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Water People, Health: Coping with the Floods

# Rehabilitating the Indus Waters Treaty: Strategic Analysis and Policy Framework

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# Central Thesis

- **India's abeyance declaration creates a threat, but also strategic opportunity rather than only the Crisis**

## Analytical Framework

- Political positioning vs. legal reality creates negotiation space
- Climate imperatives make cooperation more valuable than confrontation
- Technical rehabilitation pathway bypasses political obstacles
- World Bank leverage remains underutilized by both parties

# A Powerful Regional Public Good

## What Makes It Work

A shared benefit across borders where one nation's gain doesn't diminish another's - like clean air, but for water security.

### Predictable Water Allocation

60+ years of certainty for farmers, industries, and households in both nations

### Conflict Avoidance

Permanent Indus Commission prevents disputes before they escalate

### Development Focus

Resources channeled toward prosperity, not hydro-political tensions

# Why This Matters

**300M**

People fed by the  
treaty

**#1**

Largest contiguous  
irrigation system

**0**

Water wars since  
1960

The treaty enabled South Asia's Green Revolution, transforming the region from food-deficit to food-surplus and supporting two major economies through decades of political tensions.

# Foundation for Economic Prosperity

## India

### Stable water frontier enables growth

- Agricultural investments without conflict threats
- Foundation for Green Revolution success
- Predictability for economic expansion

## Pakistan

### A lifeline amid climate crisis

- Water security during devastating floods and droughts
- Focus on climate adaptation, not water conflicts
- Critical enabler of resilience building

# Strategic Miscalculation Analysis

## ▪ India's Flawed Logic

*Claiming fundamental changes while avoiding institutional mechanisms*

- **Contradiction:** Seeks treaty benefits without treaty obligations
- **Strategic error:** Unilateral approach cannot address shared challenges
- **Missed leverage:** Failed to use Article 7 for legitimate concerns
- **Political trap:** Abeyance creates indefinite uncertainty without gains

# Strategic Miscalculation Analysis

## ▪ Pakistan's Reactive Approach

*Defensive strategy misses diplomatic opening*

- **Analytical gap:** Frames as legal crisis rather than political opportunity
- **Strategic passivity:** Hasn't leveraged World Bank mediation role
- **Institutional neglect:** Never utilized PIC for proactive agenda-setting
- **Diplomatic oversight:** Could provide India face-saving return pathway

# Climate Change as Strategic Game-Changer

- **Why Traditional Water Diplomacy Fails**

Fixed allocation frameworks cannot address variable hydrology

- **Analytical Insight:** Climate Creates Interdependence

- Shared vulnerability increases cooperation value

- Unilateral action cannot address basin-wide impacts

- Technical cooperation becomes strategic necessity

- Zero-sum thinking becomes counterproductive

# Strategic Opportunity Matrix

| Challenge            | Unilateral Response     | Cooperative Response   | Strategic Value |
|----------------------|-------------------------|------------------------|-----------------|
| Glacial melt         | Infrastructure race     | Joint monitoring       | High            |
| Extreme weather      | National preparedness   | Coordinated response   | Critical        |
| Energy demands       | Competitive development | Basin optimization     | Medium          |
| Demographic pressure | Water nationalism       | Efficiency cooperation | High            |

# Institutional Failure Analysis

- **PIC Dysfunction Diagnosis**

**Why the world's longest-running water commission became ineffective**

- **Root Cause Analysis:**

- **Procedural rigidity** - Minimum meetings, maximum formality

- **Technical tunnel vision** - Engineers ignored political economy

- **Reactive mandate** - Crisis response rather than proactive management

- **Adversarial culture** - Zero-sum negotiations rather than problem-solving

# Rethinking our Experience

- **Strategic Implication:**

- **Institutional renovation more valuable than treaty renegotiation**

# Comparative Strategic Analysis

- **Global Success Factors**

*What separates functional from dysfunctional water treaties*

- **Critical Success Variables:**

- **Adaptive governance > Fixed rules**

- **Technical cooperation > Political confrontation**

- **Benefit-sharing > Water-sharing**

- **Crisis anticipation > Crisis response**

# Rethinking our Experience

- **Strategic Lesson:**

- IWT has superior legal framework but inferior implementation culture

# World Bank Strategic Position Analysis

- **Underutilized Leverage Assessment**

*Why mediation remains dormant*

- **Bank's Strategic Calculations:**

- **Risk aversion - Avoids political involvement**

- **Capacity constraints - Limited water diplomacy expertise**

- **Institutional interests - Prefers development lending to mediation**

- **Regional dynamics - India's growing influence affects Bank positioning**

# Rethinking our Experience

- **Strategic Opportunity:**

- **Technical facilitation offers lower-risk, higher-impact engagement model**

# Rehabilitation Strategy: Cost-Benefit Analysis

- **Option 1: Status Quo (Abeyance)**

- **Costs:** Indefinite uncertainty, escalation risk, missed climate  
**Cooperation Benefits:** Political face-saving for India, avoids difficult  
**Negotiations Probability of Success:** Low - unstable equilibrium

- **Option 2: Treaty Renegotiation**

- **Costs:** High political stakes, lengthy process, all-or-nothing  
**Outcomes Benefits:** Comprehensive modernization, climate  
**Integration Probability of Success:** Very low - too many veto points

# Rethinking our Experience

- **Option 3: Technical Rehabilitation (Recommended)**

- **Costs:** Moderate diplomatic investment, institutional development
- Benefits:** Climate resilience, preserved legal framework, face-saving
- Return Probability of Success:** High - builds on existing foundation

# Strategic Pathway: Three-Phase Implementation

- **Phase 1: De-escalation Through Technical Engagement**
- **Objective:** Separate technical cooperation from political dispute
- **Analytical Logic:**
  - Technical discussions reduce political stakes
  - Climate focus provides neutral entry point
  - World Bank facilitation offers face-saving mechanism
  - Article 7 framework avoids treaty renegotiation

# Strategic Pathway: Three-Phase Implementation

- **Phase 2: Institutional Renovation**
- **Objective:** Transform PIC from reactive to proactive institution
- **Strategic Elements:**
  - Specialized working groups address India's stated concerns
  - Enhanced meeting frequency enables responsive governance
  - Joint research agenda builds technical cooperation culture
  - Extreme weather protocols demonstrate practical value

# Strategic Pathway: Three-Phase Implementation

- **Phase 3: Strategic Integration**
- **Objective:** Embed climate resilience in water governance
- **Long-term Vision:**
  - Basin-wide planning optimizes water and energy development
  - Coordinated infrastructure maximizes mutual benefits
  - Joint monitoring systems build institutional trust
  - Regional stability through functional cooperation

# Policy Recommendations: Strategic Priorities

## For Pakistan (Immediate Actions)

- **Reframe narrative - Opportunity rather than crisis**
- **Engage World Bank - Activate IX dispute resolution/mediation**
- **Propose technical cooperation - Climate impact studies**
- **Offer face-saving pathway - Article 7 working groups**

# Policy Recommendations: Strategic Priorities

## For India (Strategic Calculations)

- **Recognize cooperation value - Climate challenges require partnership**
- **Utilize institutional mechanisms - Article 7 addresses stated concerns**
- **Accept technical engagement - Lower political stakes, higher practical gains**
- **Preserve legal framework - IWT modification better than abandonment**

# Policy Recommendations: Strategic Priorities

## For World Bank (Institutional Opportunity)

- **Expand mediation role - Technical facilitation beyond expert appointments**
- **Leverage trust fund - Finance joint studies and institutional development**
- **Facilitate learning - Bring global best practices to IWT implementation**
- **Position as honest broker - Neutral platform for technical cooperation**

# Risk Assessment and Mitigation

## ■ High-Probability Risks

- Political resistance to engagement
- Escalation during negotiations
- Technical cooperation politicization
- Third-party interference

## ■ Mitigation Strategies

- Separate technical from political tracks
- Phase implementation to build confidence
- Maintain low public profile initially
- Focus on mutual benefits rather than concessions

# Strategic Conclusion: The Cooperation Imperative

- **Analytical Summary**
- *Why cooperation serves strategic interests better than confrontation*
- **Core Arguments:**
  - Climate change makes water cooperation strategically valuable
  - Technical rehabilitation offers politically feasible pathway
  - Institutional renovation more effective than treaty renegotiation
  - World Bank mediation provides face-saving mechanism

# Policy Recommendations: Strategic Priorities

- **Strategic Imperative:**

- **Transform water from weapon of conflict into instrument of cooperation**

- **Policy Bottom Line:**

- **Functional IWT serves regional stability better than dysfunctional abeyance**

# Questions & Strategic Discussions

## ■ Focus Areas:

- Implementation feasibility analysis
- Political economy constraints
- Regional stability implications
- Climate cooperation opportunities

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