have to make their position clear, otherwise they run the risk of speculation on the part of readers. Thus, the negative connotation of terrorism forces theoreticians and academics (that use the term) into stating their respective moral inclinations.

To escape this overarching moral dilemma many academics, suggest that terrorism should instead be treated as a tactic that can be employed by a variety of actors. It is believed that if the academics agree to see terrorism as a tactic, then all the concerns with morality will eventually fade away. Ariel Merari, for instance, sees terrorism as a strategy and as a 'mode of struggle rather than a social aberration'[8]. Robert Goodin insists that terrorism is best understood not as a psychology or ideology but instead as a 'distinct political tactic'.[9] Martha Crenshaw also points out that 'the

[7] See e.g. Burke (2008), Dexter (2012), Jackson (2012).
[8] Ariel Merari. "Terrorism as a Strategy of Insurgency," *Terrorism and Political Violence* 5, no. 4 (1993): 213.
[9] Robert Goodin, *What's Wrong with Terrorism* (Polity Press, 2006), 31.

method, not the identity or ideology of the user, determines whether or not an action can be defined as terrorism'.[10]

This tendency to see terrorism as a strategy or tactic has prompted many commentators in the field to suggest that terrorism should be seen as a form of warfare. Richard Clutterbuck draws comparison between 'urban guerilla warfare' and terrorism and often uses the terms interchangeably.[11] Andrew Silke is perhaps one of the strongest advocates of treating terrorism as a form of warfare. He considers the distinction between terrorism and warfare as merely illusionary. Silke believes that the academics that consider terrorism as a form of warfare possess a more comprehensive view of the problem and that those who fail to do so are still caught up with its smaller aspects.[12] Alex Schmid also follows this line of argument and suggests that one of the ways to tackle the definitional problem of terrorism would be treat it as 'peace time equivalent of war crimes'where the'terrorist offences could be considered federal crimes against humanity.[13]

Everett Wheeler likewise criticizes approaches that distinguish terrorism from guerilla warfare. Terrorism, she argues, can be better understood if it is placed within the broader 'military theory framework of stratagem' rooted in the Greco-Roman tradition, which she regards as the 'conceptual

[10] Martha Crenshaw, *Explaining Terrorism, Causes, Processes and Consequences* (London: Routledge, 2011), 206.
[11] Richard Clutterbuck, *Terrorism and Guerrilla Warfare* (London: Routledge, 1990).
[12] Andrew Silke. "Terrorism and the Blind Men "s Elephant,"*Terrorism and Political Violence* 8, no. 3 (1996): 12-13.
[13] Alex P. Schmid. "The Response Problem as a Definition Problem," *Terrorism and Political Violence* 4, no. 4 (1992): 12.

ancestor of modern terrorism'.[14]Merari treats terrorism as one of the strategies that the insurgents can adopt given their circumstances.[15] Richard English, following Clutterbuck's line of argument, believes that' it is perhaps as a subspecies of war that terrorism is best understood'. He also points out that much of what is attributed to terrorism today, its psychological and political dimension in particular, 'is also present in much formal warfare'.[16]

The moral problem has further prompted a parallel debate, particularly in critical circles, to place terrorism within the broader context of violence. Michael Boyle, for instance, points out that the study of terrorism is increasingly getting detached from the study of political violence. This attitude, he argues, has resulted in the treatment of terrorism as an exceptional form of violence and treating terrorism as exceptional is dangerous and not productive.[17] Helen Dexter argues along similar lines and points out that categorization of terrorism produces a 'moral hierarchy of violence'. So, one of the reasons why terrorism is categorized is because it prevents moral critique of violence itself by isolating the bad (terrorism), from the good (legitimate violence).[18]

The academic tendency to see terrorism as a form of warfare or even placing it in a broader context demonstrates the academic ambitions to

[14] Everett L. Wheeler. "Terrorism and Military Theory: An Historical Perspective." *Terrorism and Political Violence* 3, no. 1 (1991): 6-33.
[15] Ariel Merari. "Terrorism as a Strategy of Insurgency," *Terrorism and Political Violence*
[16] Richard English, *Terrorism, How to Respond* (New York: Oxford University Press, 2009), 23.
[17] Michael Boyle. "Progress and Pitfalls in the Study of Political Violence," *Terrorism and Political Violence* 24, no. 4 (2012).
[18] Helen Dexter. "Terrorism and Violence: Another Violence Is Possible?" *Critical Studies on Terrorism* 5, no. 1 (2012): 123.

solve the moral dilemma. And although all such attempts are mainly intended for theoretical convenience and to do away, once and for all, with the pejorative undertone of the term, they have conversely led to even further conceptual confusion. Reasons for this will be discussed in the next section.

The terrorism-tactic contradiction

Does placing terrorism in a broader context or treating it as a form of warfare solve the moral problem? The existing academic stalemate confirms that it does not. Placing terrorism in a broader context of warfare and violence is mainly intended to reduce the term to a method or a tactic to trim down its derogatory connotation. Such a practice is intended to lend flexibility to academics in applying the term to a variety of actors. However, the academic disagreement over what constitutes terrorist tactics in the first place, and the fact that any and all actors could practice it, stretches the term to the verge of redundancy. Furthermore, even with terrorism treated as a method, its moral subtext still looms large, which renders the whole enterprise superfluous.

Warfare and violence in comparison with terrorism have somewhat neutral connotations, as they do not carry its derogatory undertone.[19] It would make sense, therefore, to see terrorism in a broader context to load off its emotional baggage. However, seeing terrorism in such broader context has raised concerns over the legitimacy of war and violence itself- such is the pejorative power of the term terrorism.

[19] See e.g. Hoffman (2006), Guelke (2006).

This inescapable pejorative power of the term terrorism and the setback of inclusive positions have led to a new and different approach. This new approach rooted in the aforementioned inclusive tradition, however, is neither desirable nor ever promoted as a viable academic alternative. Instead, it is practiced without any formal acknowledgement or credence. Despite lacking any scholarly patronage, this new practice is becoming not only exceedingly common but also deeply entrenched in the contemporary academic practices.

As already pointed out, the efforts to place terrorism in a broader context in an attempt to address the moral problem have largely been unproductive, as the term not only retains its pejorative connotation but also contaminates its affiliates. Consequently, most academics, in order to avoid terrorism's emotional baggage and the questions and criticism it invites, have grown wary of using the term. There is now a growing trend in the academic community to avoid the words 'terrorism' and 'terrorist' and use the word 'terrorist tactics' instead. It is somehow assumed that such a practice will allow evasion of the pejorative undertone. Thus, where most scholars were hesitant to use the word terrorism, they have now found it convenient to use the term terrorist tactics to avoid the gratuitous moral debate.

Under this tactic-centric approach' the phrase terrorist tactics is treated somewhat independent of 'terrorism' and 'terrorist'. It mainly entails that using terrorist tactics alone does not make one terrorist and that a range of actors can commit terroristic violence without being labeled as such. This means that various political actors such as insurgents, guerillas and conventional armies (and even non-political actors) can use terrorist tactics

and at the same time avoid being called terrorists. This of course is done in the hope of extending legitimacy to all such actors and studying them objectively. However, the practice leads to an inherent contradiction (the terrorist-tactic contradiction), which can be illustrated by the following hypothetical situation.

If, for instance, some guerrilla insurgents utilize terrorist tactics to achieve their goals then what should they be called? Will they cease to be guerrillas or will their status change to terrorists? If their status changes to terrorists then this means that guerrillas in principle cannot use terrorist tactics, because if they do, then they will cease to be guerrillas and will instead transform into terrorists. The assertion then that guerrilla can utilize terrorist tactics becomes invalid. If their status stays guerrilla insurgent then this will imply that guerrillas may use terrorist tactics without being labeled terrorist- hence the contradiction.

Therefore, the academics that insist that insurgents, guerillas and conventional armies may utilize terrorist tactics are essentially arguing that such utilization does not necessarily make the practitioners terrorists. So, it appears that for most academics terrorism (and in extension terrorists) are qualitatively different from terrorist tactics. This principally is the essence of the tactic-centric approach. English, for instance, charges the IRA (Irish Republican Army) of using various terrorist tactics but does not see them as a terrorist organization.[20] Likewise, Louise Richardson believes that states can 'use terrorism as an instrument of foreign policy' but at the same time fails to see state actors as terrorists.[21] Hence, for English and

[20] English, *Terrorism, How to Respond*.
[21] Louise Richardson, *What Terrorists Want: Understanding the Enemy, Containing the Threat* (New York: Random House, 2006).

Richardson terrorism is a tactic and the actors that practice them are not necessarily terrorists. Organizations such as Hamas, Palestinian Liberation Organization (PLO) and Kurdish Workers Party (PKK) are frequently accused of adopting terrorist tactics. However, they are hardly ever labeled as terrorist organizations in the academic discourse. It is important to note, however, that the academics that practice this tactic-centric approach make no formal acknowledgement of it.

An important reason for this contradiction (other than the moral problem) is the absence of any sound theoretical and conceptual foundation in the terrorism discourse. As a result of this most terrorism scholars more than often start their academic careers through investigating a certain case study, insurgency or civil war typically. This mode of study has a profound impact on their conceptual understanding and later research undertakings. The definition of terrorism developed by Crenshaw, for instance, grew out of her study of the Algerian war and the National Liberation Front (FLN) in particular,[22] which is largely regarded as an insurgency by the academic community. English, a historian of Northern, Ireland, developed his understanding of terrorism through the subsequent study of the IRA,[23] which was never popularly seen as a terrorist organization in the academic discourse. Both Crenshaw and English charge FLN and IRA of adopting terrorist tactics but do not go so far as to label them as terrorist organizations so as to not undermine their insurgent/guerilla status.

[22] Martha Crenshaw, *Explaining Terrorism, Causes, Processes and Consequences* (London: Routledge, 2011), 2.
[23] English, *Terrorism, How to Respond*.

In the absence of a general overarching theory of terrorism such a bottom-up approach can hardly be criticized. The academic study of terrorism, thus, generally often starts through a close examination of a specific insurgency, guerilla warfare or civil war and the scholars in the process become conscious of using the word terrorism (so as to not undermine or challenge the premise of the movement as a whole).

It is also imperative to discuss the 'strategic approach', which is an important variant of the tactic-centric position. The strategic approach is fairly similar to the tactic-centric approach with the only difference that it formally acknowledges its undertaking. This approach treats terrorism, guerilla warfare and insurgency as strategies that are independent of the actor. It posits that an actor may choose any of these strategies to pursue its goals, and it is this choice that will ultimately determine its status. For instance, an actor will only be called a terrorist if it opts for the terrorist strategy as its mode of struggle.

This strategic position is strongly endorsed by various academics. Merari, for instance, sees terrorism and guerilla warfare as strategies of insurgency and believes that the insurgents may adopt any of the two strategies, depending upon their circumstances.[24] Charles Tilly argues that 'terror is a strategy, not a creed' and that 'a remarkable array of actors sometimes adopt terror as a strategy'.[25] David Jones and M.L.R Smith advocate the utilization of 'strategic theory' for studying terrorism and argue that 'it is merely a tactic… that can be employed by any social actor'.[26] Unlike the

[24] Merari, "Terrorism as a Strategy of…,".
[25] Charles Tilly. "Terror, Terrorism, Terrorists," *Sociological Theory* 22, no. 1 (2004): 11.
[26] David Jones and M. L. R. Smith. "We ''re All Terrorists Now: Critical or Hypocritical Studies "on" Terrorism?", *Studies in Conflict & Terrorism* 32, no. 4 (2009): 300.

tactic centric approach, this position clearly lays out that terrorism is nothing more than a strategy that is operationalized under appropriate circumstances and is independent of the actor.

Despite being more reflective, the 'strategic approach' still suffers from similar inherent problems and contradictions. Firstly, most of the actors do not face any clear strategic choices as is often imagined in the discourse. Secondly, the terrorist strategy (composed of various terrorist methods and tactics) is highly contentious as there is hardly any academic consensus as to what methods constitute terrorist tactics.[27] Thirdly, an actor may simply adopt different strategies simultaneously or choose to oscillate between them. As English points out, ..…terrorism often overlaps with guerilla violence or with campaigns that might be termed insurgent'.[28]

This feeds into the argument that terrorist organizations perform multiple functions and each of its roles tend to pull the organization in a different direction. A focus on a certain aspect of the organization may establish it as terrorist, while an emphasis on another may reveal it to be guerilla or insurgent. The question that arises here is that when an actor utilizes more than one strategy or engages in both terroristic and non-terroristic activity then what should it be called? Should the wider movement be defined by its strategic tactics or its other undertakings?

Christopher Finlay also points out this dilemma when he says that 'The stakes in the rhetorical game centrally concern whether one part of a greater organization (or some actions by some of its parts) can be used to

[27] Methods such as indiscriminate targeting, coercive intimidation, generation of fear, psychological impact, and political motivation are often advanced as terrorist tactics. However, each of these methods as a defining attribute of terrorism is highly contested and there is hardly any general agreement.
[28] English, *Terrorism, How to Respond*, 12.

characterize the organization as a whole'.[29] Boaz Ganor suggests that this problem can be addressed through conducting a quantitative analysis to measure the frequency of different functions the organization performs. If it chiefly engages with terrorist activities then it should be labeled as a terrorist actor. Ganor also believes that a situation may arise in which an actor may be described as both guerilla and terrorist.[30]

In the absence of any consensus on what terrorist tactics are, it will be naïve to assume that such a quantitative analysis could be done to determine the status of an actor. Furthermore, calling an actor both terrorist and guerilla pulls the organization into opposite directions with one undermining and the other upholding its legitimacy. The moral subtext of terrorism more than often proves to be far too powerful to permit the actor from being pulled into any other direction (irrespective of what other functions it performs).

However, the most serious problem with the strategic approach is that it mostly ends up being a tactic-centric approach itself. This happens with the eventual realization that it is not possible to escape the pejorative power of terrorism and if an actor is labeled as a terrorist, then there will be no objective way to study its actions. Thus, despite its normative agenda to emancipate terrorism from the clutches of the moral dilemma, the strategic approach too eventually finds it convenient to not use the word altogether (preferring instead to terrorist tactics only) and so consequently also falls prey to the classic terrorist-tactic contradiction.

[29] Christopher Finlay. "How to Do Things with the Word Terrorist," *Review of International Studies* 35, no. 4 (2009): 757.
[30] Boaz Ganor. "Defining Terrorism: Is One Man "s Terrorist Another Man "s Freedom Fighter?," *Police Practice and Research* 3, no.4 (2002): 297.

The unconscious academic disjuncture

The word terrorism is a vicious moral circle that keeps pulling all defying attempts to its center. All the inclusive approaches with their normative agenda to emancipate terrorism from its pejorative undertone have failed to escape its power. The tactic-centric approach (and all its variants) can be seen as one such defying attempt.

From the discussion above it becomes obvious that the tactical and strategic positions have resolved little if at all any of the conceptual problems. Most importantly, these approaches have failed to extricate the term from its pejorative undertone, and have also created a contradictory incongruity that is dangerously getting ingrained in the popular discourse. The implications of all tactical positions are far too many and far too grave to dispense with.

All tactical positions essentially create the paradox of an insurgent/guerilla using terrorist tactics and somehow escaping the label terrorist. This terrorist tactic contradiction' has led to an 'unconscious' severance of the word terrorism (and terrorist) from terrorist tactics. It is important to use the word unconscious here because there is neither academic acknowledgement nor any formal recognition of this practice. This severance of the words raises serious semantic and normative challenges. The logical assumption that accompanies the usage of the term terrorist tactics is that its perpetrators must be terrorists. Stating or implying otherwise, contradicts the semantic and in extension the epistemological basis of terrorism.

This contradiction particularly has major implications for any definitional pursuit of terrorism. If terrorist tactics indeed are different from terrorism

itself then the all-encompassing definitions of terrorism that exist right now are not only inadequate but also largely misleading. As semantics and logic would then dictate that a definition of terrorism should formally acknowledge the difference between terrorism and terrorist tactics and if not, then terrorism and terrorist tactics should be defined separately. No existing definitions of terrorism either make or permit a distinction between terrorism and terrorist tactics. The efforts of all academics that define terrorism are then all but in vain since their premise was not right to begin with.

Arguably if terrorism were to be universally seen as just a tactic or a strategy (and nothing more) then perhaps it could solve the moral problem. However, there are several philosophical reasons why such an undertaking would be too daunting and problematic. In order to see terrorism as a strategy we will first have to acknowledge that terrorism as a phenomenon or ideology does not exist. The primary reason for the terrorist-tactic contradiction is that terrorism, despite contrary claims, is commonly understood as a social phenomenon.

The critical scholars and proponents of the strategic approach will contest this, arguing instead that terrorism is a method, which has erroneously been given the guise of an ideology.[31] However, their inability to address the semantic and logical implications of such a proposition and an intrinsic tendency to fall prey to the terrorist-tactic contradiction has hardly posed any serious challenge to the ideological status of terrorism.

[31] Anthony Burke. "The End of Terrorism Studies," *Critical Studies on Terrorism* 1, no. 1 (2008).

Furthermore, even if the academic community somehow manages to establish that terrorism is not a social phenomenon and is merely a strategy or a tactic, there will still be further philosophical considerations. On the off chance this ever happens, the underlying ideology and status of all other forms of violence will become highly questionable. For if terrorism is not a social phenomenon (or an ideology) then how can other forms of violence like guerilla warfare and insurgency still be? The inclusive approaches that insist on seeing terrorism in the broader context of violence and warfare will be particularly faced with this dilemma.

The philosophical implications of seeing terrorism as a strategy or tactic at the moment are somewhat secondary in importance, as they will only arise when academics engage directly with the moral problem. On the other hand, the contradictory implications of the widespread tactic-centric positions demand an immediate attention as they take a damaging indirect approach to the problem.

The disjuncture between the term terrorism and terrorist tactics as a result of the terrorist-tactic contradiction is a testament of academic inability to solve the moral problem. It shows that academics have chosen to go around the moral problem rather than taking it at face value. Implying that utilization of terrorist tactics does not necessarily make one terrorist clearly exposes academic hesitation to engage with the problem directly. Shying away from the word altogether to escape its pejorative connotation or treating terrorist tactics as a lesser evil only creates more confusion. The tactical positions will never be able to address the moral dilemma as long as they keep approaching the problem indirectly. They must, therefore, first address the problem of terrorist-tactic contradiction, which has led to

the severance of the word terrorism from terrorist tactics. This will, among other things, pave way for direct engagement with the problem. Without this realization, the semantic, logical and normative challenges will be far too many to allow any theoretical advancement. Recognition and confrontation of this widespread misconstruction will be the first step in the right direction to solve the moral problem.

Conclusion

The purpose of this paper has been to highlight a problem of considerable gravity. It has assessed the efforts of the academic community to address the pejorative connotation of the term terrorism. The philosophical and theoretical implications of resolving the moral problem of terrorism are undeniably tremendous. The tactical and strategic approaches have by and large been the foremost academic attempts to take on this colossal undertaking. Sadly, however, because of their inability to engage directly with the problem, they have resolved very little if at all any of the existing conceptual predicaments.

The tactic-centric approach essentially encourages academics to escape rather than address the pejorative undertone of the term terrorism. This practice, which is becoming exceedingly common in the popular discourse, has conversely led to the terrorist-tactic contradiction, where different actors can employ terrorist tactics and still manage to evade the label terrorist. What is most puzzling and alarming, however, is the academic silence over this widespread practice. This inherent contradiction has also led to an unconscious academic disjuncture between the word terrorism and terrorist tactics.

In order to effectively deal with the predicament, it must be addressed directly as all existing indirect approaches in essence merely go around the moral problem. For any serious attempt at normative theory building, definitional development and direct engagement, there must first be a formal acknowledgement of the widespread terrorist-tactic contradiction and the disjuncture between the word terrorism and terrorist tactics that it leads to. As without any formal acknowledgement such usage will get further entrenched and the disjuncture between terrorism and terrorist tactics will be further cemented- resulting in a theoretical stalemate, which will raise serious normative challenges for any future understanding of terrorism.

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Terrorism in Pakistan: Pre & Post COVID-19 Analysis

Ijaz Khalid, Manzoor Ahmed and Muhammad Bilal

Abstract

Terrorism dominated global politics since September 11, 2001 till the emergence of global pandemic of COVID-19 that molded every state policy priority. The paper evaluates terrorism in Pakistan that hits the most after Afghanistan. This part of the study also examines COVID-19 as a turning point in terrorism in Pakistan that reduces intensity of terror attacks in Pakistan. The research utilizes the twin theory of non-traditional security threats and the theory of "Multiple Stream Model" of policy making to mark it an academic study. The study founds multiple factors that led to the reduction of menace but the most prominent is COVID-19 that totally reshaped global state policies including Pakistan. This research paper, therefore, through an analytical and historical approach strives to contextualize terrorism in pre-COVID-19 and post-COVID-19 period. In prescriptive terms, the research argues that policy priorities must be aligned with the transformed situation to defeat the twin issues of terrorism and COVID-19.

Keywords: COVID-19, Pandemic, WHO, Terrorism, NAP, Pakistan

Introduction

Gone are the days when states were battered only by traditional security threats. Recapitulating world history reveals that traditional security threats in the form of rebellion, aggression and wars and ethnic conflict have been the recurrent phenomena which pitted one section of society against another; pitted one state against another and pitted one ethnic community against another. In the process, the security situation of the

state was challenged. However, preoccupation with the traditional security threats is now fading and are giving way to new forms of threats which could be considered as non-traditional in nature for it does not involve direct conflict rather it is measured in terms of socio-economic costs for the states.

In the context of Pakistan, the traditional security threats from its hostile neighbor and the specter of terrorism have been more pronounced. Pakistan got its independence in 1947.The divergence in terms of ideology and differences over the geographical contours of the newly independent states led to the continuous cycle of crisis which continues till this day. It was India which forced Pakistan to become a national security state and in the initial years, defense was prioritized over social sectors in the country[1].

Added to this security administration was the threat from the menace of terrorism. Pakistan grappled with the security challenges and after the 9/11 attacks, which set in motion a chain of events and which later culminated into the rise of indigenous terrorism in the country, compounded the security situation. After 2007, the security situation became murkier due to home-grown terrorism. It was only in 2009 when Pakistan embarked upon a full-fledged military operation to drive out the militants[2]. These efforts were further hastened after the APS attacks in 2014 in which almost 145 children succumbed to the dastardly act of terrorism[3].

Besides the direct cost, which was afflicted, the indirect cost included decline in tourism, plummeting Foreign Direct Investment (FDI), the lack

[1] Lyon, P. (2008). *Roots of Modern Conflict.* Library of Congress.
[2] Feyyaz, M. (2013). Conceptualising Terrorism Trend Patterns in Pakistan : An Empirical Perspective. *Terrorism Research Initiative* , 73-102.
[3] Feyyaz, M. (2013). Conceptualising Terrorism Trend Patterns in Pakistan : An Empirical Perspective. *Terrorism Research Initiative* , 73-103.

of peace and tranquility, capital flight besides others created a hostile environment where the ultimate casualty was the economy of Pakistan. In a stag-flatted economy, Pakistan was unable to divert finances to the crucial areas like health, education, and social development.

Theoretical Basis

The research undertaken has become more relevant in the context wherein the security issues have been sidestepped and instead more focus has been placed on the health issues. The policy priorities have been geared towards precluding the yet-to-come crisis and preventing the health infrastructure being overburdened. The research utilizes the twin theory of non-traditional security threats and the theory of "Multiple Stream Model" of policy making.

The concept of non-traditional security threat ordains that the security threats posed to a state emanate not just from the traditional sources like terrorism, armed conflict, rebellion or any hostile neighbors, rather the sources of the threats could also be found in other sources like the water, health, and population crises etc. The non-traditional security reckons the cost to the state in terms of socio-economic consequences. One of the features of the non-traditional security threat is also that it is transnational in nature[4]. Contextualizing the theory in present situation triggered by the pandemics could be well explained through this theory. In this regard, a few things are worthy to be reflected on. First, the pandemic has exacerbated Pakistan's non-traditional security threats by increasing socio-economic costs. Secondly, many of the countries have been at the

[4] Iqbal, A. C. (2016). *Contours Of Non-Traditional Security Challenges.* Criterion Quarterly.

receiving-end of the crisis which involve both developed and developing countries. Hence, the theory of non-traditional security can better explain the pandemics and the resultant crisis posed to the country [5].

The "Multiple Stream Model" by Kingdom which was developed to arrive at the concept as to how policies could be formulated which are politically acceptable and looks feasible[6]. The model pertains to the situation where a propitious environment, which comes through the intersection of the presence of the problem, the need of the policy and the role of politics, which leads to the opening of the "Window of opportunity"[7]. The presence of policy entrepreneur captures that opportunity which in turn effect changes in policy which are more relevant to the given situation[8]. The Multiple stream model could be contextualized in terms of how feasible policies could be implemented to deal with the twin issue of COVID-19 and the terrorism. The twin issues have proved to be the presence of the problem. Now, the issue is how the political situation is made more relevant and how the political actor play an important role to deal with policy formulation through an inclusive approach.

Pre-COVID-19: Terrorism in Pakistan

In retrospection, there is a long history of terrorism in Pakistan. The rise of terrorism has been the byproduct of various policy choices, and the

[5] Sheikh, A. T. (2011). *Nontraditional Security Threats in Pakistan.* The National Bureau of Asian Research.
[6] Sheikh, A. T. (2011). *Nontraditional Security Threats in Pakistan.* The National Bureau of Asian Research.
[7] Sheikh, A. T. (2011). *Nontraditional Security Threats in Pakistan.* The National Bureau of Asian Research.
[8] Young, C. C. (2011). Public Policy And Administration. In M. B. John T. Ishiyama, *21st Century Political Science a Reference Handbook.* Sage Publications,Inc.

internal and external dynamics. In this regard, following things are important:

Terrorism: Prologue

Terrorism has been global and historical phenomenon. Although there are contesting claims as to what could be the universally accepted definition of the term terrorism, but all-in-all the phenomenon of terrorism embrace three things. First, it is perpetrated by some non-state actors. Though in some cases, states are also complicit of the state-sponsored terrorism, but it is covered through the concept that state has the monopoly of legitimate violence. Secondly, terrorism is always aimed to acquire certain political, religious, economic, or ideological gains. This aspect of terrorism keeps its pole apart from the general criminal which is more driven by personal choices. Thirdly, terrorism is driven by some collective fear-inducing mechanism. Terrorism strives to inculcate fear among the people[9].

Historically, the phenomenon of terrorism existed in various manifestation. In the earlier times, terrorism manifested itself only in political terms of acquiring some kind of political goals like independence or representation in political dispensation, etc. It is only recently that terrorism is couched in religious terms. After the USSR invasion of Afghanistan in 1979 and the subsequent events catapulted terrorism at global level. It was the era of the rise of the global jihad espoused by Abdullah Azam and Al-Qaeda. The iconic example of terrorism attacks was the 9/11 incident which led to transformation at global politics and led to the alliance to kill off the

[9] Nawaz, S. (2016). Countering Militancy and Terrorism in Pakistan: The Civil-Military Nexus. *US Institute of Peace*, 16.

scourge of terrorism once for all. However, the elimination of terrorism due to the flawed policies always proved to be bête noire for many states, both developed and developing.[10]

In the present context, terrorism has been a global phenomenon where each and every state has been afflicted with the terrorism-related incidents in the form of suicide bombing, target killings, mass killings, stabbings, etc. Though the number of terrorism incidents in many countries around the world have plummeted due to the COVID-19, yet it warrants that the history of terrorism needed to be recapitulated to contextualize terrorism in the present context already battered by a severe health crisis of unprecedented proportion.

From the "Global Jihad" to the "War on Terrorism"

Bruce Reidal in his book "What We Won" writes that the end of Afghanistan war (1979-1991) was not the end of the problem, rather it was the beginning of new phenomenon which was to occupy the world for years to come. This phenomenon was the issue of global Jihad which took its birth from the ashes of Afghanistan war. The various warlords and the foreign jihadist strived to extend the scope of jihad beyond the frontiers of Afghanistan and instead strived to utilize the same for the liberation of the Muslim world from the foreign occupation. Thus, global jihad was at the forefront of liberation of the Kashmir valley and Palestine[11].

Similarly, the end of Afghanistan war and the exit of the USSR from the bipolar world order also triggered a litany of governance problems for

[10] Riedel, B. (2014).*What We Won:America's Secret War in Afghanistan, 1979 –89.* Washington D.C: the brookings institution.
[11] Riedel, B. (2014).*What We Won:America's Secret War in Afghanistan, 1979 –89.* Washington D.C: the brookings institution.

Pakistan. In its aftermath, Pakistan was forced to look after the refugees residing on its territory and the porous border besides administrating the narcotics trade and Kalashnikov culture in the region which thrived in Pakistan after the opening of the porous border of the Durand line[12].

Terrorism Comes Home

The global jihad culminated into the 9/11 attacks at the dawn of the 21st century. The attacks exhibited that even a superpower was not immune from the global jihadist network. In the aftermath of the attacks, Pakistan was thrown the challenge of abandoning its pro-Taliban policy and supporting the endeavor of the USA to drive out the menace of terrorism in every nook and corner of the world. However, after the USA invasion of Iraq clarified and led to the perception particularly among the Muslim states that the USA-led war on terror was mere a hoax which is used by the USA to spread its tentacles to the Muslim world and to capture its precious resources. It was in this context that anti-Americanism arose in majority Muslim countries. It directly led to radicalization in society. This perception was further exacerbated by the roll backing of pro-Taliban policy of Pakistan after the 9/11 attacks[13].

In the context of Pakistan, a few things led to the terrorism being imported into the country. First, there was the 2001 Indian parliament attacks wherein after India military mobilization Pakistan was forced to devote its troops to the eastern border. The Durand line which was already a porous border was rendered more open for the terrorists to flow into Pakistan.

[12] Shah, S. M. (2007). Pakistan and the War against Terrorism. *Pakistan Institute of International Affairs*, 85-107.
[13] Shah, S. M. (2007). Pakistan and the War against Terrorism. *Pakistan Institute of International Affairs*, 85-107.

Secondly, Pakistan took various military operations in the country which radicalize society and led to the support for the terrorist outfits in the country. Thirdly and the most importantly, after the Lal Mosque Operation in July 2007, a number of terrorist outfits thrashed out their differences and consolidated themselves into a home-grown outfit known as Tehreek-e-Taliban Pakistan (TTP). Within few months, they attacked Benazir Bhutto and within years it assaulted upon various civilian and government institutions. In the years to come, terrorism would grow in the country to unprecedented proportion[14].

Impacts of Terrorism on Pakistan in Pre-COVID-19 Period

In Pakistan, the war on terror is considered by general masses as someone else war which is played out in Pakistan. Pakistan joined the war on terror with the intents that it could be eliminated once for all. Instead, the war on terror has been mutated into radicalization, extremism and ultimately into a home-grown militancy in the country. Though, Pakistan has suffered through terrorism related incidents much earlier than the 9/11 attacks, but the 9/11 attacks and the resultant policy shift is considered as convenient point of reference which led to a spike in various terrorism related incidents in the country. Pakistan has suffered various casualties and endured various direct and indirect consequences because of terrorism in various hues.

[14] Hussain, Z. (n.d.). Battling Militancy. In M. Lodi, *Pakistan Beyond the crisis state.* Karachi: Oxford University Press.

Economic Impacts

The economy of Pakistan has always been alternated between a boom-and-bust cycle. In recent years, the economic situation was more ominous due to various factors. It was for the first time in the Economic Survey of Pakistan of 2010 that the economic costs of the war on terror was recognized. Since then, the economic cost of the terrorism has been the integral part of each economic survey of Pakistan[15]. Recent estimates put the economic loss at the tune of $127 billion.

Pakistan Economic Survey 2017-18

Table 1: Summary of losses due to War on Terror (US$ million)

S.No		Years		Total
		2016-17	2017-18*	
1	Compensation to Affectees	90.64	39.25	129.89
2	Physical Infrastructure	272.32	111.61	389.93
3	Foreign Investment	1105.30	127.10	1234.40
4	Privatization	251.19	0.00	251.19
5	Industrial Output	494.300	449.600	1043.90
6	Taz Collection	2783.29	976.38	3459.67
7	Cost of Uncertainty	71.060	14.180	85.24
8	Expenditure Over run	593-72	345.65	939.37
9	Others	7.07	8.66	15.73
		5,468.89	2.074.43	7543.32

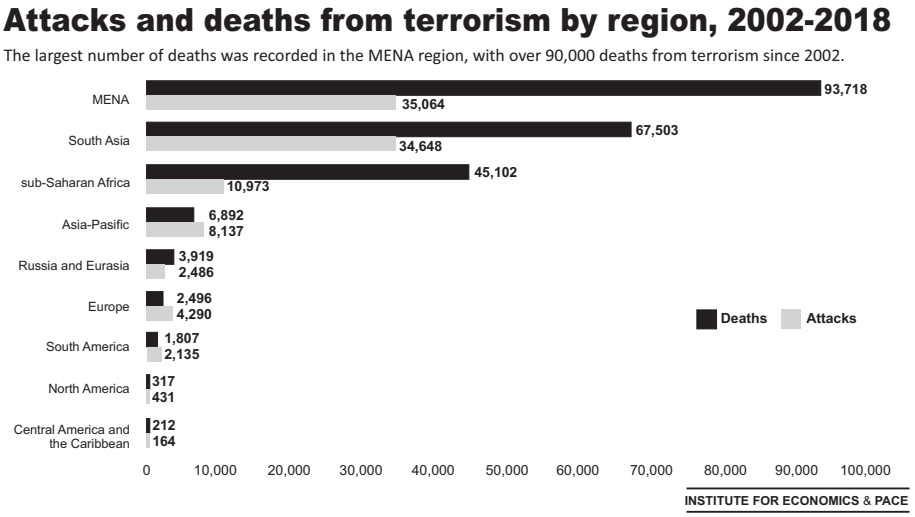
Map courtesy: https://propakistani.pk/2018/04/27/terrorism-has-cost-pakistan-over-126-billion-since-2001/

The Human Costs

Terrorism in the country has not only resulted in the economic consequences for the country but also has created a severe law and order situation in the country. Since Pakistan became a partner in the war on terrorism and since the time of the home-grown militancy in the country, it has suffered human casualties both at civilian and military level. Many

[15] Ali, A. (2010). Economic cost of terrorism: a case study of Pakistan. *Institute of Strategic Studies Islamabad*, 157-170.

precious human lives have been lost to various incidents of terrorism like suicide bombing, assassinations and target killings etc. In terms of terrorism in the country, the years 2008, 2009 and 2010 were the more severe[16]. The Global Terrorism Index is also emblematic of the human cost in the country. The Global Terrorism index is published each year to bring to light the human cost due to terrorism around the world.



Map courtesy: http://visionofhumanity.org/indexes/terrorism-index/

The Indirect Costs of Terrorism

Besides some direct cost in the forms of economic and human costs, there are also various ways in which terrorism has indirectly impacted the country. In this regard, a few things are needed to be mentioned. First, the terrorism has created various law and order situation in the country which has resulted in the reducing tourism and foreign direct investment.

[16] Abbasi, N. M. (2013). Impact of terrorism on Pakistan. *Institute of Strategic Studies Islamabad*, 33-68.

Secondly, the issue of terrorism has created a hostile environment where the socio-economic costs in the form of poverty, impacts on the health sector and other social sectors have been exacerbated[17].

Security Threats and the Lack of Social Budgeting Thereof

The twin factors of security threats from India and terrorism have created various socio-economic problems for the country at large. No aspect of the state has been immune from the worst outcomes of terrorism in the country. The preoccupation with security concerns and the subsequent efforts to stem these twins' issues of security created various problems for the country. As far as security threat from the India is concerned, the defense budget has seen an increase with each passing year, and this has been a recurrent phenomenon since independence. It was meant to ensure parity with India in terms of security. As far as the issue of terrorism is concerned, the military operations and the various logistical needs have created a hostile environment for the socio-economic landscape of the country besides accruing economic costs. Hence, the security concerns for Pakistan existed both at its external and internal dimensions[18].

These issues created various problems for the social budgeting in the country. It has been argued and it also has been counter-intuitive argument that the country progress in determined by its social budgeting. The social budgeting refers to the spending on the social sectors like health, education, Human Development Index (HDI), etc. However, the security issues forestalled Pakistan efforts to invest in the social sector. According

[17] Gupta, D. K. (2008). Review: Costs and Consequences of Terrorism. *The International Studies Association*, 804-806.

[18] Leonie Huddy, Stanley Feldman, Theresa Capelos ,Colin Provost. (2002). The Consequences of Terrorism: Disentangling the Effects of Personal and National Threat. *International Society of Political Psychology*, 485-509.

to the UNDP report entitled as "Beyond income; beyond average; beyond today" the Human Development Index of Pakistan presents a very dismal picture. This has been the byproduct of the lack of social budgeting which has been characterized by the fact that education spending has been 2.3 of GDP and health spending a paltry less than 1%. According to the report quoted by the Human Rights report of Pakistan, Pakistan is one of those countries where the social spending is low. This low social spending besides other factors could be attributed to the rise of terrorism in the country[19].

The emergence of COVID-19

The COVID-19 is a respiratory viral disease. There are many perspectives as to what caused the spread and emergence of the virus in first place, but the fatality rate and the speed with which the virus spreads have transfixed the world. This one-in-century pandemic has played havoc with every aspect of the states and has thrown novel challenges to the world at large. According to the Economic Survey Report of the 2020, the pandemic has unleashed an economic crisis, a public health crisis and commodity crisis, but the pandemic is more than that as it has brought about transformational changes in the political, social, economic and technological realms of the state. The world is grappling to keep the track of those transformation and driven it to positive direction where the breakdown could be kept at minimum and where the policies could be oriented to keep pace with the transformed situation[20]. The emergence of the virus made it first headlines in the month of February. The Chinese city of Wuhan in the Hubei

[19] Quantifying fear: The social impact of terrorism. (2015). *Journal of Policy Modeling*
[20] (2020). *COVID-19 – Pakistan Socio-economic Impact Assessment & Response Plan.* UNDP.

province was at the limelight for having the first of its kind of Novel virus known as Corona Virus scientifically named as COVID-19. After preliminary investigations carried out the World Health Organization (WHO), the virus was declared as issue of global concern in the month of January.

WHO on Pandemic

The World Health Organization (WHO) is global health organization which deals with the issues of global health concern and provides a platform where through the coordinated efforts of various states many health issues like pandemics, endemics, infectious diseases like Ebola, polio and many other diseases could be wiped out. The organization is run through the contributions made by various states with the largest contribution coming from the USA, and many other developed countries. The WHO got wind of the situation after many cases were reported in many countries and on 11 March 2020 declared the virus as pandemic[21].

Pandemic refers to the situation where many countries and huge population is impacted through a disease. In the case of the disease, the disease is communicable which can spread through various medium. In the case of the COVID-19, the virus spreads through human interaction. This is the reason that the WHO had recognized a set of various Standard Operating Procedures (SOP's) which are to be ensured in social interactions. The USA also criticized the WHO for its dereliction to stem the tide of the pandemic in the initial stages and warned of cutting off its funds.

[21] (n.d.). *Novel Coronavirus.* Amercian Society for Microbiology.

Global Response to Contain the COVID-19

There are various discrepancies in the world in terms of political system, economic structure, and the level of economic development, policy priories, and the role which a state can play at regional and global level and what not. This is the reason that the response to deal with the virus is to be contextualized in terms of the peculiar milieu of the stated. In this regard, there are two trends which are coming to fore, and which could be analyzed in the term of World System Theory according to which two set of countries characterize the world scene. These countries are developed and developing countries.

The response of the developed countries from the outset differs from one country to another however when it came to the developing countries maintained that lockdown would have severe repercussion for their developing and nascent economies.

COVID-19: Transformation and Shift in Policy Priorities

The COVID-19 and the resultant disruption to the global economy has brought about various challenges for the world at large. The transformation of the COVID-19 is spanned over many spheres of the state activities.

Terrorism in the Context of Post-COVID-19

Terrorism was a buzzword which was used to characterize the security situation in the country. Prior to the COVID-19, some high-profile incidents took place in the country which led to the perception that terrorism was the bona fide threat to Pakistan existence as sovereign status and its economic standing and as to how to deal with the terrorism would

determine its image at global and regional levels. Pakistan was pressurized to take decisive actions against terrorism in all its manifestations. The most important issue was the implementation of the NAP. All those changes once the COVID-19 brought about the transformation in that policy priorities. However, as to how terrorism is dealt with it the present context could be instrumental in the post-COVID-19 situation. The menace of terrorism, therefore, could be contextualized in the situation which prevails in the country. In this regard, following things are important.

The Context

Shrinking global and domestic economy

An effective fight against the twin issues of terrorism and public health crisis in the form of pandemic could not be driven to its logical conclusion in the presence of shrinking of global and domestic economy. For an effective implementation of policies regarding these areas, a sound economic base is required. However, the global travels and economy have been closed down which will impact the economy of many of the countries which in turn will impact both security and social policies in the long run[22].

The Rise of Social Problems

The rise of terrorism is due to the presence of various social problems in the country. Much has been written about various social problems like poverty, unemployment, gender discrimination, extremism and child labor in the country. In this regard, a few things are worthy to be reflected on. Terrorism is the byproduct of the increase in poverty and increase in the

[22] Sheerani, S. (2020). *Economic costs of Covid-19.* The Dawn.

unemployment rate in the country. It must be remembered that various prognostications made by the International Financial Institution (IFI's) portend a gloomy environment for the country. In Pakistan, poverty and unemployment has been used as recruitment-tool by the terrorist outfits to lure the frustrated youth into its fold. Secondly, the pandemic has also led to disruption of the educational activities around the world. Within their homes there has been an increase in violence and their education halt have led to increase in the domestic violence. Given the presence of these situation, the role of the social problems which could increase will determine the course of terrorism in the country[23].

Non-Implementation of NAP

Since its inception in 2015 after the Army Public School attack, there has been a perception in the country that the National Action Plan could not be implemented in its true letter and spirit which slowed down the pace of its targets achieving. Contrary to such assumptions the government within its limited resources implemented top priority policies and chalked out strategies for the implementation of NAP.

However, in the present context, it is the COVID-19 which has shifted the policy priorities from the security concerns to the one dealing with the pandemic in an effective manner as could be possible. From the outset, the UN Secretary General, Antonio Guteres, also called upon states to abandon their conflicts and urged for the global ceasefire. In recent years, the incidents of terrorism have been declined, but the incident like attack

[23] Rehan Rafay Jamil , Kabeer Dawani. (2020). *Rethinking Pakistan's welfare systems after Covid-19.* The Dawn.

on Pakistan Stock Exchange Karachi evinces the fact that terrorists are still looking for opportunities and are lurking in the dark to mount attacks upon state institutions[24].

Exploitation by the Terrorist Groups

It is the very nature of the terrorists' groups that they exploit the perverse environment to its advantage. Given the health crisis which prevails in the country, the possibility of the exploitation of the situation cannot be ruled out. They can exploit the prevailing situation in a number of ways. First, as the policy priorities have been shifted from the security issues to that of containing the COVID-19, there has been the consolidation of the terrorist groups. The security arrangements in the country have been relaxed in the country. This situation is likely to be exploited by the terrorist groups in the country. Secondly, the rise of social problems is likely to be exploited by the groups and many of them will lure the poor and unemployed youth to its fold[25].

The Rise of Extremism and Radicalism due to Closure of Educational Institutions

The rise of extremists in the country is always the byproduct of the extremism masquerading as faith healer to inculcate extremist in the country. The COVID-19 has disrupted the educational activities in the country. The role of education in the promotion of enlightened ideas cannot be ruled out. The closure of educational institutions and the decline in the economic activities in the country is likely to bring about the emergence of various problems for the students in the long run. In this

[24] Rana, M. A. (2020). *Terrorism under Covid-19.* The Dawn.
[25] Rana, M. A. (2020). *Terrorism under Covid-19.* The Dawn.

regard, the role of the terrorist groups and the rise of extremist in the country cannot be over looked.

The Way Forward

Extraordinary situation demands extraordinary efforts through the responsible role played by the various stakeholders. Such efforts must be driven by a holistic approach and by taking into account the transformation and the context in which a phenomenon occurs. The situation and challenges created by the COVID-19 are transformational in the sense and that an effective response during this time will lead to changes in the dynamics of the terrorism in the country.

Increasing Social Budgeting

The pandemic need the government to draw its attention like many other developing states towards social budgeting to deal with the problem. If the developing countries are failing to deal with the COVID-19, it is due to the lack of social budgeting in the previous years. The government must deal with the problems by increasing the social budgeting which besides dealing with the acute health crisis will lead to the elimination of the terrorism in the long run.

Focus on Social Aspects of the COVID-19

The COVID-19 pandemic is not to be viewed merely as public health crisis rather it is the event which has created various social problems. The pandemics must be viewed through the lens of tis social aspects. When many of the social consequences of the COVID-19 are taken into account, it must be realized that the social consequences of the COVID-19 must be

analyzed in true perspective to ascertain as to how social problems could be prevented.

Provincial Coordination

From the get-go, there had been a mismatch in terms of policy coordination among different provinces. After the 18th amendment in the country, health department has been the provincial subject. But in these extraordinary circumstances there ought to be provincial coordination to contain the virus. Secondly, the law enforcement agencies also come within the domain of the provincial government after the 18th amendments. Through provincial coordination and concerted efforts of each stakeholders the twin issue of terrorism and COVID-19 could be handled effectively.

Strengthening the Anti-terrorism structure

This is also the most propitious time to strengthen the anti-terrorism structure in the country. In the recent years, the issue of terrorism related incidents has seen marked decline. It was in this context that a benefit must be taken out of this event to strengthen the anti-terrorism structure in the country. With the exception of major incident like the Pakistan Stock Exchange attacks, no major incident could happen in the country. In this context, the role of anti-terrorism structure ought to be improved so as to bring to light the sleeper cells who might be operating behind the scene.

Conclusion

The specter of terrorism and the resultant crisis in the socio-economic sector created various problems for the country. The rise of terrorism in the country is not the offshoot of a single event or policy choice rather it

has been the byproduct of various factors in which the state policies both at internal and external level, the role of Afghan jihad, and USA involvement played a big deal of role. The consequences of the terrorism exhibited itself in the form of security threats to the country besides resulting in decrease on the social spending of the country. The health, education, social development and other various social sectors were impacted. In the initial years, the twin issues of security threats from India and terrorism compounded the already neglected social sectors in the country. The policies in the initial years were preoccupied with the security concerns. Later on, various other issues sidestepped the social sectors which impacted the progress of society. This dereliction and the subsequent policies later on culminated into non-traditional security threats to the country. The low expenditure on the health sector translated into various problems like lack of doctors, non-observance of preventive measures in health sector, and lack of other supportive staff, etc. As a result, the problems of both terrorism and poor health thrived in the country in parallel.

The issue of terrorism in the pre-COVID-19 period directly affected the economy of Pakistan and indirectly impacted the political, administrative and social sectors of the state. Pakistan has suffered the economic to the tune of the $127 billion since it joined the war on terror. Besides, the direct cost the others are the dropping of FDI, impacts on terrorism, military operations and the social breakdown and the rise of the IDP's phenomenon also thrived in parallel due to terrorism. The end-result was Pakistan dismal performance in the social sector. The security concerns compelled Pakistan to spend huge finance on the security, which impacted spending on health sector.

The dereliction of the health sector compounded Pakistan non-traditional security threats like the spread of the diseases, and most recently the outbreak of the COVID-19. Pakistan was unprepared to deal with the pandemic in an effective manner due to the past polices choices which were preoccupied with security concerns. Soon after of independence, Pakistan faced security threats from India. After the nuclear explosions, the threats of eastern neighbor subsided and terrorism reared its head. The roots of terrorism as exist could be found in Afghanistan war, but the 9/11 attacks catapulted terrorism and global jihad into prominence. After the attacks, Pakistan was asked to join the war on terror come what may. The consequences were severe for the country because the war on terror was botched up from the beginning due to the perception that it did equate terrorism with a particular religion. The issue of terrorism was the burning issue throughout the first decade of the 21st century. No issue grabbed as much attention as this issue which was the natural corollary of the strengthening of terror groups to mount attacks on different places of highly sensitive nature. However, initial concerns with security issues led to the negligence of these emerging threats. These threats manifested itself in the form of water crisis, health crises and exponential population growth etc. Many countries were caught napping when the pandemic hit their borders. It led to the closure of the whole world economy and disruption of economic activities within the states.

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From Traditional Security to Human Security Approach: An Analysis of National Internal Security Policy of Pakistan (2018-2023)

Sidra Shabbir

Abstract

Security studies have always been cohered around rationalist approaches and realist theories. However, after the end of COLD WAR and spread of globalization the borders among states became blurred, threat perception from military attacks somewhat eroded. In 1994 United Nations Development Program (UNDP) introduced the term human security which challenged the monopoly of realism over security studies and debunked the idea that state was the only referent of security and regarded human beings as prior referent of security. The idea of human security was like a "buzz" in academia and policy circles. However, until the last decade, the security policy of Pakistan was still state and military oriented due to historical and geopolitical factors. This tendency towards traditional threats resulted in a scenario where Pakistan was confronted with traditional threats like extremism, terrorism, sectarianism and militancy. These issues were so overwhelming in nature that they started triggering existential threat to the sovereignty of state. These challenges brought all stakeholders on table and Pakistan's first ever internal security policy was adopted in 2014 and the timeframe adopted for this policy was ended in 2018. The security landscape of country was changed now and demanded a new policy document so in 2018, National Internal Security Policy (NISP II) was formulated and unanimously adopted. This study aims at analyzing how NISP II has shifted towards the idea of human security to ensure sustainable peace in the society. For this end, this paper firstly develops a conceptual framework to understand the notion of human security. Secondly, it gives an account of security landscape of Pakistan, next this

study will analyze how NISP II has addressed human security needs of Pakistani society and would be concluded with some of the pitfalls in the policy as far as human security parameters are concerned.

Keywords: Human Security, Internal Security of Pakistan, NISP II,

Evolution of the Concept of Human Security:

The study of security has long been overwhelmed by positivist methodologies and rationalist approaches. Until the end of COLD WAR the notion of traditional security studies has been considered identical with the realist theoretical paradigms. This idea of traditional security was linked to academic ascendency of realism and was based on three elements: firstly, it emphasized military threats and focused on the need to counter them; secondly, it was state centric and finally it was characterized by status quo[1]. Krause and William have argued that this hegemonic discipline defined study of security as a "cumulative collection of objective knowledge" and the centrality which is given to a state as the only subject of security excludes security issues other than traditional military threats[2]. In 1994, United Nations Development Program (UNDP) introduced a new version of security by including the agenda for "human security" in Human Development Report which posed a challenge to traditional notion of security. It proposed an alternate paradigm for security and suggested a thorough approach to address the issues related to conflict, environment, economy and health.

[1]Ken Booth, "Security and Emancipation." *Review of International Studies*, (1991): 317.
[2]Keith Krause and Michael C. William, "From Strategy to Security: Foundations of Critical Security Studies," In *Critical Security Studies: Concepts and Cases*, by Keith Krause and Michael C. William, (London: UCL press) 1997, 42.

The advocates of human security maintain that sources and actors of threats are diverse, complex and multi-dimensional; and there might be a range of possible responses to these threats by variety of actors and these responses are not meant to secure the state but human beings. They recognized "non-military threats to security along with non-military responses to both military and non-military threats"[3]. The underlying principle of human security as mentioned by Stephen James is based on certain arguments: firstly, physical and psychological security of human beings is not only threatened by an armed attack of one state upon another, internal sources of insecurity are as significant as external ones and need to be addressed. Secondly, these sources of insecurity can be based on objectivity or subjectivity or a blend of these two. Objective aspects of security include environmental security, physical integrity and health issues, while subjective aspects include financial stability, psychological and emotional health and overall quality of life. Thirdly, insecurities are not static but dynamic and correlated. National security paradigm considers state as a provider and enhancer of security to its subjects by defending its border but state sometimes becomes a major threat to the security of its people for instance due to corrupt administration, inefficient policies and poor governance. Finally states have limited capacity to provide security to its citizens despite having best of its intentions as the world is facing a pandemic, where every state is trying to protect the lives

[3]Joseph Camilleri, " Security: Old Dilemmas and New Challenges in the Post-Cold War Environment," *Geo Journal*(1994): 139.

of its citizens on one hand and to get them out of financial crisis on the other[4].

Conceptual Underpinnings

In the post-cold war era, the concept of security had undergone in a period of "conceptual turmoil" and it was observed "uneven patterns of change due to increasing globalization, interdependence and changes in international system[5]. The emergence of the concept of "human security" was an outcome of these changes which had played an important role in broadening and deepening the idea of security**.** UNDP fostered the meaning of this term as; "freedom from fear and want" however in the literature this "buzz" term has faced as much contestation as Owen ended up giving "twenty-one different interpretations" of the concept of human security, where "the whole is far less than the sum of its parts"[6]. One of the most comprehensive definitions is given by Sabina Alkire, who stated the underlying purpose of human security is to "safeguard the vital core of all human lives from critical pervasive threats, in a way that is consistent with long-term human fulfillment"[7].In order to simplify the complex phenomenon of human security the following questions are needed to be answered: whose security is to be ensured? What are the threats of

[4]Stephen James, "The Key Drivers of Human Security Discourse and the Challenge to Realism," *Cornell International Affairs Review*(2011): 28.
[5]Gary King and Christopher J.L. Murry, "Rethining Human Security," *Political Science Quarterly, Volume11* (2001): 585.
[6]Taylor Owen, "Human Security – Conflict, Critique and Consensus: Colloquium Remarks and a Proposal for a Threshold-Based Definition," *Security Dialogue* (2004) :374.
[7]Sabina Alkire,*A Conceptual Framework for Human Security,* (Oxford: Centre for Research on Inequality, Human Security and Ethnicity, CRISE) 2003, 2.

security? And what means are needed to be adopted for this end? These questions will later be used as framework of analysis in the paper.

Whose security is to be ensured? The proponents of human security designate human beings as a "referent of security" without abrogating security of state as it can protect its citizens in return. Hence, the community, different groups, institutions and state would be considered as a referent of security only when the security is being "trickled down" to human beings.[8] It is human-centered approach where individual is elevated as an ultimate actor with all his capabilities and vulnerabilities; his security is the ultimate objective to which rest of actors and instruments are peripheral and subordinated.

What are the possible threats to human security? Human security is considered as a distinctive approach, because it elevates human dignity and wellbeing, another feature that makes it more exclusive is that it identifies host of threats which are beyond violence. This approach recognizes structural and agency-based sources of insecurity. These threats to security are dynamic and inter-dependent. Tadjbakhsh has divided these threats in four broad categories; socio-economic threats that refer to insecurity regarding income, employment and provision of public services like education, health care and housing[9]. This dimension of threat is related to "freedom from want". Personal security threats include threats from state in the form of physical torture, war with another state, cross-border terrorism. It also includes street fights, domestic violence, violence against labor, children, or even on one's own self in the form of drug abuse and suicide. Personal security threats are commonly associated with

[8]Tadjbakhsh,*Human Security,* 13.
[9] Tadjbakhsh, *Human Security*, 14.

"freedom from fear" as per the definition provided by UNDP. Political threats come from violations of human and civil rights, conflicts, corruption from political leaders or civil servants, poor institutional setting, unavailability of justice etc. Freedom from such sources of insecurity is associated to "freedom from fear". Finally, environmental threats which include threats to environment as well as an impact of this environmental degradation on human beings and how this process is mounting their vulnerability on pollution, natural disasters and man-made disasters etc. Meanwhile in 1994 Human Development Report was presented, which synthesized various elements of human security as mentioned above into seven different components: food, health, economic, environmental, personal, political and community security.

What means are to be adopted to provide humans security? As far as means of providing security are concerned, human security approach maintains that there is a need for adopting long-term extensive policy instead of going for temporary military solution. This comprehensive strategy ensures human development, protects their rights, strengthens public policy and promotes state- building efforts in a way that local factors which trigger insecurities are discouraged. This approach also fosters those different forms of threat and types of violence are extremely interrelated and deeply interdependent. These are interconnected in global context also, where national borders have been blurred and sovereignty has been lost hence, these threats cannot be addressed in singularity.

Office for the Coordination of Humanitarian Affairs has identified following characteristics of this inter-disciplinary concept; firstly, it is "people-centered approach" places human beings at the center of analysis

and examines broad range of threats to their security as well as measures to overcome those threats. Secondly, it is a "multi-sectoral understanding of security" that means it is concerned with different dimensions of human security for instance, food, economic, environment, political, personal and community security. Moreover, it also suggests that these threats as well as responses to counter these threats are inter-connected. That means it underlines the need of more "comprehensive approach" for securitization. In addition to this, human security also stresses the need to follow "context-specific solution" to the problem due to the fact that insecurities vary in different situations and contextualized solutions are more reliable. Finally, in addressing threats and insecurities, this approach is "prevention oriented" and it focuses on protection and empowerment as essential components to accomplish the goal of human security[10].

Human Security and Internal Security Landscape in Pakistan

Throughout the history, Pakistan's security policy remained overwhelmingly skewed towards countering traditional security threats emanating from external borders. However, the last two decades proved vulnerability of Pakistan in domain of internal security threats and most eminent of those is terrorism. The effects of War on Terror in Afghanistan gradually seeped into the borders of Pakistan and poisoned the length and breadth of the country. According to Pakistan's armed forces spokesman, Major General Babar Iftikhar, the Pakistan has faced the loss of 83,000

[10] United Nations Trust Fund for Human Security, *Human Security in Theory and Practice,*HSU-OCHA, https://www.unocha.org/sites/dms/HSU/Publications%20and%20Products/Human%20Security%20Tools/Human%20Security%20in%20Theory%20and%20Practice%20English.pdf, New York: September 10, 2009,14.

lives in war on terror. He further disclosed the economic loss of the country was almost US$126 billion[11]. In 2001, Pakistan decided to join a war against terrorism in Afghanistan and extended its unwavering support to US led coalition that exacerbated the problem. According to The Bureau of Investigative Journalism (TBIJ), US had launched at least 430 drone strikes in Pakistan since 2004. Syed writes that in war on terror "Pakistan has faced more casualties as compared to all NATO countries combined"[12]. The ripples of this coalition between Pakistan and US were also stemmed in the form of an umbrella of a terrorist organization, like TTP (Tehreek-e-Taliban Pakistan). TTP launched terrorist attacks and tarnished the internal security landscape of Pakistan. Another battle-hardened organization such as ISIS (Islamic State of Iraq and Syria) is also strengthening in Afghanistan, near western border of Pakistan and had the potential to have its spillover in Pakistan. Along with terrorism the menace of religious extremism also deteriorated internal security of Pakistan. The country has always been a victim of religious, sectarian, ethnic and linguistic conflicts which never let peace to deepen its roots in Pakistan.

According to National Centre for Environmental Information (NCEI), during the course of two decades Pakistan has experienced over 12 major earthquakes caused the loss of around 90,000 lives and immeasurable economic and infrastructural damage. In 2010 the country had borne deadliest floods which inflicted unprecedented loss of human lives,

[11] Sana Jamal, "83,000 Lives Lost in Pakistan "s War on Terrorism," Gulf News, January 12, 2021, https://gulfnews.com/world/asia/pakistan/83000-lives-lost-in-pakistans-war-on-terrorism-1.76428064#.

[12] Maria Syed, "Need for a Paradigm Shift in Security: Adopting Human Security in Pakistan ," *IPRI Journal*: (2014) 91.

economy, infrastructure and standing crops. Robert Looney analyzes the direct as well as indirect costs of floods and identifies how different factors of human security are interlinked for instance floods becoming a source of internal displacement of people, spread of diseases, shattered infrastructure and destroyed agricultural and industrial output which turns out to be disastrous for economy causing unemployment and inflation. On the other hand, Pakistan is also one of those countries which is facing acute water scarcity causing drought that is harming the agricultural economy and causing massive problems[13].

One of the most pressing problems that Pakistan is facing since its inception is the economic instability in all its forms for instance, unprecedented joblessness, record inflation rate, energy crisis, dwindling foreign reserves, currency devaluation, low investment and huge domestic and external debts. These economic woes are interrelated in such a way that one issue is affecting the other. This economic crunch is also haunting other human security threats like dilapidated health and educational sector, energy crisis etc. Economic problems are often associated to administrative pitfalls, political instability and corruption which are also considered as threats to human security.

One of the most pertinent human security threats which are faced not only by Pakistan but also the entire world is the recent pandemic. COVID- 19 has badly affected every aspect of human security whether, mental or physical, personal or collective causing death, disease, hunger, unemployment, poverty, inflation, reduced growth rates, increasing fear,

[13]Robert Looney, "Economic Impact of Floods in Pakistan," *Contemporary South Asia Vol. 20 Issue 2*, (2012):230.

pain and trauma. UN secretary general Antonio Guterres says that this pandemic is a human crisis that is "fast becoming Human Rights Crisis". Along with this pandemic, Pakistan has also faced another dilemma last year in the shape of locust's attack on crops that is an ultimate threat to food security.

The above was only a bird's eye view of the threats Pakistan is confronted with. These threats are not only unprecedented in nature but also underline the need to reprioritize our security concerns. It is high time to reorient the concept of security, to overhaul policy goals, to adopt a holistic and integrative approach for securitization.

Analysis of NISP II on the Parameters of Human Security

The National Internal Security Policy (NISP) is considered as a major breakthrough in the pursuit for national security. It is a distinctive security document because of two reasons; firstly, it is the first comprehensive document that addresses security threats from multiple sources, actors and dimensions. For the first time in the history any security policy document was formulated to protect Pakistan and its people from critical security threats. Secondly, it is the joint venture of multiple stake holders from government, civil society and academia otherwise these matters were of classified nature. The first National Internal Security Policy was announced in 2014 that was valid till 2018. In addition to this, there were some loopholes in NISP I, for instance it lacked any plan regarding regulation of Madrassas and mosques, comprehensive educational and curriculum reforms, security of cyber space, tourism reforms and nationwide cultural action plan etc. Hence, in 2018, second National

Internal Security Policy was adopted that reinforced the issues incorporated in previous policy along with addressing new subjects.

The next part of the paper pertains to the analysis of the National Internal Security Policy (2018-2023) on the parameters identified by human security paradigm and how national security policy of Pakistan has shifted towards the idea of human security. For this end the questions posed by Tadjbakhsh and Chenoy; "security of whom, security from what and security by what means" would be used as a framework for analysis as they have mentioned that a shift from state-centered approach to human-centered approach provides new answers to these questions.

Security of whom?

The preamble of NISP II establishes that "safety and security of citizens of Pakistan is government's top priority". NISP II further explained that "security of Pakistan and its people" is main concern of this policy. It is evident that security of human being is the driving force of NISP II. Nonetheless, it also emphasized the need of strengthening state and its institutions because they are providers of human security. Where NISP 1 was relying on human security paradigm on a limited extent, NISP II is broader in nature and talks more of security of people of Pakistan from physical as well as psychological dimensions. For instance, NISP II has "reoriented" the security apparatus towards "human-centered" approach to better serve people of Pakistan by protecting their lives, properties and rights.

Security from what?

It is observed that while identifying threats to security, policy circles have always been inclined towards over-simplifying or reducing the complexity of the prevailing issues to limited determinants. In academia this practice is commonly known as "reductionism" as it turns a blind eye on embedded complications in a matter and presents an over-simplified picture of a society. However, this policy is based on two principles while defining and countering threats; anti-reductionism and non-essentialism. This policy acknowledges that social reality is rather complex phenomenon which cannot be analyzed by sticking to one or two factors. Everything is overlapping and interconnected in a way that any particular change in a single factor may have spillover effects on many. This policy adopted a framework that is appreciative towards intersections and correlation among various factors of security. NISP II has enlisted an array of threats from a range of sources which needed to be addressed.

This policy has designated "terrorism" as one of the most pressing challenges to Pakistan's security because it has long been used as an instrument to pursue variety of interests under the disguise of a particular religion, sect or ethnicity. This threat is transnational in its nature and effects; and according to this policy document is driven by a number of factors. Extremism and intolerance are the breeding ground for terrorism and conflicts. Despite the fact that during first phase of NISP, incidents of terrorism are under control. However violent extremism is a potential threat to our security as it is a mindset and seen only when it brings some lethal result. Among more sophisticated threats, this policy document has enlisted "cybercrimes" as it can hinder smooth functioning of government

and provision of basic facilities to people. In addition to this it can provide platform to disseminate terrorist or extremist ideologies. Recently, ISIS used social media sites to spread their toxic ideas and recruit people[14]. Pakistan has always been a victim of "organized crimes" especially the law-and-order situation in Karachi was deteriorated due to such practices. It involves drug trafficking, kidnapping, extortion, land grabbing and money laundering. The money generated from such sources is reportedly used in terror financing. These threats are multi facet and complex to analyze and NISP II has mentioned drives of these security threats which are responsible for emergence of security challenges.

The major chunk of our population, our youth, is deprived of quality education, decent jobs and good social status that is a major reason of their frustration and helplessness that leads them to indulge in activities like organized crimes, extremism, terrorism and conflicts. Sometimes these people are exploited due to their social, religious, sectarian, ethnic, regional or gender identity. As Pakistani society is characterized by lack of cohesion and harmony so, some groups who disseminate these exclusionary identity discourses brainstorm our youth and use them for their own interest. This policy also acknowledges provincial and regional disparity in Pakistan and how these inequalities become a cause of conflict as deprived and weakly governed areas have tendency to become breeding ground for trans-national, national and local terrorist organization[15]. This policy also admits in case of Pakistan that drivers of violence are rooted in socio-political fabric of our society for instance people have grievances

[14] Majid Alfifi, "Measuring the Impact of ISIS Social Media Strategy," MIS2, 2018, Marina Del Rey, CA, USA, https://snap.stanford.edu/mis2/files/MIS2_paper_23.pdf.
[15] NISP II, page 25.

over injustice, corruption, discrimination, lack of accountability and political exclusion that comes a hurdle in sustaining peaceful, pluralistic and diverse society.

Security by what means?

Ensuring rule of law, social justice, political stability and cohesion in the society were some of the key strategic goals common in NISP II and Pakistan Vision 2025. In order to achieve these targets a comprehensive strategy was adopted. NISP II has therefore categorized entire strategy into 6Rs; Reorient Reconcile, Re-imagine, Recognize, Redistribute, and Regional Approach. These 6Rs are known as Pillars of National Internal Security Policy.

Human Security and Limitation of NISP II

If the threat perception of NISP II is weighed on the scale of human security, it becomes evident that a wide range of threats have been addressed. As far as Human Development Report (1994) is concerned there are some areas hardly touched upon.

Challenges to Security NISP II vs. Human Security

NISP II	**Human Security Approach**
Terrorism	Economic insecurity
Extremism	Food insecurity
Cyber Crimes	Health insecurity
Organized Crimes	Environmental insecurity
Sub-national Variation	Personal insecurity
	Community insecurity
	Political insecurity

The highlighted dimensions of insecurities are partially or totally neglected in NISP II.

Firstly, this policy has not considered Environmental Security as an area of priority as Pakistan is environmentally vulnerable and one of the most climate affected countries in the world. The country has witnessed deadliest floods in the history and does not have resources to manage and relocate flood affected population in the times of crisis. Pakistan's economy depends on agricultural sector and these floods have damaged the crops and decreased soil fertility. Due to environmental issues, there has been observed inter-provincial friction due to water unavailability, food shortage, developmental failure, diseases, migration and conflicts. Hence, apart from its direct effects, environmental insecurity may trigger food, health, personal and community insecurity as well. NISP II has not discussed these dimensions to human security.

Secondly, National Nutrition Survey (2018) revealed that 36.9 percent of the population of Pakistanis a victim of food insecurity. According to World Food Program (WFP), Pakistan is one of those countries that produces surplus food but still is food insecure country due to inadequate infrastructure, lack of storage facilities, insufficient food transport and socio-political instability. Food insecurity is a reason of physical and mental issues and may prompt other insecurities as well for instance; deprived people may indulge themselves in organized crimes but in NISP II this component of security is viewed only from limited perspectives.

Thirdly, health security is not given enough weightage and one of the consequences and evidence of this act in recent in the form of questionable performance of government and policy makers in this time of pandemic. In

addition to this Pakistan is one of those two countries (the other country is Afghanistan) in the world which could never stop transmission of polio and more tragic part of the story is that the health workers involved in polio immunization are not secure. So, internal security policy circles of Pakistan need to work on these areas as well. Fourthly, those dimensions of economic security are discussed in the policy which are related to personal or community security but economic insecurity as an independent threat is not discussed especially alarming financial indicators are not given due importance for instance huge debt, negative growth rate, high inflation rate, least exports, huge imports, energy crisis, unemployment, how economic issues are interplaying with other factors and becoming huge security concerns. Development and security are two sides of same coin and both accelerate each other so security of Pakistan can only be ensured if it would be economically stable.

Finally, another aspect of personal security, child labor is also missing in the policy. Security of children whether girls or boys are at stake as they are physically, mentally and sexually tortured. Around 11 million children from age 4 to 14 are employed as labors in factories of Pakistan[16]. Reports from NGO Sahil reveal that almost 3832 cases of child abuse were reported in Pakistan in 2018, 2846 in 2019 and 1489 in first half of 2020 respectively. These alarming statistics are enough to stress how grave the situation was but no direct measure was suggested in the policy to address this issue.

[16] Syed Asim Ahmed Bukhari, "Child Labour in Pakistan, "The Express Tribune, October 22, 2019.

Conclusion

After the end of the Cold War the world was hoping for global peace. Nevertheless, this long-awaited expectation is yet to be turned in to reality. Although threats from international borders have undeniably decreased but internal security threats have increased significantly. Pakistan has also faced such threats in the form of violent extremism, terrorism, target killing, floods, energy crisis, droughts and diseases etc. Since its inception the internal security concerns of Pakistan are strongly connected to its external security policy particularly in the case of India and Afghanistan. There was no legislation or policy regarding internal security challenges until 2014.

However, the new internal security policy has comprehensively addressed these security concerns. National Internal Security Policy (2018-2023) is one of the initial and undoubtedly a major step towards adopting human security approach as a goal. This paper has analyzed NISP II under the conceptual framework of human security developed by Tadjbakhsh by answering three basic questions security of whom, security from what and by what means. It is a commendable effort by policy circles and this transition towards human security has brought positive outcomes in the form of reduced terrorist attacks in Pakistan during its first phase. This policy is pro-active rather than re-active and works on two main principles simultaneously; protection and empowerment, where protection entails top-down approach and empowerment employs bottom-up approach. These two principles are mutually reinforcing and involved in framing NISP II. The six R(s) in the policy (Reorient, Re-imagine, Reconcile, Redistribute, Recognize and Regional Approach) have addressed issues like

terrorism, extremism, organized crimes, cybercrimes and sub-national variation. However, there are some areas for instance, economic stability, environmental security, health and food securities which need immediate attentions from policy circles to make such policies more robust and comprehensive. While effectiveness of this policy is highly dependent on the way it would be implemented that is beyond the scope of this paper.

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The Evolution of Artificial Intelligence: Implications for Cybersecurity and Hybrid Warfare

Haleema Zia

Abstract

Artificial intelligence (AI) systems have been part of military technology since World War II, but evolution of AI and advancement in the field of machine learning, particularly deep learning created a paradigm shift in national security. Deep learning is a form of machine learning that enables computers to make intelligent decisions on its own by learning from experience. The emergence and increased dependence on smart machines capable of thinking and working like humans; has transformative influence on strategic competition, military and information superiority. With the rise of modern terrorism, the terrorist networks started adapting to emerging technologies in order to spread propaganda, extremist activities and cyber-attacks. Therefore, it is crucial for counter terrorism organizations to use AI techniques that are beneficial to disrupt terrorist propaganda and to counter hybrid warfare. Profound understanding and true implementation of AI techniques could help in improving cybersecurity, as it provides improved security performance against sophisticated cyber threats. AI combined with human insight has significant potential for national security and to mitigate the related concerns and risks. This paper has adopted qualitative research approach to provide a brief understanding of AI-enabled systems and its implications on cybersecurity and hybrid warfare in order to disrupt terrorist attacks. It gives an insight on how AI evolution and progress has potential to become a transformative national security tool, at par with aircrafts, computer systems, bio-tech, and nuclear weapons.

Keywords: Artificial Intelligence (AI), evolution, cybersecurity, modern warfare, hybrid warfare

Introduction

Terrorism recurs throughout the human history, as the waves of terrorism keeps on transforming. In the earlier globalization era (1878-1914), the anarchists steered a terrorist campaign that crested in World War I [1]. Since the last third of the twentieth century to the present-day fundamentalists and leftists functioned transnational terrorism - crossing borders and staging terrorist attacks in foreign capitals, in order to capture world attention on their cause[2]. The recent wave of transnational terrorism has given rise to the evolution of dynamics and social structures of terrorist organizations and counter-terrorism institutes. Both terrorist networks and counter-terrorism organizations have continued to adapt to changing environments and emerging innovative technologies. With the rise of transnational terrorism, social network analysis has become a key utility for the counter-terror organizations for assessing and understanding perspectives of terror networks, and for the development of strategies to neutralize and disrupt terror attacks[3]. Conventionally, the term terrorism is often used for the criminal activities of non-state actors and groups including bombings, kidnappings, and assassinations. Terrorist groups have their own ideologies and are generally composed of non-state actors; some of these are created on the basis of religious fanaticism while some

[1] Sandler, Todd, Daniel G. Arce, and Walter Enders. "Transnational terrorism," *Global crises, global solutions* 2 (2009): 516-62.
[2] Sandler, Todd, Daniel G. Arce, and Walter Enders. "Transnational terrorism." *Global crises, global solutions* 2 (2009): 516-62.
[3] Michael Aondona, Chiangi, "A Theoretical Conception of Modern Terrorism: David Rapoport's Four Waves Theory," *Available at SSRN 3498569* (2019).

are on political a ground, which ultimately ends up producing hatred and terror.

The definition of terrorism is still blur and dialectical[4]. As there is no consensus on the definition of terrorism and all terrorist groups are having their own justifications and ideologies which they keep on disseminating, for instance, a person may be considered as a terrorist by some people and a freedom fighter by others. Therefore, it is crucial to consider the fact that terrorists use illegal means often violently in order to hasten the political change process, as their actions are effective and justifiable to them. Even in the absence of a clear definition of terrorism, researchers have figured out three important factors in the concept of terrorism. Firstly, terrorists are generally non-state actors that try to influence public through violence and terror. Secondly, terrorists are aimed to make a political change by attracting attention of general public and to stimulate responses. Thirdly, terrorists purposefully attack the innocent people in order to spread fear, anxiety and terror to make a narrative[5].

Modern terrorism evolved near the end of 18th century after the French Revolution[6]. There are two significant factors that influenced the expansion of terrorism i.e., evolution of modes of communication and invention of new methods of transportation[7]. This has eventually shaped the new global dimension of the modern terrorism, as the information

[4] Jean E. Rosenfeld, ed. "*Terrorism, identity, and legitimacy: the four waves theory and political violence*. Routledge", 2010.
[5] Bruce Hoffman, "Inside Terrorism New York," *NY: Columbia University Press [Google Scholar]* (1998).
[6] Walls, Erin, "Waves of Modern Terrorism: Examining the Past and Predicting the Future," PhD diss., Georgetown University, 2017.
[7] Gerard Chaliand, and Arnaud Blin, eds. "*The history of terrorism: from antiquity to al Qaeda*. Univ of California Press," 2007.

spread was much faster through media and other innovative technologies and people were able to travel beyond national borders through modern ways of transportation. In the late 19th century, spreading propaganda through pamphlets became a tool of Russian anarchists to change mindset of people in order to achieve ideological objectives[8]. Vietnam War triggered off the New Left wave, as the role of United States in the war induced an increased hatred for the US especially among the developing countries[9]. After this New Leftists wave, there was drawn a clear distinction line between West and East, vindicating the Soviet support in the form of intelligence, aid, logistics, and other resources to violent terrorism organizations in Europe, Asia and also in the Middle East. In the same era, Cold War characterized by ideological conflicts and state sponsored terrorism started spreading widely. In the New Left Wave ideology of radicalism was combined with nationalism that spread rapidly because of the advanced media, communication and technological development[10]. The world today is experiencing terrorism in the name of religion. The misinterpretation of Jihad and the fusion of terrorist ideologies with the religious beliefs are distressing[11].

The Iranian revolution along with the Afghan invasion is seen as a precursor to Islamist radicalization in the decades to come. This motivated Muslims to defend their faith and has also stimulated fourth religious wave

[8] Walls, Erin, "Waves of Modern Terrorism: Examining the Past and Predicting the Future," PhD diss., Georgetown University, 2017.
[9] Walls, Erin, "Waves of Modern Terrorism: Examining the Past and Predicting the Future," PhD diss., Georgetown University, 2017.
[10] Michael Aondona Chiangi, "A Theoretical Conception of Modern Terrorism: David Rapoport's Four Waves Theory," *Available at SSRN 3498569* (2019).
[11] Gerard Chaliand, and Arnaud Blin, eds. "*The history of terrorism: from antiquity to al Qaeda*. Univ of California Press," 2007.

of terrorism[12]. This wave of terrorism is very unique and different from all other waves of terrorism because its methods and operations appear in different manifestations. The uses of religion in violence, fundamentalism and spread of ideologically extremist organizations especially Al-Qaeda and ISIS (Islamic State of Iraq and Syria) have grabbed special attention across the global affairs. In future, this could become one of the prominent and important features of international terrorism. These radical groups and organizations have fully equipped themselves with technology and advanced intelligence systems in order to create a greater impact[13].

The distinction between peace and war has become blurred due to the extensive usage of innovative technologies and AI. The term hybrid warfare became common since 2010, which includes the blended methods of war i.e. conventional, unconventional, and irregular war. Hybrid warfare is a combination of intelligence systems along with new technologies and fanatical fighting style, irrespective of the state structures or compliance to the armed related conflict laws. Both state and non-state actors are involved in conducting hybrid warfare. State actors in this kind of warfare employ proxies in order to evade detection. Hybrid warfare also incorporates undiscriminating violence, felonious disorder, terrorist acts, and cyber warfare -which are attempts to damage and or completely destroy computer systems and information networks of another nation through cyber-attacks, computer viruses, and denial-of-service attacks[14].

[12] Denys Proshyn, "Breaking the Waves: How the Phenomenon of European Jihadism Militates Against the Wave Theory of Terrorism," *International Studies. Interdisciplinary Political and Cultural Journal* 17, no. 1 (2015): 91-107.
[13] Michael Aondona, Chiangi, "A Theoretical Conception of Modern Terrorism: David Rapoport's Four Waves Theory," *Available at SSRN 3498569* (2019).
[14] Farman Kakar, "Hybrid Warfare and Pakistan," *The News International,* January 13, 2019.

The hybrid warfare has a far-reaching impact across national governments, societies, and multinational corporations and institutions. Artificial Intelligence (AI) related technological advancements and innovations could have unpretentious consequences for military applications and operations, which includes tactical battlefield as well as strategic perspectives. AI related technologies broadly include big data, quantum computing, and the 'internet of things', robotics, miniaturization, and autonomy[15].

AI has the potential to bring military power along with the repercussions of re-ordering the power balance[16]. The geopolitical competition between different countries especially, China and the U.S. have forced them to construct AI related capabilities, as it has become a precarious element of national security[17]. A series of studies were conducted by the U.S. Department of Defense (DoD) and it released a report titled National Artificial Intelligence Research and Development Strategic Plan in 2016, describing the AI potential to reinvigorate U.S. military dominance[18]. In the quest to become technologically equipped superpower, a national level Artificial Intelligence agenda was launched by Beijing for "civil-military

[15] James Johnson, "Artificial intelligence & future warfare: implications for international security," *Defense & Security Analysis* 35, no. 2 (2019): 147-169.
[16] Kareem Ayoub, and Kenneth Payne. "Strategy in the age of artificial intelligence." *Journal of strategic studies* 39, no. 5-6 (2016): 793-819.
[17] Robert O. Work, "Remarks by defense deputy secretary Robert work at the CNAS inaugural national security forum," *Center for a New American Security* 14 (2015).
[18] "The National Artificial Intelligence Research and Development Strategic Plan," *National Science and Technology Council,* (Washington: Executive Office of the President of the United States), October, 2016, https://www.nitrd.gov/PUBS/national_ai_rd_strategic_plan.pdf (accessed February 5, 2021).

fusion" with Chinese characteristics.[19] Russia has also triggered 35% of the structure of its military forces to become robotic by 2025.

AI technologies have a greater potential to enable and multiply the wide-ranging range military applications, but it also poses security threats for the LEAs (Law Enforcement Agencies) because of the enhanced AI-technologies being used by the extremist organizations and terrorist groups. AI is very important methodology to counter cyber terrorism and cybersecurity threats in the present era. According to defense experts AI will be having an evolutionary, if not revolutionary, influence on future warfare and autonomy. Advances in AI technologies and robotics have the tendency to intensify the absolute power of all types of actors, but the relative power balance might remain with the leading nation states[20]. National level initiatives and objectives are demonstrating acknowledgment by global security community of military-technical technical upheaval and transformative potential of AI technologies for national security as well as strategic calculus of nations[21].

Artificial Intelligence (AI) and Countering Hybrid Warfare

Artificial Intelligence (AI) is defined as the digital technology usage in order to construct such systems which are proficient enough to perform

[19] The State Council Information Office of the People "s Republic of China, „State Council Notice on the Issuance of the New Generation AI Development Plan ", July 20 2017, http://www.gov.cn/zhengce/content/2017-07/20/content_5211996.htm.(accessed February 5, 2021).
[20] Daniel S. Hadley and Lucas J. Nathan, "Artificial intelligence and national security," Congressional Research Service, Washington, November 10, 2020, https://fas.org/sgp/crs/natsec/R45178.pdf, (accessed February 5, 2021).
[21] James Johnson, "Artificial intelligence & future warfare: implications for international security," *Defense & Security Analysis* 35, no. 2 (2019): 147-169.

various complex tasks which require intelligence[22]. Multi Capability Development Campaign (MCDC)'s project document titled Countering Hybrid Warfare defined the hybrid warfare as the orchestrated use of multiple power instruments that are tailored to explicit vulnerabilities across the broad-ranging societal functions in order to achieve synergic effects[23]. The impact of AI on hybrid warfare can be explained by studying the stages of AI development. The Artificial Intelligence development usually involves three tiers. Firstly, Artificial Narrow Intelligence (ANI) – which denotes machine intelligence that is considered equal to and in some instances, exceeds human intelligence to perform specific tasks. Secondly, Artificial General Intelligence (AGI) – which discusses machine intelligence meeting the full range of human intelligence across any kind of task. Thirdly, Artificial Super Intelligence (ASI) – denotes machine-based intelligence that has capacity to exceed human intelligence across any task. Currently, only ANI technologies are widely available and have significant implications on hybrid warfare[24].

The term warfare intends to signify the adversarial, serious, enduring, and hostile nature of the challenge. It also describes hybrid aggressor's ability to create war-like effects and outcomes through weaponization of non-military means that the hybrid warfare might be employed to set such conditions in order to accelerate future conventional aggression in a more effective way. The challenge for LEAs (Law Enforcement Agencies) and

[22] Miles Brundage, Shahar Avin, Jack Clark, Helen Toner, Peter Eckersley, Ben Garfinkel, Allan Dafoe et al.,"The malicious use of artificial intelligence: Forecasting, prevention, and mitigation," *arXiv preprint arXiv:1802.07228* (2018).

[23] Farman Kakar, "Hybrid Warfare and Pakistan," *The News International,* January 13, 2019.

[24] Spiegeleire De Stephan, Matthijs Maas, and Tim Sweijs. *Artificial intelligence and the future of defense: strategic implications for small-and medium-sized force providers*. The Hague Centre for Strategic Studies, 2017.

other military and Intelligence organizations and think tanks is to detect the hybrid threat in order to introduce relevant operational methodologies and make strategies to neutralize it. The actions taken in order to counter hybrid warfare should be of specific nature, degree, and type of the threat or attack. In order to make efforts to counter hybrid warfare, it is important to set realistic strategic goals – in order to disrupt hybrid aggression, identify appropriate thresholds – which could vary according to the type of aggression and vulnerability to get targeted and also according to the counter action capacity, and design and implement a relevant strategy. The design and strategy could be based on three components including detection, deterrence, and response[25].

Implications of Artificial Intelligence (AI)

Artificial Intelligence and advanced machine learning techniques play a vital role in detection of possible hybrid threats. It also requires updating warning intelligence through anticipation and pattern recognition. Deterring hybrid aggressors require building exclusively on traditional deterrence approaches in order to pursue reliable measures with the help of horizontal escalation, which is communicated and tailored to the aggressors. These are usually balanced between deterrence by denial, which includes punishment and resilience. Responding to hybrid aggressors, threats, and attacks could be done by implementation of appropriate arrangements and measures at any stage of the cycle of hybrid threats. The hybrid threat cycle includes processes from identification of potential vulnerabilities to resilience building activity, in response to a hybrid attack.

[25] MCDC, (2017), Information Note, "What is Hybrid Warfare? sets out the wider understanding which forms the baseline assessment for this handbook", (see Chapter 3).

Developing institutional machinery and AI technologies is very important for implementation of these measures to counter hybrid threats, through government and multinational institutions. The advancements in technology and trends in power and interdependence have caused growing trends in the use of hybrid warfare[26]. Rapid and advanced developments in AI provide innovative capabilities to military as well as non-military domains. Consequently, not only war hardware will be transformed but it will also affect human dimension in warfare. The impact of AI applications on hybrid warfare can be described and explained through synergic use of five different instruments and means of power called MPECI - Military, Political, Economic, Civil and Informational, which are used to exploit enemies' vulnerabilities.

The military dimension includes using such military systems that are AI-enabled, which includes aquatic, aerial and ground robots. Although these AI-enabled technologies provide great autonomy and expert reasoning in the warfare but they cannot operate without human insight. Great progress is made on the use of AI based weapons and technologies, for instance; Israel has deployed fully automatic self-driving military automobiles to patrol the border along Gaza strip and has future plans to fully equip these autonomous robots with military weaponries for deployment along the borders of Egypt, Jordan, Syria, and Lebanon[27].

The Centre for a New American Security and Bard College, collected a database according to which there are almost 150 Unmanned Aerial Vehicles (UVAs) being used by 48 countries by 2017, ranging from

[26] Global Strategic Trends – The Future Starts Today, UK Ministry of Defence (2018), page 125-147, https://www.gov.uk/government/publications/global-strategic-trends (accessed February 5, 2021).
[27] Elie Perot, "The blurring of war and peace," *Survival* 61, no. 2 (2019): 101-110.

hummingbird size i.e. Black Hornet mini-copter to the massive size of RQ-4 Global Hawk i.e. 15,000 pound[28]. Other than robotics and autonomous weaponry, AI-enabled command and control systems have shown immense potential and utility in dealing with information overload, refining situational alertness, disrupting and neutralizing enemy propaganda, and recommending and formulating certain strategies and courses of action. The advanced and automatic deep learning machine systems have capacity to view the patterns of hybrid warfare in order to give early warnings to the military and state actors that something suspicious is going to happen in the grey zone conflict areas. In this way, these AI based command and control systems are also capable to respond to such events rapidly and under briskly shrinking engagement windows. There are an increasing number of companies that are making predictions while claiming to analyse big online data through machine learning algorithms and to detect events 1-10 days ahead. Predata – a U.S. consulting firm claims that they are using smart AI-enabled metadata to predict any possible events of geographical, market-moving, or security nature[29]. Because of the surveillance and reconnaissance through the use of AI based drone systems, it is easy to detect potential threats and lead to greater stability of states through enhanced monitoring of grey zone or trouble areas, thereby reducing covert or hybrid operations.

While considering the political dimension, it is evident that AI-enabled technologies and tools e.g., bots (automated accounts) and impression accounts on social media platforms are used to conduct disinformation

[28] Jon Walker, "Unmanned Aerial Vehicles (Uavs) –Comparing the USA, Israel, and China," (2017).
[29] Guilong Yan, "The impact of Artificial Intelligence on hybrid warfare," *Small Wars & Insurgencies* 31, no. 4 (2020): 898-917.

campaigns by different countries in order to destabilize political narrative of west, sow divisions within different countries and also to blur the distinction line between fact and fiction. Machine intelligence was also actively used in U.S. election campaigns e.g., according to Cambridge Analytica – a data science firm claims that during the U.S. presidential elections 2016, an extensive advertising campaign was launched in order to influence voters on the basis psychology of each individual. Similarly, in 2017 general elections in the UK massive groups of political bots were used for spreading fake news and misinformation on social media, which helped building public opinion in a certain way[30].

The economic dimension of AI can be explained in the context of hybrid warfare, when the states are targeted, they tend to counter attack by economic coercion e.g., economic isolation and financial cut-off become the ultimate choice of states. AI based tools are used for optimizing capital investment, assessing credit quality, regulatory compliance, trading transaction, and fraud detection purposes.

As far as civil dimension is concerned, there are certain AI-enabled tools that distort public opinion and spread digital propaganda. AI have great utility in the information domain, as it is an important domain for shaping political discourse, influencing perceptions of people, and changing the political outcome through manipulation of information availability. In the age of narrow AI, the hybrid warfare can be depicted in one picture by combining all the five dimensions. The inclusion of Artificial Intelligence

[30] Polonski, Vyacheslav W. Polonski, "How Artificial Intelligence Conquered Democracy," August 2017, https://www.independent.co.uk/news/long_reads/artificial-intelligence-democracy-elections-trump-brexit-clinton-a7883911.html (accessed February 21, 2021)

in the hybrid warfare will not obsolete the traditional ways of fighting the wars because the term 'hybrid' itself implies that there is a significant role of both low-end techniques and methods i.e., suicide bombings, IEDs (Improvised Explosive Devices), pistol and dagger, as well as AI-enabled high-end tools and techniques[31].

Hybrid Warfare: the blurring of War and Peace

The ambiguity related to hybrid warfare has blurred the war and peace boundary[32]. The cold war concerning the United States of America and the Soviet Union and hybrid warfare –which is considered as post-Cold War phenomenon, has made it clear to the International Relations practitioners and other experts that politics of the world can not only be seen and studied separately through the peace and war lens. According to a recent NATO summit declaration, increased pressure and challenge from state and non-state actors is being faced by different nations. These state as well as non-state actions are using hybrid activities in order to create ambiguity and to distort the distinction line between peace, conflict, and crisis[33]. Hybrid Warfare is becoming a very popular term but also a controversial one in the military and academic discourse. The term hybrid warfare is not yet clearly defined, as it is given certain meanings and definitions by different International Relations experts, academicians, observers, and military practitioners through the observation of enemies' activities. With changing circumstances, the competitors also change their tactics of

[31] Guilong Yan, "The impact of Artificial Intelligence on hybrid warfare," *Small Wars & Insurgencies* 31, no. 4 (2020): 898-917.
[32] Guilong Yan, "The impact of Artificial Intelligence on hybrid warfare," *Small Wars & Insurgencies* 31, no. 4 (2020): 898-917.

[33] Elie Perot, "The blurring of war and peace," *Survival* 61, no. 2 (2019): 101-110.

fighting in order to adapt to the changing environments. As a result, researchers are continuously in a process of finding novel characteristics and distinctive dimensions of hybrid warfare. In broad terms, it is considered to be a combination of fanatic fighting styles and new technologies which are being used by non-state actors as well as by state actors through covert operations. The differences in training, weapons, equipment, and skills between contemporary regular and irregular tactics created a new environment.

Gray-zone tactics or hybrid warfare has posed incessant challenges to defense area. The state actors use incremental tactics and paramilitary forces for achieving security objectives as well as political aims without stimulating the war response. The combinational military means usage with that of non-military is considered to be the protrusive element of hybrid warfare[34]. According to Alex, usage of technology plays a crucial role in conducting warfare; however, James Mattis and Frank Hoffman downplayed the role of technology in warfare[35]. It is not because technology does not have impact but its fascination by military professionals has blinded them to the importance and preponderance of humans in the warfare. The term hybrid relates to more than blurring and cross-breeding of regular and irregular tactics. Some researchers and experts view hybrid warfare as a conflict which involves a amalgamation of state and non-state actors i.e. conventional military forces as well as irregulars (insurgents, guerrillas, and terrorists), focused to achieve

[34] Guilong Yan, "The impact of Artificial Intelligence on hybrid warfare," *Small Wars & Insurgencies* 31, no. 4 (2020): 898-917.
[35] Alex Ronald, "War and Technology," *Foreign Policy Research Institute,* February 27, 2009. https://www.fpri.org/article/2009/02/war-and-technology/ (accessed February 21, 2021).

political objectives. In the current security environment AI is considered to be the most disruptive technology and its combination with variability of irregular tactics will soon render the cognizance of hybrid warfare obsolete[36].

There are five salient features of hybrid warfare which are as follows;

i. ***Synergy*** - it is the first characteristic of hybrid warfare i.e., synergy involves the synergistic use of various means across MPECI spectrum in order to manipulate the intensity and process of hybrid warfare. The hybrid actors will use all possible means for attainment of desired effects targeting political and psychological domains, which are based on the political goals, enemy weaknesses, and the available capability[37].

ii. ***Ambiguity*** - the second characteristic of hybrid warfare is ambiguity which explains the obscure boundary between war and peace. Although war and peace are traditionally considered to be the opposite manifestations, but hybrid warfare has made this distinction ambiguous by using such features and activities that challenge easy categorization and distinction between the two phenomena[38]. Ambiguity also refers to obscuring combatants' identity in war, as the states may deploy different troops without emblems and also use proxies in order to hide identity of agency.

[36] Guilong Yan, "The impact of Artificial Intelligence on hybrid warfare," *Small Wars & Insurgencies* 31, no. 4 (2020): 898-917.
[37] Elie Perot, "The blurring of war and peace," *Survival* 61, no. 2 (2019): 101-110.
[38] Reichborn-Kjennerud, Erik, and Patrick Cullen. *What is hybrid warfare?*. Norwegian Institute for International Affairs (NUPI), 2016, https://brage. bibsys.no/xmlui/bitstream/id/411369/NUPI_P (accessed on February 21, 2021)

There are several instances when civilians convert to war fighters in disguise.

iii. ***Asymmetry*** **-** the third characteristic of hybrid warfare is asymmetry which denotes that the propensity of state and non-state actors is not equal, as state actors are well-equipped with advanced technological weapons and training skills in comparison with non-state actors. However, there is an advantage to non-state actors as they do not operate under the state law and therefore can launch terrorist attacks by criminal and illegal means. In contrast, state actors are confined by the law and despite a few exceptions; they cannot launch counterattacks, ignoring the legal norms[39]. There are many instances when non-state actors use violent extremist ideologies in order to achieve their objectives, but state actors are confined by war ethics and are always duty-bound.

iv. ***Disruptive Innovation*** - the disruptive innovation is the fourth characteristic of hybrid warfare, which is done at tactical levels or for operations for achieving strategic objectives. State actors ensure this through different activities including rapid mobilization of non-attributable forces and disinformation campaigns in cyber domain as well as media. The non-state actors use disruptive innovation through terrorist attacks, suicide bombings, and repetitive use of modern commercial technology, increased military

[39] Elie Perot, "The blurring of war and peace," *Survival* 61, no. 2 (2019): 101-110.

sophistication e.g., using UAVs and anti-ship, secure communication channels, command and control systems[40].

v. ***Battle Over Psychology*** –which is the fifth important characteristic of hybrid warfare, denotes psychology of target population including the home front population, the conflict zone population, and the population of international community[41]. The state or the non-state actors both attempt to win battle over psychology by presenting their ideologies, loyalties and agendas to population under concern by use of Artificial Intelligence and through various mediums including social media. Therefore, the non-state actors try to make efforts to strike a lethal blow on the enemies and amplify their success through propaganda and disinformation campaigns especially through social media. However, the state actors tend to intimidate but economize the military equipment usage and armaments for psychologically pressurizing the target population.

All the above-mentioned factors are very crucial in defining the victory or defeat of certain state or non-state actors in the hybrid warfare. The use of AI means, hybrid warfare characteristics, and information revolution using social media applications. Thus, it is evident that the success or failure in hybrid warfare depends less on military gain or loss and more on perceived psychological win or loss.

[40] Vladimir I. Batyuk, "The US concept and practice of hybrid warfare," *Strategic Analysis* 41, no. 5 (2017): 464-477.
[41] Elie Perot, "The blurring of war and peace," *Survival* 61, no. 2 (2019): 101-110.

Information Revolution and Cybersecurity

The internet relies too much on communication infrastructure just like that of telephone system which was an important communication tool a century ago. The information revolution and technological underpinnings of the internet are varied in nature from that of any other telecommunication network or infrastructure. Because of information revolution and increased use of social media, the spread of fake news and reports have become faster. The terrorist organizations that are using hybrid methods to spread terrorism and extremism have been launching successful operations with the help of educated civilians and social media users, as they unintentionally spread their agenda in the form of social media news, pamphlets and twitter trends. In this way, the social media users become the voice of hybrid terrorist groups against the state actors without actually realizing or knowing the agenda behind it. As the world is becoming more digitalized day by day and data is stored on digital and electronic devices, therefore, the nature of attacks or threats is also transforming. There is a need to secure cyberspace and ensure reliable services in order to protect sensitive data and information.

The War against Truth: Understanding Deepfake

The advent of Artificial Intelligence has offered advanced tools and technologies of spreading disinformation and digital propaganda in order to influence the civil society. AI can be used to make real like fabricated video and audio messages to create short-term effect and chaos in public. For instance, such fake news and videos can create shock and cause panic, disorder and intense damage to the public. Most of the times, such messages are created to spread a short-term wave, as public will eventually

find out the truth behind the propaganda. The Deepfake technology emerged in 2017, when members of a community developed software to insert facial images from one video to another and then released the edited content through social media platforms. Initially, this was done for entertainment purposes but from 2018 to 2019, several organizations also started adopting deepfake technology in order to release thousands of multimedia texts on Facebook, YouTube, Twitter, and Telegram etc. which attracted quite a large number of public [42]. The rapid spread of tools and services has lowered the barriers for non-experts to create deepfake by using voice audio of non-existent people to enhance social engineering against their target groups. In 2016, Afghan Taliban started using camera-equipped commercial drones in order to film such propaganda footage to misguide pubic and gain their sympathies. In the recent times, video and audio are no more considered as reliable records of reality[43].

The text and video messages created through deepfake technology affected public figures, politicians and others involved in conventional, role-related conduct. Through deepfake technology it has become easy to create fake content showing public officials taking bribe, uttering racial epithets, and engaging in adultery[44]. False videos can also affect the morale of armed forces, as forces can be seen killing innocent civilians in the war zone, which could lead to unrest or violence in the society. There are several instances when false audio messages were circulated in order to create

[42] Ajder, Henry, Giorgio Patrini, Francesco Cavalli, and Laurence Cullen. "The state of deepfakes: Landscape, threats, and impact." *Amsterdam: Deeptrace* (2019).

[43] Franz J. Marty, "Fire from the Sky: The Afghan Taliban ‟s Drones". December 22, 2020. https://thediplomat.com/2020/12/fire-from-the-sky-the-afghan-talibans-drones/ (accessed on April 29, 2021).

[44] Bryan C. Taylor, "Defending the state from digital Deceit: the reflexive securitization of deepfake," *Critical Studies in Media Communication* (2020): 1-17.

chaos and disturbance in the country. Deepfake has also made significant impact on the political arena. For instance, two ground-breaking cases from Malaysia and Gabon proved that deepfake was linked to a political smear campaign and an alleged government cover-up. One of the two cases was associated with an attempted military coup while the other one has continued to threaten a high-profile politician with imprisonment[45]. Social media acts as a catalyst for several prevalent movements to degenerate into political upheaval and social unrest in societies that are already suffering from unemployment, poverty, corruption, poor political leadership, and social discontent.

AI based bots can be used for denial-of-information attacks as well as information flooding attacks, in order to swamp the information channels with noise so that people may not find correct information. Similarly, hybrid actors are capable of producing fake videos of terrorist attacks for creating panic in order to achieve political objectives. AI-enabled technologies are also used to manipulate the information availability, as several search engines give personalized search results for various users as per their likes and dislikes. This particular bias in the algorithm of search engine cannot be easily detected and hence can be used for manipulation of information for creating enduring effects. AI combined with information campaigns offers more massive, autonomous and covert means to carry out psychological warfare and propaganda of political nature in order to change political outcomes and create divisions in the society. The United States Department of Défense (DoD) has defined a new terminology called Active Cyber Defence (ACD), which involves

[45] Ajder, Henry, Giorgio Patrini, Francesco Cavalli, and Laurence Cullen. "The state of deepfakes: Landscape, threats, and impact." *Amsterdam: Deeptrace* (2019).

real-time capability and capacity of discovering, detecting, analysing and mitigating threats and vulnerabilities[46].

Cybersecurity Management

Non-state actors are also capable of using latest modes of warfare in order to achieve their ideological or political goals. It means there is an ambiguity and fuzziness between criminal behaviour, terrorism, organized violence, and war[47]. Although state actors have an advantage of using modern and advanced AI-based drone systems and technologies, but there are several commercial companies worldwide that are pouring in money for Research & Developmental purposes in the field of Artificial Intelligence (AI). Therefore, state actors are not certain regarding asymmetrical advantage in the hybrid warfare because in future there will be a fundamental shift in technology competence. As a result of this, militaries worldwide could start lagging behind in AI-enabled systems as compared to those of commercial companies. This could also benefit enemy organizations and could create a great security threat[48].

There is an increase in the number of military-grade drones available on internet worldwide for sale. The availability of drone systems and AI-enabled technologies to the terrorist organizations could become extremely destructive as through these technologies they are able to improvise them in order to make lethal weapons by loading explosives[49]. For instance,

[46] Guilong Yan, "The impact of Artificial Intelligence on hybrid warfare," *Small Wars & Insurgencies* 31, no. 4 (2020): 898-917.
[47] Elie Perot, "The blurring of war and peace," *Survival* 61, no. 2 (2019): 101-110.
[48] Guilong Yan, "The impact of Artificial Intelligence on hybrid warfare," *Small Wars & Insurgencies* 31, no. 4 (2020): 898-917.
[49] Tyler Rogoway, "Russia Says January 5th Attack on its Syrian Air Base Was by a Swarm of Drones," January 8, 2018, http://www.thedrive.com/the-war-

Afghan Taliban started using Unmanned Aerial Vehicles (UAVs) in October 2020, and they threaten to demoralize forces of Afghan Government that are perceived to be well-equipped to counter better-equipped enemy. According to a photo shared on Twitter on October 9, 2020, a commercially available quad-copter drone raised Taliban flag in the Southern Afghan province of Helmand[50].

Integration of AI technologies into economic sector has brought maximum benefits but it has also made the economic infrastructure vulnerable. The non-state actors in hybrid warfare may launch cyber-attacks on the networks and financial hubs or physical attacks on the economic infrastructure causing economic disruption, financial breakdown, and social chaos, thereby freezing the whole system at once.

Cybersecurity includes a broad range of tools, applications, and concepts which are closely related to informational and operational defence. It involves the offensive usage of information technology for attacking adversaries. According to technology practitioners the term cybersecurity should only be used for security purposes that involve information or operational technology systems[51]. Cybersecurity is defined as the development, management, governance and use of operations security, information security, and Information Technology security techniques and tools in order to defend assets, compromise the assets of adversaries, and

zone/17493/russiasays-january-5th-attack-on-its-syrian-air-base-was-by-a-swarm-of-drones (accessed February 21, 2021)

[50] Franz J. Marty, “Fire from the Sky: The Afghan Taliban ‟s Drones”. December 22, 2020. https://thediplomat.com/2020/12/fire-from-the-sky-the-afghan-talibans-drones/ (accessed on April 29, 2021).

[51] Darko Galinec, Darko Mož nik, and Boris Guberina, "Cybersecurity and cyber defence: national level strategic approach," *Automatika: časopis za automatiku, mjerenje, elektroniku, računarstvo i komunikacije* 58, no. 3 (2017): 273-286.

achieve regulatory compliance[52]. Cyber defence is a computer-based network defence mechanism that provides responses to certain actions and protection to precarious infrastructure and information assurance for government entities, organizations and other related networks. Cyber defence is very important in order to prevent sensitive data and information and to safeguard assets. It involves prevention, detection, and provision of timely responses to threats or attacks. It provides assurance to work and run different processes and activities without worrying about threats or attacks[53].

Visibility of cyber security status is very important defence mechanism. It indicates having a complete picture with measurements in order to find required and calculated levels of cyber security risks, and to find out the persons responsible for potential threats or attacks. Managing cyber security risks is not possible without measuring cyber security status. Threat intelligence services, data analytics and SIEM (Security Incident and Event Management) can help finding potential or actual compromise on the network, but they just provide overall picture of the possible threats and not the accurate measure of the risk status. Cybersecurity risk management has become a critical real-time facilitator for wining battle against cyber breach. Cybersecurity breaches transpire when some components i.e., people, processes or technology, of the cybersecurity risk management system are absent or they have failed in one way or the other. Therefore, there is a need to understand all the components of

[52] Walls, Andrew, Earl Perkins, and Juergen Weiss. "Definition: Cybersecurity." *Retrieved from Gartner. com website: https://www. gartner. com/doc/2510116/def inition-cybersecurity* (2013).

[53] Darko Galinec, Darko Možnik, and Boris Guberina, "Cybersecurity and cyber defence: national level strategic approach," *Automatika: časopis za automatiku, mjerenje, elektroniku, računarstvo i komunikacije* 58, no. 3 (2017): 273-286.

cybersecurity risk management system, which is possible by pulling together all the applicable pointers and partial views of cybersecurity threats in order to develop risk-based measurement and prominence of cybersecurity status[54].

Recommendations

This paper highlights following important recommendations to help state actors and policy makers to take relevant actions in order to neutralize hybrid warfare;

1. Although the initiation of Artificial Intelligence has given rise to technological advancements, but in order to create military-technical upheaval, comprehend large gains in military's effectiveness and revolutionize the hybrid warfare. However, there is still a need of organizational innovations and innovative operational concepts designed to exploit new technologies.

2. The defence sector can get benefit from the advantages brought by the AI era through organizational adaptation. The organizational structures of successful AI-based companies may give some insight to the defence sector in order to adapt AI technologies on organizational level.

3. The spread of fake news, trends and propagandas on social media by the terrorist organizations and groups should be dealt through the implementation of social media regulations and laws.

[54] Simon Marvell, "The real and present threat of a cyber-breach demands real-time risk management," *Acuity Risk Management* (2015): 26-27.

4. There should be a national level cybersecurity policy aimed at leveraging the strengths of government for evolution of standard security practices, which could be used by government, businesses, security agencies, and general public in their use of cyberspace on routine basis.

5. Training sessions, workshops and seminars should be conducted involving cybersecurity stakeholders i.e., public sector, economic and academic sector, AI-based organizations, Multi-National Companies (MNCs), students and other citizens from different walks of life in order to give them a clear understanding of hybrid warfare tools and techniques used by the hybrid actors and terrorist groups through the use of social media platforms.

6. Cybersecurity risk management tools should be developed in order to measure the risk status and achieve cyber resiliency success through well-timed and synchronized actions and operative decision-making process.

7. It is important for military domains and LEAs to focus on human insight along with smart and autonomous systems in order to remain on the winning edge and to neutralize hybrid terrorist groups.

8. The use of innovative ideas, operational innovation, and organizational adaptation should be encouraged in order to build a more resilient, flexible, and intelligent defence organizations to tactically deal with hybrid warfare.

Conclusion

In the recent years, there has been an unprecedented increase in the use of Artificial Intelligence based devices, weapons and autonomous command and control systems and applications, in both military and non-military domains. In future, AI–enabled innovative and fresh new tools and technologies will become more common in fighting hybrid warfare and distorting cybersecurity. This will also create a great competition for control of data of vital importance. The salient features of hybrid warfare will still significantly influence the hybrid actors; therefore, success might not only be in the hands technologically equipped actors. The use of AI-enabled technologies has made the wars slower, bitter and indecisive which is possibly creating more chaos.

State actors use Artificial Intelligence (AI) and autonomous robotics and drone systems in order to detect security threats and to neutralize hybrid terrorist groups and other state enemies. As far as military implications are concerned, AI-enabled autonomous weapons have tendency to free human beings from the kill-chain, as facial recognition technology combined with mini-drones is capable to pin-point and kill the target. AI-enabled systems have significant implications for cyber security and are helpful in creating or distorting particular public opinions. AI-enabled campaign 'aids', based on the political preferences and personal likings, are capable of automatically generating tailored political, religious, or ideological messages in order to target individual voters, interest groups, and general public. It becomes an amplified and widespread tactic for shaping public opinion and distorting particular political or religious sentiments. AI can also track the economic, financial, and trade activities of the target groups

or actors and give refined analysis and optimized plans to punish the target actors.

Information warfare and spread of fake news and propaganda has also become decisive factor in determining the victory or defeat in this contemporary warfare. It has become convenient to spread fake audio and video messages through the use AI-enabled technologies. Deployment of computational propaganda with the help of automated accounts as well as impression accounts is being actively used in order to change opinion of people or to spread certain kind of agenda or ideology. General public is also becoming a significant tool in disguise to spread the voice of these hybrid terrorist groups, as in many instances they are unable to filter the right and genuine information. AI-enabled systems are very crucial for deciding and responding to hybrid warfare and there is a dire need for military organizations and LEAs to invest in AI.

Technology based companies are free to pour money to make advanced AI-enabled command and control systems and fully automatic drones in order to commercialize the usage of such technologies to analyse online big data and to detect possible events of geographical, political or security nature. This commercialization of AI-enabled weapons and systems could be beneficial to the terrorist organizations by improvising the same AI-based systems for destructive purposes. Therefore, in this advanced technological era, uncertainty and surprise are still prominent features of the hybrid warfare. Enhanced cybersecurity management and reducing vulnerabilities is crucial for government and agencies and an operation-based approach is necessary to achieve specific results.

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Sources of Terrorism Financing in Pakistan and Pakistan's Efforts to Stamp out those Sources

Rakhshanda Iqbal

Abstract

Terrorism is an expensive undertaking. Unlike the common perception that terrorism is the cheapest mode of violence, terrorist organizations often have complex organizational structures that require hefty amount of money to operate. Such flow of money is ensured through different sources ranging from legitimate businesses to criminal activities such as kidnapping for ransom, bank robberies and using charities as front organizations. Similarly, terrorist groups active in Pakistan have been relying on multiple internal and external financial sources to operate and sustain. This includes both legitimate and illegitimate sources. The role of foreign supporters of these groups in providing funds to them is also no less significant. Driven by a firm resolve, Pakistan has made tremendous efforts through the enactment and successful implementation of various laws to root out terrorism financing. This study based on subjective/qualitative approach methods.

Keywords: Money Laundering, FATF, Drugs trafficking, NAP

Introduction

Terrorist groups cannot function without money. They need money for their survival and to carry out terrorist activities. Although mounting individual terrorist attacks is a low-cost undertaking but running terrorist organizations is not as terrorist organizations need to recruit new members, open training camps and acquire necessary weapons and communication devices. They may not only need to provide food and shelter for their

members but also ensure financial assistance for "the families of dead terrorists and suicide bombers."[1]

Given the complex structures of terrorist organizations, it will be naïve to presume that they can operate without a steady flow of money. To ensure this flow of money, they have a variety of sources to choose from. They may be involved in petty crimes, kidnapping for ransom, bank robbery, extortion, drug smuggling and money laundering to finance their terrorist ambitions. They can use charities as front organizations to raise money.

Apart from this, they can also rely on states that willingly sponsor terrorist organizations for their own interests. These interests may be strategic, ideological or political. There are numerous examples when terrorist groups relied on state sponsorship such as the Lebanese Hizballah, the Liberation Tigers of Tamil Eelam (LTTE), the Provisional Irish Republican Army (PIRA) and the Japanese Red Army (JRA) were backed by Iran, India, Libya and Syria respectively. Al-Qaeda initially relied on Sudan and afterwards on Afghanistan for support.[2] Michael Freeman has given an in-depth analysis of terrorism financing and the reasons for which terrorist groups prefer one source of finance to another.[3] Given the substantial importance of financial sources to terrorist groups and organizations, no state can hope to succeed in its counter terrorism (CT) efforts without strangulating their flow of finance.

[1] Michael Freeman, "The Sources of Terrorist Financing: Theory and Typology," *Studies in Conflict &Terrorism* 34, no. 6 (2011): 462.
[2] Daniel Byman, *Deadly connections: States That Sponsor Terrorism* (Cambridge University Press, 2005), 1-2.
[3] Freeman, "The Sources of Terrorist," 461-475.

Pakistan has been a victim of terrorism since the beginning of 1980s. Its geographical proximity with Afghanistan, a country with a long history of political instability and foreign powers military interventions, has resulted in Pakistan facing the fallout of Afghanistan's instability. Given the porous nature of Pakistan's 2,670 km border with Afghanistan, it has not been difficult for terrorist groups active in Afghanistan to operate in Pakistan. Terrorist organizations operating from Afghanistan such as Al-Qaeda and Taliban and militant groups have launched some of the vicious terrorist attacks in Pakistan. As Eamon Murphy succinctly observes that "Over 3,000 Pakistanis died as result of terrorist attacks in one year alone: 2009."[4] However, it is unfortunate that the world at large chose to underestimate Pakistan's losses and sacrifices at the hands of terrorist groups.

In its bid to root out terrorism from its soil, Pakistan has adopted multiple strategies including its effort to eliminate sources of terrorism financing in the country. This paper will attempt to point out the internal and external sources that have been financing terrorist groups in Pakistan. What Pakistan has done to control and exterminate these sources will also be highlighted at length.

Pakistan's Drift to Terrorism and Religious Militancy

The ethos of the Pakistani society has primarily been tolerant and inclusive with a strong imprint of Sufism on its belief system. However, certain developments played their part in the country's drift to extremism and the rise of militant groups. Foremost amongst these developments was the rise

[4] Eamon Murphy, *The Making of Terrorism in Pakistan: Historical and Social Roots of Extremism* (Routledge, 2012), 2.

of Gen. Zia-ul-Haq to power in 1977 who toppled the secular and socialist-leaning government of Zulfiqar Ali Bhutto. The Islamic Revolution in Iran (1979) also intensified the hopes of religious extremist elements in Pakistan of bringing about a similar development in the country. Furthermore, the Soviet invasion of Afghanistan in 1979 brought disastrous consequences for Pakistan. It triggered a mushroom growth of madrassas (religious schools) in Pakistan. There were about 900 madrassas in Pakistan in 1971 whereas this number grew to an astounding 45,000-50,000 in 1980s.[5] Majority of these madrassas taught a highly intolerant version of Islam along with recruiting and training jihadis to fight the Soviets in Afghanistan. Saudi Arabia heavily funded and supported these madrassas to help flourish Wahhabism/Salafism in Pakistan not only during the Afghan War but well afterwards. [6]

Nevertheless, the right-wing extremist elements did not enjoy the support of the majority of the Pakistani society. This clearly manifested itself when "Prime Minister Zulfiqar Ali Bhutto's Islamic-socialist Pakistan People's Party (PPP) twice defeated religious parties in elections in the 1970s."[7] However, the European states and the US conveniently chose to ignore these trends in Pakistani society and instead helped flourish extremist right wing elements in Pakistan. Throughout the Soviet war in Afghanistan, American dollars were generously pouring into Pakistan to establish the madrassas which served as a recruiting and training ground for the jihadis

[5] A. Z. Hilali, "Costs & Benefits of Afghan War for Pakistan," *Contemporary South Asia* 11, no. 3 (2002): 15.
[6] Paul M. P. Bell, "Pakistan's Madrassas--Weapons of Mass Instruction*?*" (M.A. diss., Naval Postgraduate School, Monterey, California, 2007), 16-17.
[7] Eamon Murphy and Ahmad Rashid Malik, "Pakistan Jihad: The Making of Religious Terrorism," *IPRI Journal* 9, no. 2 (2009): 24.

fighting America's proxy war in Afghanistan. The US provided a staggering $7.4 billion economic aid package for Pakistan from 1982 to 1990, on an average of more than $600 million each year.[8]

The rise of Taliban to power in Afghanistan in 1996 was another significant development which had far-reaching consequences for Pakistan. Pakistan extended support to the Taliban regime against the secular Northern Alliance. However, the situation took a dramatic turn as a result of the 9/11 incident. Pakistan was left with no choice but to cut its ties with the Taliban regime in Afghanistan and become a frontline US ally in the latter's "Operation Enduring Freedom" to topple the Taliban government in Afghanistan and target the top leadership of the Taliban and al-Qaeda.[9]

This policy shift greatly antagonized the militant groups in Pakistan and they turned into the sworn enemies of Pervez Musharraf, the then President of Pakistan. In a meeting in October 2001, important figures from "Harkat-ul-Jihad-i-Islami (HuJI), Harkat-ul-Mujahideen (HuM), Jaish-e-Mohammad, and al Qaeda" decided to "plan jihad against American allies, including Musharraf."[10] As a result of this meeting, at least six assassination attempts were made on Musharraf. In December,

[8] Hilali, "Costs & Benefits," 5-7.
[9] Carol Christine Fair and Seth G. Jones, "Pakistan's War Within," *Survival* 51, no. 6 (2009): 165.
[10] Nicholas Howenstein. "*The Jihadi Terrain in Pakistan: An Introduction to the Sunni Jihadi Groups in Pakistan and Kashmir.*" (Pakistan Security Research Unit, Department of Peace Studies, University of Bradford. PSRU Research Reports, No. 1. 2008), 10-11. https://bradscholars.brad.ac.uk/bitstream/handle/10454/2224/resrep1.pdf?sequence=1 (Accessed April 3, 2021).

2003, al-Qaeda's top leader, Ayman-al-Zawahiri also issued a fatwa in favor of killing Musharraf.[11]

Over the years, Pakistan has continued to combat the menace of terrorism through all possible ways. The problem in this regard is that the terrorist groups in Pakistan were not of a homogenous nature. Some of the vicious terrorist groups making havoc in Pakistan were rooted in different sectarian identities. They misused those identities to pose as serving the cause of Islam and waging jihad according to their perceived notions of labeling people as infidels.

Sectarian Affinities of the Major Terrorist Groups Targeting Pakistan

Pakistan's 96.28% Muslim population primarily adheres to two of Islam's major sects i.e. Sunni and Shia.[12] The Sunni sect is further divided into three variants i.e. Deobandi, Barelvi and Ahl-e-Hadith. Though there are certain variants in the Shia sect too but they are not as pronounced as the divisions in the Sunni sect. According to Nasr, "Sectarianism in the Pakistani context refers specifically to organized and militant religio-political activism, whose specific aim is to safeguard and promote the socio-political interests of the particular Muslim sectarian community, Shi'a or Sunni, with which it is associated."[13]

Several of Pakistan's banned terrorist groups had markedly sectarian identities. Terrorist groups that adhered to different variants in the Sunni

[11] Fair & Jones, "Pakistan's War," 172.
[12] Pakistan Bureau of Statistics, Population by Religion (Islamabad: Government of Pakistan, 2021), 1.
https://www.pbs.gov.pk/content/population-religion
[13] Vali R. Nasr, "International Politics, Domestic Imperatives, and Identity Mobilization: Sectarianism in Pakistan, 1979-1998," *Comparative Politics* (2000): 171.

sect included Lashkar-e-Taiba (Ahl-e-Hadith), Sipah-e-Sahaba Pakistan (Deobandi), Lashkar-e-Jhangvi (Deobandi), Ahl-e-Sunnat wal Jamaat (Deobandi), Tehrik-e-Taliban Pakistan (Deobandi), Jaish-e-Mohammad (Deobandi) while those of adhering to the Shia sect included Sipah-e-Mohammad Pakistan (Shia) and Tehrik-e-Jafria Pakistan (Shia).[14] This description is however, not exhaustive as a host of smaller militant groups were also either affiliated with these major terrorist groups or used to operate on their own.

Financial Lifelines of Terrorist Groups in Pakistan

Terrorist groups in Pakistan have been relying on different sources to fund themselves. The shift from one financial source to another is determined by the relative level of safety and the ease with which it can be utilized. Furthermore, the capacity to generate heavy amount of money is also a decisive factor in the choice of any financial source by the terrorist groups. Most of the times, they show a dependence on multiple sources simultaneously. This may include both internal and external sources.

Internal Sources of Terrorism Financing in Pakistan

Given the inherently illegitimate nature of terrorism as a violent activity, the common perception may entail that only illegitimate financial means would be employed by a terrorist group. This however, is a misleading idea. Terrorist groups generally employ both legitimate and illegitimate financial sources. On the one hand, they conduct criminal activities to generate finances and on the other, perfectly legitimate means such as donations, charities and other businesses feed their financial requirements.

[14] Carol Christine Fair, "Explaining Support for Sectarian Terrorism in Pakistan: Piety, Maslak and Sharia," *Religions* 6, no. 4 (2015): 1142.

The following discussion will elaborate on legitimate and illegitimate internal sources of terrorism financing in Pakistan.

Criminal Activities

Criminal activities constituted a substantial source of income for the terrorist groups in Pakistan. These included "bank robberies, kidnapping for ransom, smuggling of timber and antiquities, dealing in opium and heroin, and relatively minor offences like extortion."[15] The money earned through crimes was channeled to terrorist groups through sources other than normal banking transactions or Informal Value Transfer Systems (IVTSs). Such transfers are carried out illegally and it is not easy to control them as a large number of overseas Pakistanis also utilize these non-banking sources to send money back home and neither are they criminals nor do they have anything to do with terrorism financing.

Terrorist groups often use forcible taxes for generating income. These can be imposed on the local population who is forced to pay the taxes. Tehrik-e-Taliban Pakistan (TTP) in its heydays, used to tax transport and other local businesses in the tribal areas of Pakistan apart from being involved in criminal activities to meet its financial needs.[16] It used to publish "a "tax schedule" enlisting "various fees for different activities."[17] It also generated funds through charging "protection money from the US convoys headed from Pakistan to Afghanistan".[18] In the tribal areas, TTP militants

[15] Safiya Aftab, "Terrorism Financing," *nd http://pakpips.com/art.php* (2015): 70.
[16] Muhammad Amir Rana, "The Taliban Consolidate Control in Pakistan's Tribal Regions," *CTC Sentinel* 1, no. 7 (2008): 9.
[17] Freeman, "The Sources of Terrorist," 466.
[18] Sanaa Ahmed, "Regulatory Transgression? Drivers, Aims and Effects of Money Laundering and Terrorism Financing Regulation in Pakistan." (PhD diss., York University, Toronto, Ontario, 2020), 212.

coerced the gas station owners into ensuring a free supply of fuel for their vehicles.[19]

Kidnapping for ransom is one of the illegal means by which terrorist organizations finance themselves. Tehrik-e-Taliban Pakistan (TTP) kidnapped civil and military officials in Pakistan for ransom on several occasions. The year 2007 alone witnessed over 1,000 such kidnappings by the Taliban.[20] The Taliban kidnapped Shahbaz Taseer, the son of the former Governor of Punjab, Salman Taseer in 2011. The militants released him nearly after five years of his kidnapping. A militant source revealed that the Taliban demanded Rs2 billion as the ransom money.[21] In another incident, Ali Haider Gilani, the son of the former Pakistani Prime Minister Yousaf Raza Gilani was kidnapped by Al-Qaeda militants. He was released after three years in captivity as a result of a joint operation of the US and Afghan forces against the militants in Afghanistan.[22]

Chinese workers in Pakistan have also been targeted and kidnapped on several occasions by the "terrorists groups and individuals…trained in Afghanistan and Pakistan".[23] In February 2008, TTP kidnapped Pakistan's Ambassador to Afghanistan, Tariq Aziz-ud-Din and released him after receiving $2.5 million as ransom. In another incident, terrorists abducted

https://yorkspace.library.yorku.ca/xmlui/bitstream/handle/10315/37357/Ahmed_Sanaa_2019_PhD.pdf

[19] Arshi S. Hashmi and Muhammad Saqib, "Terror Financing and Growth of Terrorist Groups: A Case Study of Tehrik-e-Taliban Pakistan," *NDU Journal* (2017): 76.

[20] Rana, "The Taliban Consolidate," 9.

[21] Syed Ali Shah, "Abducted Shahbaz Taseer Rescued from Balochistan After Five Years," *Dawn*, March 8, 2016, https://www.dawn.com/news/1244361 (Accessed March 22, 2021).

[22] "Ali Haider Gilani Remains Tight-lipped About Kidnapping Ordeal," *Dawn*, May 12, 2016, https://www.dawn.com/news/1257917 (Accessed March 22, 2021).

[23] Andrew Small, "China's Caution on Afghanistan–Pakistan," *The Washington Quarterly* 33, no. 3 (2010): 86.

Afghan Ambassador to Pakistan, Abdul Khalique and asked for Rs25 million to release him. TTP kidnapped a Pakistani filmmaker, Satish Anand in October 2008 and released him after receiving Rs16 million as ransom.[24]

Drug trafficking has also been used by terrorists to swell their coffers. The TTP widely took advantage of this means to meet its financial requirements when it held sway in the adjoining areas of Pak-Afghan border. It was involved in drug exports to other countries using Karachi as a route.[25] Apart from accumulating money through drug trade, TTP was involved in "numerous bank robberies".[26]

Non Profit Organizations/Charities

Non Profit Organizations (NPOs) had often been used for terrorism financing. The Financial Action Task Force (FATF), an inter-governmental entity established in 1989 for combating money laundering and terrorism financing, has defined an NPO as "a legal person or arrangement or organization that primarily engages in raising or disbursing funds for purposes such as charitable, religious, cultural, educational, social or fraternal purposes, or for carrying out of other types of good works".[27] Given the high level of trust that people exhibit for these organizations and the diverse nature of their activities, they can be easily exploited by the terrorist groups to meet their financial requirements.

[24] Hashmi and Saqib, "Terror Financing," 75-76.
[25] Hashmi & Saqib, "Terror Financing," 73-74.
[26] Freeman, "The Sources of Terrorist," 466-467.
[27] FATF, *International Standards on Combating Money Laundering and the Financing of Terrorism & Proliferation, The FATF Recomme ndations*, (Paris, France: FATF, 2012 - 2020), 58. http://www.fatf-gafi.org/publications/fatfrecommendations/documents/fatf-recommendations.html (Accessed March 25, 2021).

Charity was one of the top means by which terrorist groups generated funds. Individuals from overseas also donated money to charitable organizations which diverted those donations to terrorist groups.

Al-Furqan Foundation Welfare Trust, and Al-Rahmah Welfare Organization (RWO), the two Pakistan-based proscribed charitable organizations working under the guise of philanthropy were involved in providing funds to Taliban and other militant outfits in Afghanistan and Lashkar-e-Taiba (LeT) in Pakistan.[28] Charities in the Persian Gulf and the United Kingdom had also been funding RWO. For many years, McLintock, the Scottish-born CEO of RWO had been providing money to Lashkar-e-Taiba through other charitable organizations under his control in Pakistan and other countries.[29]

Terrorist groups in Pakistan have been widely using philanthropic organizations as a facade to conceal their identity and to generate funds safely. The proscribed organization named Falah-e-Insaniat Foundation (FIF) is another example in this regard. It served as a front humanitarian organization for Lashkar-e-Taiba to ensure the easy flow of funds to the terrorist group. Lashkar-e-Taiba under the guise of FIF was also involved in relief work in the natural disasters such as Asian tsunami of 2004-05

[28] Katherine Bauer and Matthew Levitt, *Funding in Place: Local Financing Trends Behind Today's Global Terrorist Threat* . International Centre for Counter-Terrorism (ICCT), 2020: 64.

[29] US Department of the Treasury, *Protecting Charitable Organizations-A*. (US: United States Government, 2008). https://www.treasury.gov/resource-center/terrorist-illicit-finance/Pages/protecting-charities_execorder_13224-a.aspx (Accessed March 22, 2021).

and earthquake in Kashmir in 2005.[30] Harkat-ul-Mujahedeen and Jammat-ul-Furqan, the two militant groups banned by Pakistan collected charity through their front organizations named Ansar-ul-Ummah and Tehrik-e-Ghalba-e-Islam.[31] The TTP made it obligatory for all the small groups that were affiliated to it to contribute half of their income in the form of taxes and donations to finance its militant operations in the tribal regions of Pakistan and in Afghanistan.[32]

It has been commonly observed that different non-governmental organizations (NGOs) and charities set up charity boxes at various public places such as shops, market places, mosques and madrassas to collect donations for their cause. Terrorist groups that used charities and humanitarian organizations to conceal their true identity also employed this method of raising funds. Falah-e-Insaniat Foundation (FIF), the front humanitarian organization of Lashkar-e-Taiba, before its proscription by Pakistan set up charity boxes at different public places to finance itself. "The Jamaat-ud-Dawa (JuD)" before being banned by Pakistan also placed "donation boxes on a major road artery in the Punjab, which was thought to yield "millions"; at mosques and at shops."[33]

Collecting sacrificial hides on Eid-ul-Adha was another way for the terrorist organizations to generate funds. People often hand over the sacrificial hides to private individuals and humanitarian organizations without much scrutiny about their cause. This was also exploited by the

[30] Carol Christine Fair., "The Milli Muslim League: The Domestic Politics of Pakistan's Lashkar-e-Taiba," Researchgate (2018) https://www.researchgate.net/profile/Carol-Fair/publication/325336147
[31] Hashmi & Saqib, "Terror Financing," 74-75.
[32] Rana, "The Taliban Consolidate," 9.
[33] Ahmed, "Regulatory Transgression," 209.

terrorist organizations as well and they were able to collect sacrificial hides through their humanitarian organizations. Jamaat-ud- Dawa (JuD), the proscribed front organization of Lashkar-e-Taiba used to collect sacrificial hides to finance its militant activities.

Legitimate Businesses

Apart from using crimes and illegal activities to meet their financial needs, terrorists turn to legitimate businesses as well for generating funds. Such legitimate sources are considered to be more feasible as they guarantee a steady flow of money and are not liable to be monitored by the government's checks and balances. Although donations and using charities as front organizations is also a legitimate source of income for the terrorist groups but they are unpredictable and do not guarantee a continued flow of money. There are numerous examples where terrorist groups in Pakistan ran legitimate businesses for generating finances. Terrorist groups established trading companies to trade different commodities including sugar. Some terrorist groups were running schools and hospitals for profit.[34]

External Sources of Terrorism Financing in Pakistan

External actors also have their interests in providing funds to terrorist groups in Pakistan. These include both state and non-state actors. Despite the fact that the founding father of the Pakistani nation i.e. Muhammad Ali Jinnah envisaged a tolerant and all-inclusive outlook for the country, the successive governments in Pakistan showed a keen interest in promoting

[34] Ahmed, "Regulatory Transgression", 207.

and carving the nation's religious identity as being predominantly Sunni. Resultantly, the religious minorities in Pakistan felt marginalized.

The Islamic Revolution in Iran gave impetus to the revivalist tendencies in these marginalized groups particularly in the Shias of Pakistan who regarded Iran as a leader of the Shia Muslims.[35] Furthermore, the hopes of a revolution on the religious lines as happened in Iran, loomed large on the minds of the radical elements in Pakistan. Pakistani society had been far tolerant towards religious minorities and different sects in Islam. Sectarianism and religious militancy was a relatively new phenomenon which made its presence felt particularly after the Iranian Revolution.

This changing scenario provided an opportunity to the competing powers to pursue their own strategic interests by extending support to prominent anti-Sunni Shia groups i.e. Sipah-e-Mohammad Pakistan (SMP) and Tehrik-e-Jafria Pakistan (TJP). On the other hand, some other powers interested in promoting Deobandism started funding terrorist groups such as Sipah-e-Sahaba Pakistan (SSP) which later on started operating under the name of Lashkar-e-Jhangvi (LeJ) and Ahl-e-Sunnat wal Jamaat (ASWJ).[36]

The Soviet invasion of Afghanistan and the Islamic Revolution in Iran led to generous Saudi funding of Ahl-e-Hadith and Deobandi madrassas in Pakistan. This funding however, continued even after the Soviet withdrawal from Afghanistan in 1989. "Private sources in Saudi Arabia" have also been involved in providing this financial support.[37] According to

[35] Moonis Ahmar, "Sectarian Conflicts in Pakistan," *Pakistan Vision* 9, no. 1 (2007): 2.
[36] Fair, "Explaining Support," 1142.
[37] Madiha Afzal, "Saudi Arabia ‟s Hold on Pakistan." The Brookings Institution (2019): 2.

an estimate, Saudi Arabia donated US$7 billion annually to madrassas in Pakistan.[38]

India has provided financial support to Tehrik-e-Taliban Pakistan under the guise of legal transactions with the multinational firms in Pakistan which used to transfer funds to the terrorist organizations. India has also been involved in funding TTP through informal monetary transactions with the terrorists through Hawala/Hundi (Informal funds transfer system).[39] In November 2020, Pakistan made public a dossier backed by solid evidence of Indian financing and training of terrorist groups such as TTP, Jamaat-ul-Ahrar (JuA) and Balochistan Liberation Army (BLA) in Pakistan.[40] Pakistan's Foreign Minister Shah Mehmood Qureshi and Pakistan military spokesman Major General Babar Iftikhar in a press conference on November 14, 2020 claimed that India "had so far distributed Rs.22 billion among the terrorist groups."[41]

Pakistan's Efforts for Choking the Financial Lifelines of Terrorists

Pakistan has made tremendous counter terrorism efforts including gathering intelligence about terrorist activities and launching successful military operations against terrorist groups. Hundreds of Pakistani soldiers have been killed in operations against the terrorist groups. Many important al-Qaeda leaders have been captured due to Pakistan's intelligence sharing with the US government.[42] However, an important dimension of

[38] Aidan Parkes, "Considered Chaos: Revisiting Pakistan's ' Strategic Depth' in Afghanistan," *Strategic Analysis* 43, no. 4 (2019): 7.
[39] Hashmi & Saqib, "Terror Financing," 79.
[40] Duniya HA1F, "Shah Mehmood Qureshi and DG ISPR Complete Press Conference Today," Duniya HA1F. November 14, 2020. You Tube video, 58:56, https://youtu.be/3_JMJXPBqUg
[41] Duniya HA1F, "Shah Mehmood Qureshi and DG ISPR Complete Press Conference,".
[42] Seth G. Jones, "Pakistan's Dangerous Game," *Survival* 49, No. 1 (2007): 19.

countering terrorism involves eliminating the financial sources of terrorist groups. Terrorists use different sources of funding and it is difficult to claim with certainty which source contribute to what an extent to their overall financing.

Since 2018, the Financial Action Task Force (FATF) has placed Pakistan on its 'grey list' for structural deficiencies in Pakistan's efforts to combat money laundering and terrorism financing.[43] However, Pakistan has been making serious efforts to control terrorism financing even before FATF pointed out to the need of further steps in this regard. Over the years, Pakistan has taken significant steps to improve its counter terrorism financing mechanism and bring its efforts in line with the international standards.

Proscribing the Terrorist Groups and their Affiliates

Pakistan has taken stringent action against the terrorist organizations and their affiliated groups. Currently seventy-nine (79) terrorist groups are on the list of proscribed organizations updated by the National Counter Terrorism Authority (NACTA) under the Anti-Terrorism Act of 1997 whereas several others have been placed under watch. Some of the major terrorist groups and their affiliated organizations that have been banned include Al-Qaeda, Lashkar-e-Taiba, Sipah-e-Sahaba Pakistan, Lashkar-e-Jhangvi, Ahle Sunnat wal Jammat, Tehrik-e-Taliban Pakistan, Jaish-e-Mohammad, Sipah-e-Mohammad Pakistan, Tehrik-e-Jafria Pakistan, Al-Furqan Foundation Welfare Trust, Al-Rahmah Welfare Organization,

[43] Fareeha Shamim, "Pakistan's Counter Terrorist-Financing Measures: Challenges and Prospects," *Journal of Strategic Affairs* (2020): 88. https://ssii.com.pk/wp-content/uploads/2020/12/05-Fareeha.pdf

Falah-e-Insaniat Foundation, Jammat-ul-Furqan, Ansar-ul-Ummah, Jamaat-ud-Dawa, Jamaat-ul-Ahrar, Balochistan Liberation Army, Balochistan Liberation Front, Al-Anfal Trust, Dawatul Irshad Trust and Muaz bin Jabal Trust.[44] Their assets and bank accounts have been frozen. All financial institutions have been barred to do business with the proscribed organizations and their transactions will also not be processed. Furthermore, strict monitoring has been employed to stop the re-emergence of any proscribed organization.

National Action Plan (NAP)

Pakistan developed a comprehensive National Action Plan (NAP) in January 2015 as its counter terrorism policy in the wake of the deadly terrorist attack on the Army Public School, Peshawar in December 2014. Several out of the 20 points of NAP contained provisions for combating terrorism financing in Pakistan. Terrorist groups in Pakistan have also been using informal means of transferring funds such as Hawala/Hundi. This system exchanges money "without having to move money physically".[45] In an effort to put an end to this practice, hundreds of arrests have been made and Rs1,498.918 million have been recovered. Under the Anti-Terrorism Act (ATA) 1997, individuals and organizations linked to terrorist activities can be marked as "proscribed" and are liable to face various restrictions including freezing of their assets. In line with the instructions issued by the State Bank of Pakistan (SBP) to all banks, assets

[44] National Counter Terrorism Authority, *78 Organizations Proscribed by Ministry of Interior u/s 11-B-(1)r/w Schedule-I, ATA 1997*, National Counter Terrorism Authority. (Islamabad, 2020). https://nacta.gov.pk/wp-content/uploads/2018/12/Proscribed-OrganizationsEng-1.pdf (Accessed April 9, 2021).

[45] Adeel Mukhtar, "Money Laundering, Terror Financing and FATF: Implications for Pakistan." *Journal of Current Affairs* 3, no. 1 (2018): 42.

amounting to Rs.300 million have been frozen while the number of frozen bank accounts is 5,023.[46] The Securities and Exchange Commission of Pakistan (SECP) has also issued guidelines to entities under its jurisdiction to freeze assets of proscribed individuals and organizations.[47]

According to an estimate, "there are between 30,000 and 32,000 madrassahs across Pakistan, which house, feed and educate over 2.5 million students."[48] Since the Soviet invasion of Afghanistan in 1979, several madrassas in Pakistan have been serving as recruiting, training and sustaining ground for terrorist outfits. Lack of sufficient regulations to monitor the financial sources of these madrassas resulted in a steady flow of income for the terrorists. Efforts are underway to develop an efficient mechanism of audit and accounts for the madrassas.[49]

Measures to Monitor and Regulate the Activities of NPOs/Charities

Non-Profit Organizations (NPOs) especially charitable organizations have been financing terrorist groups in Pakistan since long. There are various laws to monitor the registration and regulation of NPOs in Pakistan. These include The Societies Registration Act, 1860, The Religious Endowment Act, 1863, The Trusts Act, 1882, The Charitable Endowments Act, 1890, The Cooperative Societies Act, 1925, Local Government Ordinance, 2001

[46] Embassy of Islamic Republic of Pakistan, Washington, D.C., *A Factsheet on Pakistan's CT Effort*. (Washington, D.C. : Embassy of Islamic Republic of Pakistan, Washington, D.C. 2018), 9. http://embassyofpakistanusa.org/wp-content/uploads/2018/01/Factsheet-on-Pakistan%E2%80%99s-CT-Effort.pdf (Accessed March 25, 2021).
[47] Embassy of Islamic Republic of Pakistan, "A Factsheet," 15.
[48] Ahmed, "Regulatory Transgression", 209.
[49] Embassy of Islamic Republic of Pakistan, "A Factsheet," 10.

and The Companies Act, 2017.[50] The Securities and Exchange Commission of Pakistan (SECP) has also taken initiative and has issued the Associations with Charitable and not for Profit Objects Regulations, 2018 to stop the misuse of charities by terrorist organizations.[51] The SECP has also issued instructions against extending financial assistance in the form of charity to any individual or organization included in the list of proscribed organizations updated by National Counter Terrorism Authority (NACTA).[52]

It has been a common practice for the front humanitarian organizations working for terrorist groups to collect sacrificial hides on Eid-ul-Adha. Under the National Action Plan (NAP), the provincial governments have taken steps to stop this practice. NACTA has laid special emphasis on the law enforcement agencies of all the provinces to monitor the collection of sacrificial hides on Eid-ul-Adha.[53]

NACTA's Role in Combating Terrorism Financing

The National Counter Terrorism Authority (NACTA) was established under NACTA Act 2013. Since its inception, NACTA has been making efforts to combat terrorism and extremism in Pakistan. It has come up with the draft of a model law for the registration, monitoring and audit of NPOs and charities. The draft has been shared with the provinces for their

[50] Securities and Exchange Commission Of Pakistan, *Anti-Money Laundering/Countering the Financing of Terrorism (AML/CFT) Guidelines for Non Profit Organizations (NPOs)* (National Counter Terrorism Authority, 2018), 4. https://nacta.gov.pk/aml-cft-guidelines-for-npos-2018/ (Accessed March 25, 2021).
[51] Shamim, "Pakistan "s Counter Terrorist," 96.
[52] Securities and Exchange Commission of Pakistan, "Anti-Money Laundering," 5.
[53] National Counter Terrorism Authority, *Countering Financing of Terrorism*. (National Counter Terrorism Authority) https://nacta.gov.pk/counter-financing-of-terrorism/ (Accessed March 26, 2021).

feedback whereupon it will be submitted to the Government. The purpose of this law is to stop the misuse of NPOs and charities by terrorist organizations. Apart from collaborating with the Federal Board of Revenue, State Bank of Pakistan, Anti-Narcotics Force, Federal Investigation Agency and Intelligence Agencies to monitor the movement of cash across land and other routes, it is also enforcing State Bank of Pakistan's (SBP) rules regarding threshold of currency limits of up $10,000/visit which can be taken out of the country. The contribution of NACTA in monitoring the mobile money transfer system or Branchless Banking, a particularly vulnerable area to be exploited by the terrorists, is significant. It is also collaborating with intelligence agencies to control illegal Hawala operators in Pakistan along with formulating rules for donation collection by NPOs and charities in Pakistan. The purpose is to stop fraudulent fund raising for terrorism financing.[54]

Conviction of Hafiz Muhammad Saeed

On February 12, 2020 an anti-terrorism court in Lahore convicted Hafiz Muhammad Saeed, the founder of the banned organization Lashkar-e-Taiba (LeT) and its charitable organization Jamaat-ud-Dawa (JuD). He was sentenced to two terms of fifteen years in prison which would run concurrently for being found guilty of links with terrorist groups and terrorism financing.[55] He was also sentenced to five and a half years in prison to be run concurrently with his previous imprisonment in another

[54] National Counter Terrorism Authority, "Countering Financing,".
[55] Salman Masood, "Accused Mastermind of Mumbai Attack Convicted of Links to Terrorism," *The New York Times*, February 12, 2020, https://www.nytimes.com/2020/02/12/world/asia/hafiz-saeed-mumbai-convicted.html (Accessed March 26, 2021).

case of terrorism financing in November 2020.[56] Earlier in April 2019, the Government of Pakistan banned Al-Anfaal Trust, Dawatul Irshad Trust and Muaz Bin Jabal Trust for their links with Jamaat-ud-Dawa. The Government also took over nearly 200 madrassas and hundreds other facilities associated with Jaish-e-Mohammad (JeM), Jamaat-ud-Dawa and Falah-e-Insaniat Foundation (FIF).[57]

Legislative Measures to Combat Money Laundering and Terrorism Financing

Pakistan has enacted several laws to enhance its capacity of controlling money laundering and terrorism financing. These include Anti-Money Laundering Act, 2010, Investigation for Fair Trial Act, 2013, Anti-Terrorism Amendment Act, 2013, National Counter Terrorism Authority (NACTA) Act, 2013, Anti-Money Laundering Regulations, 2015, Prevention of Electronic Crimes Act, 2016, AML/CFT Regulations for Banks and DFIs, 2017, NACTA Act (Amendment), 2017 and Securities and Exchange Commission of Pakistan (AML/CFT) Regulations, 2018. Furthermore, important amendments have been passed in the Anti-Terrorism Act, 1997 and Anti-Money Laundering Act, 2010 in 2020.[58] These amendments have made the offences such as "the provision of money, property or facilitating travel of a person intending to engage in terrorism" more criminalized.[59]

[56] Rana Bilal, "Hafiz Saeed Convicted in Another Terror Financing Case, Sentenced to 5 and a Half Years in Prison," *Dawn*, November 19, 2020, https://www.dawn.com/news/1591261 (Accessed March 26, 2021).
[57] Bilal, "Hafiz Saeed convicted,".
[58] Shamim, "Pakistan "s Counter Terrorist," 94-98.
[59] Shamim, "Pakistan "s Counter Terrorist," 98.

Loopholes in Pakistan's Counter Terrorism Financing Efforts

Though Pakistan has made significant efforts to counter terrorism financing and has streamlined its anti-terrorism financing mechanisms according to the international standards but still there are areas to be focused in particular. Firstly, after the incident of 9/11, international pressure kept mounting on Pakistan to implement madrassa reforms. Resultantly, Pakistan spearheaded its drive to reform madrassas. However, the efforts to monitor the activities of madrassas need to continue.[60] In its annual country report issued in 2019 on terrorism in Pakistan, the U.S. Department of State along with admitting Pakistan's sustained counter terrorism efforts has also highlighted that the continuation of these efforts is also essential. Pakistan is still facing "significant terrorist threats" with the Tehrik-e-Taliban Pakistan (TTP) as the most dangerous terrorist group active in Pakistan.[61] Strict implementation of laws and regulations to register all the madrassas and a vigilant check on their financial sources is required to successfully combat terrorism and terrorism financing.[62]

Secondly, the low number of convictions in terrorism financing cases is another point of concern for Pakistan. This is what the Asia/Pacific Group (APG) (an intergovernmental institution to combat money laundering and terrorist financing) has also pointed out in its evaluation report about

[60] Tim Craig, "Pakistan is Still Trying to Get a Grip on its Madrassa Problem," *The Washington Post*, December 16, 2015, https://www.washingtonpost.com/world/pakistan-is-still-trying-to-get-a-grip-on-its-madrassa-problem/2015/12/16/e626a422-a248-11e5-9c4e-be37f66848bb_story.html (Accessed April 1, 2021).
[61] U.S. Department of State, *Country Reports on Terrorism 2019: Pakistan*, (U.S. Department of State, 2019). https://www.state.gov/reports/country-reports-on-terrorism-2019/pakistan/ (Accessed April 1, 2021).
[62] U.S. Department of State, "*Country Reports*,".

Pakistan in 2019.[63] The credibility of Pakistan's efforts to combat terrorism financing is dependent on the speedy momentum of its law enforcement agencies and judicial process in convicting individuals and entities to be found guilty of financing terrorism in Pakistan.

Thirdly, it has been exceedingly difficult for Pakistan to control the transfer of money through Informal Value Transfer Systems (IVTs) which have been exploited by the terrorists. Terrorist groups such as Lashkar-e-Taiba have also been using IVTs particularly Hawala/Hundi for transferring funds generated through criminal activities.[64] Numerous low-skilled overseas workers also utilize these systems to send money back home especially in far-flung areas.[65] Given their minimal knowledge of using formal banking system, these overseas workers find the informal funds transfer systems exceptionally convenient. For this reason, the task of controlling and monitoring funds transfer through IVTs has become difficult.

Fourthly, Pakistan is still on the Financial Action Task Force's (FATF) „grey list' until June 2021. Keeping in view, Pakistan's sustained efforts to combat terrorism financing, the FATF has recognized Pakistan's "significant progress" in this regard.[66] The country has successfully completed 24 out of 27 items on the action plan that it agreed to implement to combat terrorism financing. The three remaining items relate to speedy investigation, prosecution and conviction of the designated individuals and

[63] Abid Hussain, "Pakistan on FATF "s Grey List Terrorist Financing Perspective," *Global Regional Review* 4, no. 4 (2019): 287.
[64] Michael Freeman and Moyara Ruehsen, "Terrorism Financing Methods: An Overview." *Perspectives on terrorism* 7, no. 4 (2013): 10.
[65] Aftab, "Terrorism Financing," 71-72.
[66] "FATF Keeps Pakistan on Grey List Until June Despite „Significant Progress "," *Dawn*, February 25, 2021, https://www.dawn.com/news/1609329# (Accessed April 1, 2021).

entities in terrorism financing cases and complete implementation of financial sanctions against the designated terrorists in the United Nations Security Council (UNSC) resolutions 1267 and 1373 adopted in 1999 and 2001 respectively. FATF has decided to review Pakistan's progress regarding the three remaining items on the action plan in its extraordinary plenary session to be held in June 2021. Keeping in view Pakistan's stringent measures to fight terrorism financing, it can positively expect to be removed from the FATF's 'grey list' .

Conclusion

Terrorist groups in Pakistan have been relying on multiple internal and external sources for funding. The internal sources constitute both legitimate and illegitimate sources. Externally, foreign states and individuals have also been involved in feeding money to these groups. Internal sources of terrorism financing in Pakistan range from criminal activities for instance, kidnapping for ransom, drug trafficking, bank robberies, illegal taxation and extortion to the use of charities as front organizations and raising money in the name of relief work in natural disasters which resulted in generating funds and popular support both for the terrorist groups. Furthermore, establishing legitimate businesses such as hotels, textile and trading companies and running networks of schools and hospitals for profit have also been some of the means of a steady flow of money to the terrorist groups.

Given the diverse nature of terrorist groups targeting Pakistan and the variety of ways they have been employing for generating funds, it has not been easy for Pakistan to stamp out their means of finance. However, Pakistan has taken multiple steps to strangulate their financial lifelines.

These include implementing the Anti-Terrorism Act 1997 and proscribing the terrorist organizations and their affiliates under this act, National Action Plan (NAP) 2015, Anti-Money Laundering Act (2010) and various other laws and important amendments, enforcing regulations and guidelines issued by the State Bank of Pakistan (SBP), Securities and Exchange Commission of Pakistan (SECP), Federal Board of Revenue (FBR), monitoring the activities of charities and Non-Profit Organization (NPOs) to stop their misuse by terrorist groups, making and implementing various laws and regulations to control and monitor madrassas, establishing and strengthening the National Counter Terrorism Authority (NACTA) and prosecuting and convicting individuals and entities involved in terrorism and terrorism financing .

The fight against terrorism financing has been a challenging one and there still are deficiencies to overcome. Stringent controls need to be employed to regulate the internal matters of madrassas and monitoring their financial sources. Law enforcement agencies and the judicial process need to conduct speedy trials and convictions of individuals and entities involved in terrorism and financing terrorism.

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Pakistan in the FATF Grey -list: Compliance and Policy Readjustments

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Abstract:

The global politics underwent a drastic shift especially after the 9/11 and Financial Action Task Force (FATF) became a lynchpin institution for monitoring counter financing of terrorism, and money laundering. It expanded its scope and power to categorize countries with weak financial institutions and urged them to comply action plan. Pakistan was put into the grey-list for slow progress regarding compliance to United Nations Security Council Resolutions (UNSCR-1617,1267 and 1373). The FATF asked Pakistan to comply 27-point Action Plan to delist from the grey-list. Pakistan adopted several concrete measures including Amendment in Anti-money laundering Act (2010), enhanced role of Federal Board of Revenue (FBR), Federal Investigation Agency (FIA), State Bank of Pakistan (SBP) and stringent measures by interior ministry of Pakistan to choke financial lifelines of terrorist networks. The paper is comprised of secondary data collected from various electronic and printed publications. The objective of the study is to highlight Pakistan's compliance to FATF action plan. This paper highlights Pakistan's compliance to FATF grey -list by adopting structural measures and it also provides concrete recommendations.

Key Words: FATF, Counter Financing Terrorism, Money Laundering, Action Plan, Pakistan, Grey-list

FATF - An Overview

Financial Action Task Force (FATF) is an int ergovernmental body established in 1989 on the occasion of G-7 meeting in Paris. Promoting

effective implementation of regulatory operational measures for countering money laundering, terrorist financing and similar threats to international financial system that falls under its tasks which have broadened gradually over time. The FATF comprises of 35 members and two regional organizations. China, India, United States, United Kingdom and Japan as its prominent members.

The FATF proposed certain recommendations, initially issued in 1990 acting as a guideline which all countries should meet in order to effectively play their part in countering the threat to financial institutions. These recommendations were aimed at increasing the transparency of the financial system and provide the countries with a framework to investigate and take action against the notorious activities. The FATF calls all the states to comply with all of the stated provisions. Moreover, these recommendations have also been revised in 1996, 2001, 2003, and 2012 in order to align them with the recent developments and to make sure that they remain suitable for global implementation.

The FATF, in collaboration with other international stakeholders monitors the progress of the countries in countering their respective threats to financial system and the black money that is possibly used for aiding terrorism or related crimes. The FATF is a decision-making body.[1] and its Plenary meets thrice a year to evaluate the progress of the different states regarding their legal, regulatory and operational measures to combat money laundering and terrorism financing. It relies on self-assessments and periodic mutual evaluation reports by experts to verify if the members

[1] James K. Jackson, "The Financial Action Task Force: An Overview", *Congressional Research Service*, March 23,2017
https://fas.org/sgp/crs/misc/RS21904.pdf (accessed June 07,2020)

are complying with the provisions of FATF or not. States can become members of FATF by adhering strictly to the stated protocols. Moreover, The FATF does not have any implementation mechanism against the members violating the terms and can only eliminate the members if not adhering to the stated principles. For example, in 2013 Turkey was warned that its membership will be suspended if it did not criminalize the illegal tax evasion being practiced.

Expansion of the FATF Mandate and its Influence after War against Terrorism

Initially, FATF was established to keep a check on money laundering, tax evasion and the misuse of financial institutions. Money laundering was a major problem in the 1980s which refers to illegal transfer of money through illegal channels, since the highly complex nature of international monetary system, there is plenty of space for defections in money transactions. Hence, the G-7 launched the initiative to curtail threats to the banking system and to the financial institutions. However, following the deadly attacks on the World Trade Centre on 9 September 2001, the FATF expanded its scope to include terror financing as its core concern, introduced new measures and urged states to comply with the updated requirements. Hence, terror-financing was treated as the central focus of the FATF.

Tracing terror-financing without a strong institutional arrangement was a very difficult task since the terrorist networks use very complex, complicated and concealed methods to channel their funding. For instance, certain Non-Governmental Organizations (NGOs) have previously veiled themselves that they are providing social services for the needy people but

sometimes such organizations have been found involved in terror-financing. For example Global Relief Fund[2] started in U.S. as a charity organization to provide financial assistance to war–affected Muslim states such as Bosnia and Afghanistan, yet it was revealed in 2001 that this NGO had affiliation with Al-Qaeda.

The FATF plenary meeting held at Washington D.C on 29th and 30th October 2001, introduced additional eight recommendations[3] for the purpose of counter financing of terrorism. The FATF aimed to figure out the sources and methods of terror-financing. It also devised mechanism for the countries to adopt counter-measures. Moreover, the scope of the FATF further expanded in the light of the 2008-2009 global recession as struggling financial systems are more vulnerable to illegal activities such as money laundering and terror-financing. That is why historically roots of all evils were traced back to the origin of capitalism. But the point is that in recession fragile economies are unable to control drug trafficking, human trafficking, terror-financing and related criminal activities because even these practices also to contribute indirectly in economies. The FATF has recently drawn the subject of financing weapons of mass destruction under its surveillance.

The expansion of the FATF influence is reflected in the special additional recommendations which compelled the states to ratify UN instruments

[2] Adeel Mukhtar, "Money Laundering, Terror Financing and FATF: Implications for Pakistan", *Journal of International Affairs*,Vol.3 No.1(2018):31 http://www.ipripak.org/wp-content/uploads/2018/10/Article-2-2-Oct-2018-ED-SSA.pdf(accessed August12,2020)

[3] OECD, "FATF Cracks Down on Terrorist Financing" (*Washington, D.C. Organization for Economic Co-operation and Development*, 2001) , https://www.oecd.org/newsroom/fatfcracksdownonterroristfinancing.htm (Accessed September 27,2020)

which were presented against terror financing. The recommendations also requested the states to equate terror- financing with money laundering and penalize the criminals accordingly. Similarly, all the properties and wealth of the terrorist, terrorist organizations and those entities which supported the terrorists were to be seized and confiscated. Likewise, all financial institutions, if tracked any suspicious activity which could have links to terror-financing should immediately report the case to the concerned authorities.

The new recommendations also propose that all countries should cooperate with each other through effective intelligence sharing in order to nip terror financing and avoid providing any sort of safe havens to those who have indulged in terror-financing activities. In addition, the governments should make sure that all the individuals or other entities which serve as a channel should be licensed and registered and should be operating in accordance with the forty recommendations of the FATF. similarly, all the transactions should be subject to intensified scrutiny and should contain complete information such as complete name, address, contact number of the originator and the receiver of the money transfer and if any such information is missing, then the government should take action against the institutions which are allowing such money transfers. Furthermore, taking into consideration the fact that certain NGOs are vulnerable and can be used by terrorist as a cover for lethal activities, therefore there should be a close check on NGOs and their activities in order to monitor that they are not facilitating terrorist activities directly or indirectly.

In addition, in 2012, the UNSC embraced resolution 1617, “demanding all U.N. parties to actualize the FATF 40 points proposal on t ax evasion and

the nine suggestions on terrorist financing".[4] All states were directed to comply with the respective resolutions.

Pakistan in the Grey List

Pakistan remains under the increased monitoring of FATF, Dr Marcus Pleyer President of FATF announ ced on 25 February 2021 that "what is essential now Pakistan completes the action plan."[5]

According to the FATF website Pakistan needs to continue working on three remaining strategically important deficiencies

i. "Demonstrate that Terror Financing investiga tions and prosecutions target designated entities

ii. Demonstrate that TF prosecutions result in effective sanctions

iii. Demonstrate effective implementation of targeted sanctions against designated terrorist groups (under UNSCR-1267,1373)"[6]

In Pakistan, money laundering and terror-financing has been able to pick ground due to the instability of neighbouring Afghanistan and Iran. The

[4] Khaleeq Kiani, "All Eyes on FATF Plenary Beginning Today" DAWN News, February 22,2021 https://www.dawn.com/news/1608722/all-eyes-on-fatf-plenary-beginning-today (Accessed April14,2021)

[5] Mubarak Zeb Khan, "Pakistan Optimistic About Exiting FATF Grey List", *DAWN News*,February21,2021 https://www.dawn.com/news/1608488 (Accessed September 9,2020)

[6] Mutual Evaluation of Pakistan, Pakistan's Progress in Strengthening measures to Tackle Money Laundering and Terrorist Financing, FATF , Website, http://www.fatf-gafi.org/publications/mutualevaluations/documents/fur-pakistan-2020.html (Accessed October 20,2020)

long border that Pakistan shares with Afghanistan has been a constant source of contention as it had been used for illegal economic activities. Moreover, weak institutional regulation and ineffective laws has been a major source of money laundering, for example in 2013, there were $9 billion illegally transferred from Pakistan to abroad, which is an alarming situation.[7] The international community has repeatedly called upon Pakistan for not doing enough to terminate the above stated issues.

In February 2018, the nomination of Pakistan for monitoring under the International Cooperation Review Group (ICRG) was put forward by FATF. In res ponse, the then Pakistani finance minister Miftah Ismael, offered to present a report in order to satisfy the FATF on its progress and requested that the final decision to be made after the FATF evaluates the report presented by Pakistan. Initially, this demand was accepted, the meeting concluded on a positive note and the then Defence Minister of Pakistan Khwaja Asif even tweeted that the decision to put Pakistan on the grey list has been postponed[8].

However, due to immense pressure from the U.S. Pakistan was placed on the Anti-money laundering (AML) and Countering Financing of Terrorism Compliance (CFT) list also known as the "grey list" as a result of a meeting held on 29th June 2018 in Paris by the FATF plenary. The reason allocated for putting Pakistan into the grey list was that it has "strategic deficiencies" in its efforts towards mitigating the issues of money

[7] Mohiuddin Aazim, "The rise and rise of remittances," DAWN News, January 18,2021 https://www.dawn.com/news/1602001 (Accessed April13,2021)

[8] Maria Irfan, "Pakistan Under Grey List Of Financial Action Task Force (Fatf)", *Pakistan Institute For Parliamentary Services,*2018 ,Website, https://www.pips.gov.pk/sites/default/files/10_PIPS_Parliamentary_Research_Digest_Oct_%202018.pdf (Accessed November27,2020)

laundering and terror-financing. The decision was taken on the basis of a monitoring report of the ICRG[9]. The ICRG stated four areas[10] of concern : (i) deficiencies in the monitoring of money laundering (AML) and counter-terrorism financing (CFT) regimes, (ii) cross-border illegal movement of currencies by terrorist groups, (iii) lacking the implementation of UN Security Council Resolution(UNSCR) 1267 and 1373 for mitigation terrorism and (iv) ineffective investigation coupled with prosecution of terror-financing[11].

The report exhibited that Pakistan had shown some progress on three out of the four major areas of concern whereas cross-border smuggling of cash was the only area where Pakistan admitted slow progress and lack of success[12]. This decision by FATF had a strong backing of the U.S, UK, France and Germany who asserted that Pakistan has failed to take necessary measures against terror-financing on its soil.

The FATF also had concerns that there were some shortcomings in imposing adequate sanctions against institutions which were not complying with the AML/CFT violations. Likewise, Pakistan was also blamed that it didn't demonstrate inter-agency cooperation between the federal and provincial authorities to eliminate terror-financing.

[9] Asad Ullah Khan, "Fatf Grey List: Time For Pakistan To Take Bold Steps", *ISSI,* July 11, 2018
http://issi.org.pk/wp-content/uploads/2018/07/IB_Asad_July_11_2018.pdf

[10] "FATF places Pakistan on „grey list " despite efforts to thwart decision",*Pakistan Today,* June 28, 2018 , https://www.pakistantoday.com.pk/2018/06/28/fatf -places-pakistan-on-grey-list-despite-efforts-to-thwart-decision/ (Accessed July 11,2020)

[11] *Pakistan Today,* June 28, 2018 ,

[12] Shahbaz Rana, "Pakistan formally placed on FATF grey list", *The Express Tribune*, June 30, 2018, https://tribune.com.pk/story/1746079/1-pakistan-formally-placed-fatf-grey-list/ (Accessed December 7,2020)

Furthermore, the lack of substantial efforts to end cross border illegal transfer of money was also mentioned as one of the chief concerning elements. Similarly, non-implementation of the UNSCR 1267 and 1373 and not freezing the assets of U.N identified terrorists and terrorist organization was also termed as the reason for placing Pakistan on the grey list[13].

The acting U.S. Secretary of State Alice Wells stated that the decision to place Pakistan in the grey list was partly due to its inefficiency to take concrete actions against Hafiz Saeed, the culprit behind Mumbai attacks and terrorist organizations such as Jaish-e-Muhammad and other sectarian organizations. Pakistan's Anti-terrorism court has already convicted (September 2020) Jamatud Dawa leader Hafiz Saeed in case of terror financing for five and half years[14].

According to the FATF terms and conditions if a minimum of three countries still support Pakistan to stay out of this then Pakistan will be delisted from FATF. But the U.S. lobbied to Saudi Arabia, China and Turkey to convince them to make the decision against Pakistan. Likewise the Indian government resorted to China and promised them support in the FATF leadership in the future. Hence, New Delhi played a central role to place Pakistan on the grey list. Other sources say that it was the U.S. who convinced China on the grounds that it would be given vice president-ship of the FATF if it supported the proposal of putting Pakistan on the grey list. Similarly, Saudi Arabia was influenced by the U.S. lobbying as Saudi

[13] Mehak Adil, "FATF "Grey List" – The Way Forward For Pakistan" , *Courting the Law*, Nov 29, 2019, http://courtingthelaw.com/2018/11/29/commentary/fatf-grey-list-the-way-forward-for-pakistan/ (December 12,2020)

[14] Rana Bilal, "Hafiz Saeed Convicted in another terror financing case," *DAWN News* ,November19,2020 https://www.dawn.com/news/1591261 (Accessed June 23,2020)

Arabia is an observer state and it wants to upgrade itself to full member for which it will require the support of U.S. afterwards. Hence, Pakistan could not attain support of its allies China and Saudi Arabia, who failed to support Pakistan at that moment[15]. Ironically, Saudi Arabia and China have strong bilateral relations with Pakistan but Indo-US convergence of interest pulled Saudi Arabia and China into the orbital influence of the U.S. Turkey on the other hand stood by Pakistan's side and opposed the proposal yet Turkeys support couldn't keep Pakistan out of FATF grey list.

The Pakistani delegation was headed by Dr. Shamshad Akhtar, who presented Pakistan's case before the FATF. Dr. Akhtar briefed and repeatedly advocated the case for Pakistan and asserted that Pakistan has taken monumental steps to adhere with the FATF provisions and is continuing to do so at an expedited rate by curbing the financing of terrorism, formulating effective laws and more stringent regulation and implementation[16].

Previously, Pakistan was placed in the grey-list twice, once in 2008 and second from 2012 to 2015. However, considering its colossal efforts such as taking action against organizations such as Jamaat-ud-Dawa, Falah-e-Insaniyat Foundation and Lashkare Tayyba, it was removed from the list in 2015. The news of placing Pakistan was unjustified in the sense that placing the country on the FATF grey list is made while evaluating its financial status. On the other hand, this time Pakistan's crippling economy

[15] Yasmeen Aftab Ali, "Pakistan and FATF grey list", *Pakistan Today*, July 3, 2019 https://www.pakistantoday.com.pk/2018/07/03/pakistan-and-fatf-grey-list/ (Accessed July 25,2020)

[16] Web Desk, "FATF decides to place Pakistan on Grey List", *The Nation,* June 28, 2018 https://nation.com.pk/28-Jun-2018/fatf-decides-in-favour-of-keeping-pakistan-on-grey-list (Accessed August2,2020)

was not taken into consideration and the decision was made spontaneously.

Action Plan between FATF and Pakistan

After Pakistan's placement on the grey list in June 2018, a 27-points action plan was designed which span over a time period of fifteen months by the FATF which Pakistan must comply if it wanted to avoid being blacklisted[17]. The ministry of finance stated that it is bound to meet the initial targets by February 2019 and all 27 targets by September 2019. These 27-point action plan comprised a number of guidelines which Pakistan must effectively act upon.

According to the measures proposed by FATF, Pakistan was directed to invest unprecedented number of efforts to identify every sort of terrorist activity and take legal action against them. It envisaged that Pakistan must ban the various organizations such as Haqqani network and Jaishe-e-Muhammad (JeM). Likewise, the money transactions of all such radical groups needed to be effectively tracked and terminated in order to devoid them of the capital resources. Moreover, the measures also included that Government of Pakistan's steps in order to comply with AML/CFT provisions of the FATF, through san ctions upon institutions defying the respective norm. A better coordination to be reflected in the working of the federal and provincial authorities to counter narcotics-smuggling and cash smuggling.

[17] "Pakistan passes 26-point action plan to comply with FATF," *Pakistan Today,* June 27, 2018 https://www.pakistantoday.com.pk/2018/06/27/pakistan -passes-26-point-action-plan-to-comply-with-fatf/ (Accessed July 25,2020)

Pakistan was directed to investigate various non-profit organizations such as Falah-i-Insaniyat due to the reasons that either a number of terrorist groups were acting under the covers of social welfare organizations and were utilizing the funds for their lethal activities or were indirectly aiding them through financial assistance. Similarly, all the terrorism financing prosecution are reflective of the fact that effective sanctions were imposed on the individuals who were involved in terror-financing. Moreover, apart from the domestic circle, Pakistan would also aid the international community against cases of terrorism, wherever needed.

The FATF placed cross-border transportation of currency as a high concern and allocated six months to Pakistan to deal with these cash-courier with an iron hand and at the same time improve its customs units. Furthermore, all the assets of the UN designated groups are to be seized with the imposition of administrative sanctions as well. Pakistan was given one year time to take action against all the UN designated terrorists and to submit report on how effectively they were being sanctioned. Lastly, the UNSCR 1267 and 1373 needed to be complied with.

The 27-points agenda contained eight commitments relating to tracking and curtailing terror-financing mechanisms, four points relate to halting currency movement across the border, whereas five recommendations are concerned with the improvement in the backing mechanisms and their supervisions to ensure that enables them to become least vulnerable to terror-financing activities.

Few months afterwards, a plenary meeting of the FATF convened from 24th June till 29th June,2020 which pointed out that "it has identified Pakistan as a jurisdiction with strategic AML/CFT deficiencies". Another

set of guidelines concerning money laundering and terror-financing was given to Pakistan for compliance. It included the following aspects:

1. The identification and evaluation of the risks of terror-financing should be a high priority along with the supervision is carried out at risk-sensitive bases.

2. AML/CFT violations should be responded by through effective sanctions which would resultantly trigger compliance of AML/CFT by the financial institutions.

3. Emphasizing the point that the concerned authorities are effectively tracking and effectively taking action against illegal money and fraudulent transactions.

4. Taking into consideration the detrimental result of terror-financing, the competent authorities should take concrete steps to discern cash couriers, which are instrumental for terror-financing and track any illicit cross-border movement of currency

5. In order to effectively counter terrorism, a strong level of coordination is a dire requirement. Hence the provincial and federal authorities should work in concert to curtail terror-financing and money laundering.

6. All the law enforcement agencies should cover the maximum range of terror-financing activities and should deal with an iron hand, the individuals involved in such activities along with those individuals who have been acting on their behalf and those organizations which have been endorsing such criminals.

7. The judiciary and prosecutors who are dealing with the culprits should be given enhanced support and cooperation in order to elevate the effectiveness of the sanctions imposed.

8. All terrorists designated as per UN resolution 1267 and 1373 and those acting on their behalf should be subjected to targeted financial sanctions such as prohibition on any sort of movements of funds, ceasing access to funds and financial services and freezing the current assets.

9. Enforcement of administrative and criminal penalties to be imposed on the culprits with the cooperation of provincial and federal authorities.

10. Ensuring that the facilities and services possessed by the designated people are no longer in their usage and are deprived of all the resources.

Pakistan's Compliance to the FATF

Pakistan has constantly been under the threat of being blacklisted by the FATF due to non -compliance to FATF guidelines. Pakistan was included in the FATF grey-list for the second time on 28th June 2018 when it failed to fulfil 10 out of 11 effectiveness parameters regarding money laundering and terror financing.[18] Ever since Pakistan was expected to work on anti-money laundering and countering financing terrorism laws to de-list it from FATF grey -list.

Government of Pakistan in July 2018, was tasked with this responsibility. The government had to take certain steps that should conform to the parameters and set standards of the FATF. In August 2018 Pakis tan submitted its compliance report on 27-point action in Asia Pacific Group

[18] Dr Kamaal Monnoo, "FATF & Pakistan "s position" *The Nation*, 29 August,2019. https://nation.com.pk/28-Aug-2019/fatf-pakistan-s-position (Accessed July 27,2020)

(APG) of FATF for its scrutinization as per the due procedure Pakistan needs to go through three separate evaluations to ensure the removal of its name from the grey-list until October 2019, the APG's evaluation being one of the three. This report comprised of the details of the measures taken by the Pakistani Government to counter the terror financing and money laundering from February 2018, "when Pakistan was nominated by the FAT F for being monitored by its ICRG commonly known as grey list" to October 2018.[19] Pakistan's compliance in the seven areas were reviewed by the APG most importantly these areas are related to the financial and insurance services. These areas include measures and safeguard against money laundering and terror financing by banned outfits and non-government organizations through banking or non-banking systems, capital markets, corporate or non-corporate sectors. It has been a matter of great importance for Pakistan, over the last year, to ensure that it is taking right steps in the right direction. Pakistani delegation headed by the governor of the State Bank of Pakistan (SBP) Reza Baqir, put forward Pakistan "s case along with its compliance report. Pakistan puforward its stance that it is effectively taking measures that ought to be taken according to the agreed agenda points between FATF and Pakistan. They defended the case of Pakistan by highlighting that Pakistan had always tried to take certain initiatives to comply with the norms of the international organizations and financial regimes. There are conflicting reports in media regarding the outcome of this session in Australia; Pakistan maintains that its report was generally well received among the

[19] News Desk, "FATF body reviews Pakistan "s anti-money laundering actions", *Daily Times*, 22 August 2019. https://dailytimes.com.pk/451845/fatf-body-reviews-pakistans-anti-money-laundering-actions/.(Accessed July 29,2020)

members of the APG while on the contrary the forces opposing Pakistan, who are well connected and continue to build pressure, claim otherwise implying that Pakistan has been placed at "Enhanced Expedited Follow Up List"[20].

Pakistan's Measures against Hawala Hundi Culture and Money Laundering

The Hawala/Hundi (Alternative Remittance System) are financial services," traditionally operate outside the conventional financial sector, where the value of funds is moved from one geographic location to another."[21]

One of the major challenges being faced by the state is the transfer of cash through hawala and hundi (Alternate Remittance Service), the shifting of money to and from the country without any physical movement of money, and illegal transfer of the money from the country by concealing the original source or origin of the country that is commonly known as money laundering. Under the instructions and guidelines of FATF Pakistan needs to take extensive and concrete measures to counter both phenomena.

In 1988 United Nations adapted the Convention Political Declaration and Action Plan Against Money Laundering and The United Nation Convention Against Transnational Organized Crime in 2000 to outlaw the offences of money laundering and terror financing and bind the states to

[20] Khaleeq Kiani, "Asia Pacific Group Keeps Pakistan on Enhanced Follow-up List," *DAWN News*, October 12,2020 https://www.dawn.com/news/1584508 (Accessed April 13,2021)

[21] "International Best Practices: Combating the Abuse of Alternative Remittance Sytem" *Financial Action Task Force* https://www.fatf-gafi.org/documents/documents/internationalbestpracticescombatingtheabuseofalternativeremittancesystemssrvi.html (Accessed April 13,2021)

abide by these laws[22]. But effectivity of these laws is suppressed when it is confronted by the operational and capacity issues at domestic level. In order to ensure the effectivity and implementation of these laws' states need to develop their own respective local laws that are concrete enough to tackle the illicit actives in the domain of finance. And pave the way for the upholding of the principled ethics and norms of international regimes.

The Cabinet Committee for Disposal of Legislative Cases (CCLC) headed by Minister of Law and Justice Barrister Farough Naseem finalized many amendments and rules, some of which are as follow.

Amendments Made in Anti Money Laundering (AML) Act 2010

Since June 2018, Pakistan has reviewed its anti-money laundering and counter-terrorism financing (AML/CTF) strategies. Pakistan already has an Anti-Money Laundering (AML) Act 2010 that can provide a strong foundation to curb the financial terrorism especially in the form of Money laundering and hawala hundi. The current government of PTI decided to amend that existing laws by introducing strong amendments to make these offences strongly punishable. It introduced key amendments to AML act 2010 as part of the finance supplementary bill 2019 to adhere to the requirements of FATF[23]. Some amendments were made in the areas related to the certain agencies i-e. Federal Investigation Agency (FIA), Securities and Exchange Commission of Pakistan (SECP) etc. that are

[22] Ali Nawaz Chohan, "Anti-money laundering and counter terror financing laws', *Pakistan Today*, 30 August,2018. https://www.pakistantoday.com.pk/2018/08/29/anti -money-laundering-and-counter-terror-financing-laws/.(Accessed July 30,2020)

[23] Khaleeq Kiyani, "Money laundering to be made non-bailable offence", *DAWN News*, 23 January,2019. https://www.dawn.com/news/1459232/money-laundering-to-be-made-non-bailable-offence.(Accessed 28 June,2020)

working on the matters relating to FATF. These amendment s clearly enhanced the punishment for those involved in illegal transfer of funds by making it as a non-bailable offence, increasing the punishment of these crimes up to 10 years and fine up to Rs 5 million. It was also proposed that certain clauses of anti-money laundering bill should also be the part of Anti-terrorism Act, 1997.

Right after the adoption of these measures, FIA reported to the prime minister that there has been a visible decrease in the cases of Hawala/Hundi and the impact of these measures was observed in the stock market that showed positive signs in March, 2019.

All these steps include a visible determination by the authorities, but the true essence of these decisions would be established only by the complete implementation.[24] Government is taking all of these steps with the goal to curtail the illegal flow of money from the country and to fulfil the standards of international financial regimes. This Money Laundering Act (MLA) got passed by the National Assembly of Pakistan with majority on 30th September 2019. This MLA that was amended with proposed alteration involves various stake holders including State bank of Pakistan (SBP), Federal Investigation Agency (FIA), Securities and Exchange Commission of Pakistan (SECP) and Federal Board of Revenue (FBR). Following are some of the measures taken by or assigned to these institutions by the government.

[24] Sannaullah Khan, *"*Govt decides to amend anti-money laundering law with stricter punishments"*, DAWN News,* 14 March,2019. https://www.dawn.com/news/1469483. (Accessed July 1,2020)

Enhanced Role of FBR

Government has also worked on the lines to initiate collaborative relation between various investigating institutions and FBR to halt the money being laundered out of Pakistan. It has been proposed to enhance and incite the role of FBR in the investigation of tax evasion. As it is evident that FBR has central role for containing the illegal transfer of the money, the role of the customs department of the institution should be empowered to take necessary actions against the smuggling of the currency, specifically U.S. dollar, from the country.[25] Along with that government has also set up a special cell called FATF cell within the federal board of revenue to implement the FATF action plan for Pakistan. This cell is supposed to make sure that FBR is working to curtail smuggling of the money from the country. The FBR's recent vigorous campaign against the benami land and accounts in the country is also the part of the implementation of the 27-point agenda-plan in which the institutions are recovering heavy amount of benami property back. (taking benefits of undocumented properties, while maintaining those in possession of someone else's name). The Parliament passed the Benami Transactions Prohibition Act,2017 which was passed on February 1,2017 to take a legal action against those involved in such illegal practices.[26]

Steps taken by FIA

The custom department of FBR and FIA collectively work against the money laundering and crimes related to Alterative remittance system

[25] Kalbe Ali, "Changes to laws against money laundering finalized", *DAWN News*, 02 October 2018. https://www.dawn.com/news/1436245.(Accessed July 1,2020)

[26] "Rule to Implement Benami Law Notified", *The News International, March* 12,2019 https://www.thenews.com.pk/print/443112-rules-to-implement-benami-law-notified (Accessed June 26,2020)

(hawala /hundi). Alternative remittance systems are financial services, traditionally operating outside the conventional financial sector, where value or funds are moved from one geographic location to another.

In order to comply with the FATF action plan, the role of FIA is also intensified. A special unit has also been established in FIA to monitor the compliance of institutions with the FATF's action plan. FIA's role has been very pivotal in this regard. They took remedial steps to halt the money laundering and human trafficking especially taking place through the Khyber Pakhtunkhwa (KPK) of Pakistan by chocking the routes used by the proscribed organizations.[27] The civil and military leadership have collectively decided to work against the smuggling and trafficking issues across the Torkham border in district Khyber, Tehsil Landikotal, Khyber Pakhtunkhwa (KPK).

Role of Security and Exchange Commission of Pakistan (SECP) and State Bank of Pakistan (SBP)

The amendment in the Foreign Exchange Regulation Act (FERA) 1947 and Protection of Economic Reforms Act (PERA) 1992, consisted of the certain salient features that enhanced and upgraded the role of SECP and SBP in the context of FATF's compliances. The main reason behind the amendments in the clauses of this Act was to restrict the free movement of foreign currency within the country, to increase the punishment in case of foreign exchange violations and to give explicit power to the institutions to take immediate action against any illegal action. It also gave the mandate

[27] Shakeel Qarar, "FATF compliance unit established in FIA", *DAWN News*, 19 july,2019. https://www.dawn.com/news/1495003.

of empowering the tribunals to act against any violator of the foreign exchange law.[28]

It has been observed during the proposition of these amendments that the instructions regarding countering money laundering issued by the State Bank of Pakistan (SBP) were not communicated properly to the public. So, it was decided to publicize the rules and notifications to streamline the matter through various means of media. It was also proposed that decisions and regulations should not only focus on the money laundering but also facilitate the relocation of the money for needful purposes. The SBP imposed heavy fine of around Rs 805 million on 10 banks for violating anti money laundering and counter financing of terrorism (AML/CFT) laws.[29] It is clear that the compliance of AML/CFT is being pursued under the strict guidance of the FATF with the sole purpose of pulling Pakistan out of the grey-list. All these amendments were vetted by the Cabinet Committee for Disposal of Legislative Cases (CCLC) and were presented in the federal cabinet that ratified the amendments for further procedures.

Measures Initiated by Interior Ministry

Over the last two and half years, Pakistan has started an organized campaign against the banned organizations which have been involved in the terror financing or hate speech and despite being banned they are operating under different names to avoid the action. The stringent action

[28] Mustaq Ghuman, "Hundi/Hawala prevention: amendments to rules & regulations finalized", *Business Recorder*, 24 December,2018. https://fp.brecorder.com/2018/12/20181224433974/.(Accessed August12,2020)

[29] Samaa Digital, "State bank fines 10 banks for violating money laundering laws," *Samaa News,* 6 September 2019. https://www.samaa.tv/money/2019/09/state-bank-fines-10-banks-for-violating-money-laundering-laws/.

against the terror financing network is the key for Pakistan to exit the FATF grey -list.

The National Counter Terrorism Authority (NACTA) clamped down the operations and assets of 70 such banned organizations in Pakistan in the start of last. According to the Counter Terrorism Department (CTD) of Punjab the common escape of these outlets is to raise charities and funds in the name of religion and then use it for terror financing.[30] The crackdown against those outfits is clearly in compliance with the directives of FATF. The major crackdown was against the leadership of Lashkar -e-Taiba (LeT), Jamat-ud-Dawa (JuD) and Falah-e-Insaniat Foundation (FIF), which are all banned by the United Nations. Hafez Saeed the founder of all three organizations was arrested by the CTD and all his accounts were frozen. He was booked for terror financing.

Government has also moved one step forward and formulated a group of proscribed organizations, terming them as 'high risk', and have started re-examining and monitoring their financial and other operations to ensure that they are not violating any financial administrative and legal regimes. All these organizations are now under the constant lens of scrutiny by all the major state institutions mainly their registration, operations, funds collection procedures and bank accounts are beingly closely monitored.

Pakistan is evidently taking all these steps to comply with the 10-point agenda plan of FATF for Pakistan that clearly highlighted terror financing

[30] Ayesha Tanzeem, "Pakistan Registers Terror Financing Cases Against Leader of Banned Militant Group", *VOA*, 3rd July 2019. https://www.voanews.com/south-central-asia/pakistan-registers-terror-financing-cases-against-leader-banned-militant-group. (Accessed July 24,2020)

as one of the major issues for the country responsible for its name in the grey-list. Pakistan is trying to demonstrate that it has now effective enforcement mechanisms for all these penalties and punishment but to depict a more seasoned actions there is a strong need of collaborative measures and actions between provinces and federal government keeping in view the working gap that has been present between the federation and the provinces because of various disagreements on the power sharing after the 18th amendment in the constitution.

Recommendations on the Basis of Findings

- FATF should give Pakistan some relaxation in the view that its economy is already in a very challenging situation and taking into consideration the fact that the current government is committed to meet the stated requirements.
- The FATF needs more internal reforms in order to ingress its reach to the developed countries which become tax havens yet are not bound to cooperate in this regard.
- With respect to Pakistan, despite the fact that laws curbing money laundering and terror financing have been made, it is crucial that their implementation is carried out with true essence. The existing loopholes in countering terror-financing needs to be dismantled for example, different banned organizations re-emerge with new names and continue to operate which poses a serious obstruction in eliminating such groups. Therefore, laws which can root out the underlying sources of money laundering and terror-financing are crucial.

- The laws against money laundering should be properly implemented by awarding severe punishments. Pakistan also needs to intensify its diplomatic efforts in order to gain cooperation from other countries such as Panama, U.K. and Switzerland.
- A documented economy is the hallmark of any stable and progressive economy, thereby Pakistan needs a more documented economy which would be less vulnerable to defections, money-laundering and terror-financing.
- State Bank of Pakistan should launch an initiative that can aid to create awareness about the various mechanisms which can make the system less vulnerable to money-laundering and terror-financing.
- Cash Couriers must be identified, for which the Federal Board of Revenue must play its part efficiently
- National Counter Terrorism Authority (NACTA) is suggested to enhance level of coordination with relevant stakeholders.
- The capacity of the Judiciary should be enhanced so the judges can penalize the cases related to terrorism, money-laundering and terror-financing networks more effectively.
- The Financial Monitoring Unit (FMU) should effectively cooperate with the international community in order to identify the cases of international terrorism.
- Pakistan has to counter the Indian propaganda to push Pakistan into FATF black -list.

- In international politics lobbying matters, Pakistan's friendly states including China, Saudi Arabia, Turkey and Malaysia must support at all levels.
- To gain U.S. support in FATF, Pakistan should link it with facilitation of US-Taliban negotiations as diplomatic courtesy.

Conclusion

The FATF has increased its influence by combatting terrorist financing making it as its supreme priority and by strengthening the integrity of financial sector. The FATF is proactively pursuing to address strategic deficiencies in the framework to combat money laundering, terrorist financing and proliferation. Pakistan's compliance to FATF Action Plan has been satisfactory but it lacks in lobbying to amass support from different member states. It is a herculean task to comply FATF within short span of time but the progress already made, has been more than expected. It can be established that Grey-listing of Pakistan had serious implications for Pakistan's economic security. Pakistan has taken sufficient measures and the remaining three points out of 27 Action plans will soon be complied as desired by FATF.

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About NACTA Journal

NACTA was established in 2008. Since then, it has played an important role to understand the dynamics of terrorism and extremism in Pakistan. It has spurred formulation of different policies for countering terrorism and violent extremism. NACTA has also taken substantial measures to advise the government in devising strategies to counter terrorist activities in the country. NACTA is based in Islamabad, Pakistan. Pakistan Journal of Terrorism Research is a peer reviewed bi-annual journal published by National Counter Terrorism Authority. The Journal provides a forum to the leading scholars and professionals in the field of counter- terrorism and security studies. NACTA has the sole copyrights to all the contributions and distribution of Pakistan Journal of Terrorism Research. Authors and contributors are responsible for the content of their submissions.

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