THE BROOKINGS INSTITUTION

Brookings Briefing

PAKISTAN-U.S. RELATIONS: THE NEXT STEPS

Speaker:

HIS EXCELLENCY AMBASSADOR JEHANGIR KARAMAT

Pakistan's Ambassador to the United States

Introduction by:

STROBE TALBOTT

President, The Brookings Institution

December 15, 2004

[TRANSCRIPT PRODUCED FROM A TAPE RECORDING]

THIS IS AN UNCORRECTED TRANSCRIPT

P R O C E E D I N G S

MR. TALBOTT: Good afternoon, everybody. If you could all take seats, please. Cell phones off, please; otherwise, the newly installed Brookings ejector seats will be put into action.

I'm Strobe Talbott, president of Brookings, and I want to thank all of you for joining us here this afternoon for a very important event, one that we're especially proud to be hosting.

We have, in my case, at least, a triple pleasure in welcoming Jehangir Karamat here today. First, we do so in his new capacity, that as the ambassador of Pakistan, a distinguished newcomer to the Washington press corps--I'm sorry, the Washington diplomatic corps. A slip on my part. You're the Washington press corps. I'm the Washington press corps, once upon a time.

Second, he is an alumnus of the Brookings Institution. He was here as a fellow during the summer of the year 2000 in our Foreign Policy Studies Program.

Third, if I could strike a personal note, I want to say that Jehangir Karamat was an extraordinary host and interlocutor for me on several diplomatic missions that I undertook to Islamabad and Rawalpindi in the eventful period starting in May of 1998, when he was chief of army staff.

Throughout his career two words have been associated with General, and now Ambassador, Karamat. And those two words are "professionalism" and "integrity." His career has also been distinguished by very strong ties to the United States and deep familiarity with international affairs. He studied at the U.S. Army's Command and

General Staff College at Fort Leavenworth in the early 1970s. He commanded troops in Saudi Arabia under an arrangement between a previous Pakistani government and the kingdom. On numerous occasions he led official delegations to nations around the world. And he was a member of the negotiating team in the 1990-1991 India-Pakistan peace talks.

Returning to my own experience with him--and, I might add, that of several colleagues whose names I'm sure I could invoke in this connection, colleagues from my own time in government, like Tony Zinni, the commander in chief of the Central Command of the United States armed forces, and Joe Ralston, who was vice chair of the Joint Chiefs of Staff--I can say that all of us found General Karamat, as we then knew him, to be a very respectful, hard-headed, no-nonsense interlocutor and somebody who was a pleasure to do business with, even in some situations that were themselves not all that pleasurable--and some were very tough situations indeed.

Now, Ambassador Karamat is going to be speaking to us this afternoon on the current and prospective state of ties between Pakistan and the United States. This is one of the more important bilateral relationships on the Planet Earth, and that's for reasons having to do with the importance of Pakistan as such and also because of the role that Pakistan plays in its neighborhood.

After the ambassador finishes his remarks, he has agreed to stay for a little while and take some questions from all of you. My colleague, Steve Cohen, is going to moderate that discussion. At the conclusion of that part of the program, we're going to take a few minutes to let our colleagues from the electronic media take down their equipment, but I hope that as many of you as possible will stay. Because immediately after we finish that little bit of transition, we're going to have a panel

discussion on Steve Cohen's latest book, which is titled "The Idea of Pakistan." And as I say, I think you'll find it rewarding to be a part of that discussion.

In any event, as Pakistan goes about the task of realizing the ideas on which it is based, Pakistan is very lucky to have patriots and public servants like Ambassador Karamat. And we are very lucky to have him here today.

Mr. Ambassador.

AMBASSADOR KARAMAT: At times like this, I wish I was in the press corps sitting.

[Laughter.]

AMBASSADOR KARAMAT: It's a great pleasure to be back at Brookings. And I must thank Strobe for that very generous introduction. Yes, we do go back a long way, to the days of a difficult phase in our relations, U.S.-Pakistan relations, and Strobe has vividly recalled those days in his excellent book, "Engaging India."

I must also thank Steve Cohen for inviting me to speak to such a great audience just three weeks into being in Washington. But over the years, Steve has been a friend, a mentor, and I know he's going to launch his book this evening. And the book is on Pakistan, so this sort of ties in with what is going to follow.

And thank you all for coming this afternoon.

Now, ever since I've been here, I've been struck by the enormous interest in Pakistan. But the interest is almost exclusively in Pakistan's past. I'm asked to explain events, answer questions on what Pakistan did or did not do at a particular time in its 57-year history. Now, maybe this is because everybody's crystal clear on what is happening in Pakistan today and where it is headed. Or maybe the idea is never to let Pakistan off the hook by constantly dredging up its past. But whatever the reason, I'm

going to bore you by not rehearsing history and by focusing only on the present and the future.

Right now, I think Pakistan is suffering the consequences of changing strategic directions.

From a policy of active interference and destabilization of Afghanistan, Pakistan is now working with the U.S. for a stable and friendly Afghanistan.

From a policy of hostility and confrontation with India, Pakistan now has a policy of dialogue and conflict resolution.

From a policy of appeasement and political expediency with extremist religious elements, Pakistan has moved to confronting them to end the negative influence within the country.

From a clandestine nuclear program with proliferation consequences, Pakistan has moved to a regime of command, control, and international cooperation.

From vendetta-oriented political leaderships and dictatorial regimes, Pakistan is moving, slowly but surely, toward sustainable democracy and political stability.

From a military-centric concept of security, Pakistan has transited to realize the importance of a broader concept of security with the emphasis on economic and internal stability.

This is a major strategic reorientation of the country, almost a total reorientation as far as the country's policies are concerned. As in all such strategic turnarounds, there is a price to be paid. This price is being paid in terms of the blow-back, the resistance, and the retaliation to the changes. There are, of course, elements

who seek to raise this price by exploiting vulnerabilities overtly, covertly, directly, indirectly in the hope that there will be failure.

But in spite of this almost revolutionary change in policies, these happenings in Pakistan are not discussed and debated as much as they should be, and emphasis still remains on the past. Maybe it's because no one believes that all this is actually happening, because you have to go there and see this all around you. Or maybe it's because there is the perception that this is all eyewash and it's business-as-usual in Pakistan.

Let me make out a case that this is for real, that it is irreversible, and that the majority of Pakistanis, a very large majority of Pakistanis, consider these changes to be in the country's interest and support these changes.

On our western, northwestern, southwestern border with Afghanistan, Pakistan has, over the last couple of years, voted to put in place a border security force capable of undertaking operations to hunt aliens and terrorists. We did not have this kind of a force. We had all kinds of forces there--we had anti-narcotics forces, we had scouts, we had political forces, all kinds of forces. But we didn't have a lead-agency concept, we didn't have coordination, and we didn't have the kind of force that you need to do what is being done today. This started almost from scratch, and we have this force in operation now.

This whole thing is an ongoing operation. It's supported by intelligence, by surveillance, and by rapid-reaction heliborne forces. The longer-term measures to stabilize and pacify include infrastructure development and local tribal cooperation, and we are using a variety of methods to ensure this.

Of course, this is all being done with U.S. support and at enormous cost in lives and resources. In the Waziristan operation so far, we've had 650 killed and wounded. There has been considerable success and established networks operating in sanctuaries along that border area have been destroyed. The remnant--maybe 80, maybe 100--are on the run. They are at high altitudes, they are at remote places, their location roughly known, and I think, as the winter sets in, they'll have to make a choice between staying on there or coming down.

Pakistan is also actively participating in the rebuilding of Afghanistan. It's investing resources, training personnel, trading and coordinating intelligence. No one has any doubt--at least, I haven't met anybody in Pakistan who has any doubt that a stable and friendly Afghanistan is in Pakistan's interest today. There are elements that are acting to create problems, but I think these are minor hiccups strategic thrust of what is happening in that area. Now, this is the first time that all this has happened, and U.S. presence, of course, is a strong motivator. In my view, there is no going back now from the direction adopted and the progression that has been made so far.

On the eastern border, with India, the Pakistan-proposed cease-fire along the line of control has held for over a year, longer than any cease-fire has held in the past. A composite dialogue is in progress, with the direction and tone set by summit-level meetings and backed by discreet, bilateral, track-one talks. In spite of difficulties and some provocative activities on both sides, the potential for ending conflict and confrontation is clearly discernable. Peace lobbies are developing; they're gaining influence in both countries among the people. I think the political capital that the U.S. accumulates through separate and bilateral relations with India and Pakistan gives it the influence to keep the situation stable and progressive. Pakistan and India have never

gone so far down the peace road as they have now. And never did a Pakistani leader show the kind of flexibility and resolve as is being shown by President Musharraf.

I would not call the situation irreversible, but I would say that a move back to scare one would be classified as a very great folly and not in the interest of either country, India or Pakistan. Pakistan, with its support for a U.N. presence, its acceptance of U.S. facilitation, and its readiness to implement restraint and confidence-building measures is unlikely to do anything to undermine the peace process. And that's why I say that this is a policy which, again, has almost majority support in the country.

Internally Pakistan sees the blurring of the external and the internal threat, with the emphasis shifting to internal cohesion and stability. With this realization has been the enormous focus on Pakistan's economy and the structural reforms of that economy. I'm just going to quote some statistics to give you an idea. The economy has been turned around through structural reforms made possible by U.S. support.

Over a four-year period, reserves are up to $12 billion, from $1 billion, and GDP growth has averaged about 5.5 percent over the last four years, projected perhaps at 7 to 8 percent in the next three years. Fiscal deficit, less than 4 percent. And defense expenditure has decreased not only as a percentage of the total expenditure--6 to about 4 percent--but in absolute terms also. Large-scale manufacturing is up 18 percent, and the private sector is growing. Eighty-seven percent of the banking sector in Pakistan is now in private hands, and there are projects coming in the telecommunications sector. Bilateral loans from the Paris Club, almost $12.5 billion, have been rescheduled, freeing resources for large social and infrastructure projects. And we do have a very large infrastructure project, the Gwadar Port and its infrastructure, now in progress, and there are others, like dams, which are planned.

The USAID office has been revived, and U.S. assistance is flowing at an average of $600 to $700 million annually. For 2005-2009, an economic package of $3 billion has been agreed for economic and defense regimes, besides half of the debt written off by the U.S. I think U.S. support for our reform agenda also gives Pakistan access to an average $650 million from the World Bank's soft window, the IDA. A joint U.S.-Pakistan economic forum has been established. And there are many other initiatives. I won't go into the details, but much is happening. I think the 9/11 recommendations and the legislation that has followed are an enormous boost for these [inaudible] and something we can capitalize on.

The political situation within Pakistan. The political situation created by the last general elections is slowly resolving as Pakistan moved toward the next elections in 2007 and tries to prepare the sort of playing field for that. The local government system introduced is going through teething problems as it harmonizes with the provincial governments and the bureaucracy. It is generally accepted--and there are views on this, I know, but this is what we feel--it is generally accepted that strong, unambiguous, central authority is necessary to oversee this transitional phase that Pakistan is going through.

There is total media freedom, which is actually giving this whole process a lot of input. There's criticism, but there is input. And this move toward a sustainable democracy, I think, has to be a purely Pakistani phenomenon tailored to suit our environment and circumstances. It may not conform to the norms of democracy as they're generally understood, but this is the move toward sustainable democracy that Pakistan is making, having learned many lessons from the past. Extremist forces are being confronted in urban areas through painstaking intelligence operations,

investigations and arrests. The track record is so far extremely good, maybe about 650 hard-core al Qaeda upper- and mid-level leaders arrested or killed so far. This is an ongoing process. It hasn't ended.

Its other facet is investment in education and human resource development, which is also proceeding. A five-year madrissa reform program is also being implemented, in its second year now. Militant organizations have been banned, their accounts seized. They are resurfacing under different names, but every time one resurfaces, some kind of action is taken to get hold of it. The latest one is this arrest made two days ago of the person who organized the kidnapping of U.N. workers in Afghanistan, and his organization, Jaish-e-Muslamin, which is a new one for us. Financial controls have been evolved.

The state banks become very assertive, prudential regulations are almost like laws, and whole money-laundering thing is under intensive scrutiny at all times. Governance is being emphasized to orchestrate these efforts and institutionalize them. There is a law-and-order problem, and it's law-and-order in the sense of [inaudible] and so on, and I think it is linked to the situation on the western border--people on the run with their finances strangulated or resorting to crime in urban areas to raise those finances. So it has a good side and a bad side.

The nuclear proliferation episode has led to strong custodial measures. National regulatory and command authorities are in place, with clear chains of command. Compartmentalization and separated storage has increased security. Human and technical surveillance measures are in place for personnel, and reliability programs have been implemented. There is foolproof accounting and audit which has been introduced. Legislation has brought in export controls. We have, of course, received--

and I must acknowledge this--considerable U.S. technical support and support from the U.S. experience with these measures in putting all this in place. There is at the moment total cooperation, and the emphasis of investigations is now on the international network that made proliferation possible.

Then, Pakistan's vision of enlightened moderation is sparking some interest. It is supportive of conflict resolution in the Middle East. Pakistan is active and influential in the Islamic world. It is an active participant in the Forum for the Future. Pakistan is seeking broader linkages as it connects with the globalized world, particularly the president's visits to South America, to the U.S., the visits to China, the overtures to Russia, and all our relationship with Japan and the Islamic world.

Finally, and briefly, what are the next steps that we want in our relationship with the U.S.? I think first and foremost we seek sustained and enhanced engagement so that gains continue to be consolidated and pushed further. U.S. support must continue, to give us access to international financial institutions. This was made possible through strong U.S. support and it has helped the economy enormously. The conventional defense capability must continue to be built up. And I say this because an unacceptable tilt in the balance of power will actually harm the dialogue process with India. You can't have a meaningful dialogue unless there is some kind of balance of power between the two people who are talking.

The free trade agreement or alternative arrangements must give Pakistan's trade with the U.S. a boost, and bilateral investment initiatives need to be implemented. These steps will not only start to change public opinion, but I think they will work toward poverty reduction and, indirectly, help in the war on terror.

We need to work with the U.S. to change perceptions based on past happenings and create perceptions based on current policies and future projections. Pakistan will, of course, continue to address U.S. concerns. This has to be done if the relationship is to continue. The present cooperative and unambiguous relationship with the U.S. will help to do this as, finally now in our relationship, everything is on the table.

I'll stop here because the idea was to give you an overview, not go into the details. The U.S.-Pakistan relationship has always had a strategic dimension. It is strategic now, in my opinion. And I have no doubt that, as Pakistan progresses on its chosen direction, the U.S. will find that its old ally is a long-term asset.

Thank you.

MR. COHEN: General Karamat, thank you very much for agreeing to make this your first public address in the United States and also for, I think, your articulate and eloquent statement of Pakistan's role in the world today and especially Pakistan's relationship with the United States. I think if I were writing my book right now, I'd have to change a few things. But we can talk about that in the next session, when we discuss my book.

We have time for some questions and answers. Please raise your hand and identify yourself and the young women with the microphones will track you down.

QUESTIONER: Thank you. I'm Edward Cowan. I'm an independent writer and editor.

Mr. Ambassador, first, thank you for coming to speak to us today. We're happy to hear what you have to say. I'd like to ask a question that I think is probably the first thought on the minds of many Americans when they think about Pakistan, and that is Osama bin Laden. Why has not Pakistan found him by now? Is it a lack of resources,

a lack of political will, fear of antagonism from the people who live in the region where he is presumed to be hiding out? What is the problem?

AMBASSADOR KARAMAT: The question should have been, Why hasn't the U.S. and Pakistan found him so far? Because the U.S. operations in Afghanistan supported by Pakistan, and somehow not only Osama but also Osama bin Laden both ride off into the sunset and are never seen again. That's where we started from. After that, I won't take you through the whole thing, but the area's been combed on the Pakistan side with a large number of troops. The same has been done by U.S. and Afghan forces on the Afghan side. There's never been a sighting. There's never been specific information. Interrogations have been carried out of a large number of people, and you don't have any real lead. I think the reason, perhaps, is, one, difficulty of the terrain; two, perhaps if he is dead; his presence in a very remote area somewhere in the north, which is a very difficult and very remote area, and the fact that he's either confined to a compound or some kind of area not moving around much, surrounded by people who are very loyal to him. Now, that's what I can think of. I haven't the foggiest idea where he is.

QUESTIONER: [Inaudible.] Thank you for your comments about our outsourcing of our al Qaeda problem to you.

I'm Christine Fair from USIP. Watching the public opinion polls in Pakistan and the United States raises a number of questions. As you know, our operations in Afghanistan, the preposterous situation that we're in in Iraq, and a lot of other policies have generated a lot of anti-U.S. sentiment within Pakistan. So to what extent has this domestic attitude in Pakistan constrained the Musharraf government? And what sort of advice would you have for the United States in terms of managing the

perception of America within Pakistan? You talked a lot about managing Pakistan's perception here, but we've got the opposite mirror
problem in Pakistan.

AMBASSADOR KARAMAT: Frankly, I think as the U.S. moves toward some kind of conclusions in Afghanistan. The elections have gone well. That has had good blow-back in Pakistan. As they're moving toward selecting cabinet members, the recent move by President Karzai to sort of differentiate between the bad and the good Taliban and try to bring the good ones into the fold, I think all this is having an effect. Public opinion is changing on that. And I think as you reach a conclusion and make further progress in Afghanistan with rebuilding activities, government control, and so on, it will change further.

The U.S. in Pakistan, you know, it depends on who you talk to. The people who understand what is going on in Afghanistan, in Pakistan know that we are perhaps following policies which are extremely important for us and we have opted for directions to which there is no alternative at the moment. So that is understood.

But to answer your question, I would say that once we have good trade arrangements coming in, free trade agreement or trade and investment framework, once we have bilateral investment initiative with the U.S., and the U.S. comes in on the economic and social sector, where things work to reduce poverty and directly impact the common man, I think public opinion will change very rapidly.

QUESTIONER: Mike Miyazawa with The Miyazawa Report. My question is about the U.N. relationship with the United States. Soon after the withdrawal of Soviet troops out of Afghanistan back in 1989, the United States decided to use the Pressler amendment not only to discontinue all the aid, but also refused for several years

to return hundreds of millions of dollars Pakistan had paid to the United States to buy U.S.-made jet fighters. And in 1998, the United States used the Glenn amendment to impose additional sanctions. But everything changed after 9/11 and most of the sanctions have been lifted.

So it appears to me that a chaotic and unstable in Afghanistan works in your favor as far as your relationship with the United States is concerned. My question is if Osama bin Laden is captured or killed and stability prevails throughout Afghanistan, do you think U.S. aid and cooperation will continue, or it will be discontinued and sanctions will resume?

AMBASSADOR KARAMAT: That's something which bothers a lot of people in Pakistan. But I didn't want to go into the historical aspect. But over the years that we have worked with the U.S., it has been a learning process. Believe me.

[Laughter.]

AMBASSADOR KARAMAT: The recently declassified White House documents on the relationship in the '50s, when the relationship between Pakistan and the U.S. was very strongly oriented toward the Cold War. Those documents now bring out--and at that time, Pakistan was getting state-of-the-art equipment from the United States. In fact, many of the army's branches which are now stable and progressing were raised with U.S.-support at that time, started with U.S. support at that time. Now, when you read those documents, you find the Americans saying that "we gave all this equipment to Pakistan not to go to war with India but to help in the Cold War with the United States. Yet we went into the '65 war because Pakistan had a different perception." So there were different perceptions, something which the U.S. was doing in

its own interest; they thought in Pakistan that this is for us and we can do what we like. So we transited from that into, I think, a better understanding.

Also, I think we've learned a lot--I'm not being critical, but learned a lot on the sort of convoluted process that things follow here in the United States, through the Congress and through various laws that are invoked at particular times. And that gives us an understanding of where the Pressler amendment and the Glenn/Symington amendment and all these things come from.

Having said that--and Strobe used to be the one pressuring us all the time--we had to do certain things; we did those things. Because there was our national security at stake. So U.S. pressure or no pressure, what had to be done was done. And of course we faced the consequences. But I think I might say that so much has been learned by us, and hopefully the U.S. also has a sense of our security compulsions, that I don't see that sort of drastic thing happening again--and I think because, this time, it's not a zero-sum relationship and it doesn't have a Soviet or other orientation. It is bilateral relations which stand on their own with Pakistan and with India, and not to the exclusion of either. So that's why I see a future in this relationship.

QUESTIONER: I'm Barry Jacobs from the Asia and Pacific Rim Institute of the American Jewish Committee.

General Musharraf, before he visited with President Bush in Crawford, Texas, about a year and a half ago, through out the prospect of Pakistan perhaps recognizing the State of Israel. Now that there is movement--we hope--in the peace process, under what circumstances, or what would be the conditions for Pakistan to formally acknowledge and establish a relationship with Israel?

AMBASSADOR KARAMAT: Yes. You know, there is a stance that Pakistan has on this issue. It's not so much to do with Pakistan-Israel as it has to do with the whole Israel-Palestine thing. And I think to really get a sense of where it's going and what could happen, one, you'll have to understand the public opinion and the way it has to be turned around if ever this is going to happen; and secondly, I think the Israel-Palestine thing has to move on a more positive track than it has had so far, and then maybe this could be considered.

QUESTIONER: Marvin Kalb with the Shorenstein Center at Harvard.

Mr. Ambassador, could you help us better understand the role that Dr. Khan played in either selling or sending nuclear materials to Libya, North Korea? And specifically, was there any material sent to Iran, and was there any relationship with the Pakistani government?

AMBASSADOR KARAMAT: I think this whole thing has been discussed and so much written on it in the media. But on the specifics that you asked, taking your last point first, there was no government sanction, approval, or any kind of government connection with what went on. That's one. The other is, I think the U.S. has had enormous access to everything in Libya. The same is not the case with North Korea and Iran, because I don't think you have that kind of access there.

I think it was the existence of an international network which involved a number of countries, many areas, many people, and that Dr. Khan was perhaps plugged into that network to get what was required and to do what he did. I think domestically Pakistan's resolved that problem, carried out an investigation, settled it domestically. But the international network, I think work has to be done on that to discover exactly what is in Iran or what went into Iran and to discover what happened with North Korea.

And I think that is an ongoing process which is now picking up as the focus shifts to the international network.

QUESTIONER: Lena Avani [sp] with National Public Radio. What are the prospects for the United States selling F-16 fighter aircraft to Pakistan? And when President Musharraf was here week before last, did he receive any indications from President Bush that this is actually going to happen?

AMBASSADOR KARAMAT: If he did, he hasn't told anybody. But having said that, I think it would be a mistake in our relationship with the U.S. to lock onto a particular item and make it sort of a focal point for everything in our relationship. I would say that the U.S. will make its own assessment of Pakistan's defense requirements and capability that they want Pakistan to have. I would very much hope that there is convergence on this assessment between what the U.S. thinks and what we think. And if a high-tech aircraft fits into that, we would be very interested.

QUESTIONER: Jiten Donat [ph], [inaudible] University.

Mr. Ambassador, we heard you talk about, in the context of the eastern borders of Pakistan, U.N. presence. We also heard the word "flexibility." Some time ago, President Musharraf had indicated that Pakistan was willing to look at other options than plebiscite and, presumably, the old U.N. resolutions. How does your statement square with what he had said earlier? Thank you, Mr. Ambassador.

AMBASSADOR KARAMAT: I think that ties in with that. Not only did he say that we could look at options, but he even offered an option quite recently, which wasn't really seriously considered anywhere. I think a lot of these options--before we actually decide to veer away from stated positions, a lot of these options need to be debated, discussed, brought on the table. And it's only then that you can say that, okay,

we can move here, we can move there. So I think when he talks of flexibility, he's talking about it in the sense of looking at options, examining them, and discussing them--bilaterally and domestically.

QUESTIONER: Joel Wishingrad, World Media Reports, WMR News.

What is your ongoing negotiations with India concerning Kashmir, and when will both countries--being yourselves as well as they--begin to put infrastructure monies into commercial type ventures as well as the infrastructure that you need throughout your country? And what are those prospects?

AMBASSADOR KARAMAT: India, Pakistan have opted for a composite dialogue, which is in progress. It's moving ahead by fits and starts. There is some, I think, disappointment on the Pakistan side that perhaps the element of reciprocity in the talks is not being fully brought in, which I think is necessary for these talks to move forward. But having said that, I think they cover a wide range of subjects, and they are, from the subcontinent's standards, progressing well.

On the commercial ventures, the very fact that these talks are continuing and showing the potential of getting institutionalized into some kind of peace process, it's a great achievement on the subcontinent. And on the commercial ventures, I would say that there is legal trade between India and Pakistan. A very few items, I think about 86 items have been added to the list recently to increase the scope of the trade. I also know that there's an illegal trade between India and Pakistan which is many times more than the legal trade, and perhaps that has the potential of being brought into the legal trade to at least regularize it.

There is talk of joint ventures--high profile, high impact joint ventures--like energy pipelines coming in and going through Pakistan into India. Enormous

requirements of energy in India as well as in Pakistan. So those are there. I think they're being discussed. Trade agreements are being discussed. The whole [inaudible] framework is being strengthened and more subjects brought in, including counterterrorists. So a lot is happening.

It's difficult to say when something will definitely happen. But I would say everything seems to be pointing both countries in the right direction. And I hope they continue to follow that direction.

MR. COHEN: We have time for one more question. Ambassador Karamat has another appointment.

QUESTIONER: Al Milliken, affiliated with Washington Independent Writers.

As a nuclear power, do you think Pakistan has any significant difference of opinion with the United States as the responsibilities that that entails. And also, do you see Pakistan having any special responsibility to Muslim nations that don't have nuclear power?

AMBASSADOR KARAMAT: As far as the United States is concerned, of course, there was a big difference of opinion before the nuclear tests and when Pakistan's program was under development. We were under a lot of pressure. There were demands that we terminate, roll back, limit, various nuances to those demands. But after that, and especially after this proliferation episode, I think the U.S. and Pakistan are talking to each other on the subject. There is convergence. Pakistan has indicated its preference or agreement to be part of all regimes that will bring proliferation under control, export controls and so on. So I don't see any major difference of opinion there, except that the U.S. would like to see peace on the subcontinent so that there is no

possibility of nuclear exchange or even conflict that could lead to nuclear exchange. So on that, Pakistan is totally with the U.S. We don't want it either. I don't think India would want it either.

So I would say there is convergence. There is no difference of opinion on the direction that it should take from now on. The past, of course, is something different.

You had another part to that question.

QUESTIONER: Regarding other Muslim nations.

AMBASSADOR KARAMAT: Yeah, other Muslim nations. Well, this is a strategic asset which is Pakistani. It is under Pakistan's control. And I don't think Pakistan or any other country would want to share it or even indicate that it has got any other purpose except for Pakistan's security.

MR. COHEN: Let me thank Ambassador Karamat for joining us. This is his first appearance in Washington. You know, among other things, I'm a military historian and I've met many generals, mostly retired, in the past. When I met then-General Karamat, when he was army chief in Pakistan, I was impressed by his breadth of his understanding of the issues and problems facing Pakistan and the region. And I thought to myself, here's a general who really could fit into any army in the world and do well. Because he not only understood the military professional aspects of these issues, but the social and political context in which his army operated.

I'm very pleased that you've now changed the nature of your public service. You've become an ambassador, and I think you'll be a very effective one. Let me extend an invitation now, when you leave your ambassadorship to come back to Brookings. Because we'd like to have you back here again.

With that, let me thank you again for joining us.

AMBASSADOR KARAMAT: Thank you very much.

- - -