PAKISTAN: CHALLENGES, OPPORTUNITIES AND SECURITY PERSPECTIVES.

Ladies and Gentlemen,

1. Let me begin by extending my thanks to the Brookings Institution, for the invitation to participate in the roundtable session this afternoon.

2. It is a privilege to be at Brookings and meet with so many eminent personalities and scholars of international affairs. Your contribution in shaping the debate on key foreign and domestic policy issues is important and impressive.

3. I am happy to be here this afternoon to share my thoughts on how we see major global trends and the pivotal position that Pakistan occupies in its region with its strategic location with the intersection of Central Asia, South Asia and West Asia, the challenges that Pakistan faces and its role in promoting peace security and development in the region. I will also touch upon the relations that we with the United States and our vision and aspirations for Pakistan.

Brief Review of Pakistan-US relations and Pakistan's pivotal role in the region

4. Historically, two trends are discernable in our bilateral relations that bear important lessons for the future.

5. One, our engagement tended to move in a cyclical pattern. There was a phase when Pakistan was the "most allied ally"; then there was a phase when we were the "most sanctioned ally". This meant that despite excellent bilateral cooperation at given points, our engagement had short-term perspective and lacked essential stability and sustainability.

6. Two, our relationship generally tended to have a single anchor, either it was containment of the communist threat; or reversal of Soviet invasion of Afghanistan; or, more recently, counter-terrorism. This meant close collaboration, but a narrow base. This militated against tile development of broader multi-dimensional relationship.

7. In the current phase, I believe both sides are conscious of these historical patterns and are working to build a stable, broad-based, long-term, sustainable relationship.

8. I would like to point out factors relevant to US interests in the region and Pakistan's pivotal role with implications for the region and the world. These are:

- a. Pakistan is an important anchor of stability in the Muslim world.
- b. Pakistan's popular ethos makes it a moderate society which was destructed by the law passed events in our neighbourhood, in particular the Afghan conflict that spans period of over a quarter century. However, we are now emerging from the shadows of the unfortunate situation following the fateful Soviet invasion of Afghanistan.
- c. Pakistan is a vibrant democracy in the Muslim world with media enjoying full and unprecedented freedom.

- d. Pakistan can be an important bridge between the West and the Islamic world for promotion of understanding and amity.
- e. We have plans to develop into a hub for economic activity with trade, energy and communications corridors linking the adjoining regions. Such prospects should interest the United States.

Challenges and Pakistan's Response

Ladies and Gentlemen,

9. I will now turn to how we have addressed the external challenges confronting Pakistan and how we are working to create a promising environment for peace and development in South Asia and beyond.

10. Our external challenges arise from the threat of terrorism and the old conflicts that have afflicted the region. Our neighbourhood has remained disturbed mainly on two counts: the conflict in Afghanistan and the unresolved Kashmir dispute that has been source of tension between Pakistan and India since the two countries became independent over half a century ago.

Terrorism and Extremism

11. When speaking about terrorism and extremism I need to clarify a misperception. The Western media often portrayed Pakistan as a breeding ground for extremism and some have even alleged government support for extremist groups. Let me clear this false perception.

12. When Afghanistan became last front of the Cold War, the world community and Pakistan stood together to check the Soviet advance. Over ten long years, conflict raged in Afghanistan with active support of most of the free world. Madrassas were encouraged inside the refugee camps as nurseries for recruits. Twenty to thirty thousand Arab youth were brought to the Afghan front. The infrastructure that is seen to support international terrorism today was created at that time.

13. The free world benefited from that struggle, but Afghanistan and Pakistan paid the price. After the Soviets left, Afghanistan suffered international neglect and Pakistan came under sanctions. Meanwhile, developments in the Middle East influenced the Arab youth who remained in Afghanistan to coalesce into Al-Qaeda with their own anti-US agenda. Pakistan was not responsible for creation of Al-Qaeda which is regarded as the primary source of international terrorism today. However, we are being unjustly blamed for a phenomenon that was not our creation.

14. Thus extremism and terrorism in Pakistan is a blow back from the unfortunate developments in Afghanistan. This phenomenon poses a formidable challenge to our vision of a moderate and progressive society. We regard extremism and terrorism as regressive forces that de-stabilise societies and are anti-progress. Our resolve to fight these forces is therefore strong and primarily in our own interest.

15. Extremism is a complicated phenomenon and it relates to a state of mind. We have adopted a multi pronged strategy to address it combining military, political, economic and social elements. Force is used against those

who refuse to renounce violence. We have banned militant outfits, frozen their financial assets and have acted against those spreading prejudice and hate, but military action can only go this far. Our broader effort hinges on winning hearts and minds by expanding economic opportunities, increasing education, reforming madrassas, broadening political participation and mobilizing civil society to help spread the message of tolerance and moderation.

16. In the tribal areas, we are also pursuing a comprehensive strategy combining military action with political measures and socio-economic development. An important objective is to wean away local population from militants and extremists. To strengthen security we are expanding the local institution of Frontier Corps that would provide avenues for employment for youth from the area. We also have socio-economic development programmes and are working with the US Administration on the proposal for Reconstruction Opportunity Zones which could help economic activity in the area with the incentive of market access in the United States to local produce.

17. We have had important successes in the recent past especially in North and South Waziristan where the local tribesmen have turned against foreign militants. This is an important development which we need to sustain through political and economic measures while maintaining military presence in the area to counter Al-Qaeda and interdict any support form the area to the Taliban inside Afghanistan.

18. Speaking of terrorism and extremism, we also need to look for the root causes that relate to the existence of long term political conflicts, as well as poverty and deprivation. The longstanding political conflicts, especially Palestine which causes deep anger in the Arab and Muslim world, will have to be addressed to remove the environment that is conducive to terrorism and extremism.

19. While terrorism and extremisms must be rejected in all forms, we feel deeply concerned over a parallel phenomenon of hate campaigns against Islam linking it with terrorism. Such sinister campaigns must be exposed and countered firmly. Islam like other great religions advocates message of peace, tolerance and compassion. Terrorism has no religion or nationality.

20. We are also alarmed by advocacy of clash of values and divide between the West and the Islamic world. These are dangerous perceptions and doctrines that would only reinforce prejudice and atavistic fears. They must be discouraged and rejected. Pakistan stands for inter-faith and intercivilisation harmony.

21. Pakistan has worked hard and is winning the fight against terrorism. Our effort in making the world a safer and better place is acknowledged internationally. We are pursuing policies that promote stabilization in Afghanistan and an atmosphere of peace and confidence in South Asia. Our policies are guided by the conviction that peace in our region is essential for out progress and economic development, which remain the primary focus of our endeavours.

<u>Afghanistan</u>

Ladies & Gentlemen,

22. We desire to see peace and stability in Afghanistan, which is in the vital

interest of Pakistan. Many of our aspirations for the security and prosperity of Pakistan depend on a peaceful Afghanistan with a stable government. We see terrorism, militancy and Talibanisation in the area as a threat that needs to be countered effectively. Towards this objective, we are cooperating with the Afghan Government as well as the multi-national forces of NATO and ISAF. However, Afghanistan presents a complex challenge to us and to the world.

23. It needs to be appreciated that the problems of Afghanistan lie inside Afghanistan. The Taliban are Afghans and they are fighting and engaging the Multi-national forces well inside Afghanistan. The objectives of national reconciliation and national reconstruction continue to elude this war-ravaged and fragmented country. The problems have been aggravated by drug production, warlords, corruption and trans-national crime. This requires a holistic approach. We have repeatedly advocated that Afghanistan needed a Marshal Plan-like package to help make a difference on the ground. However, soon after its intervention in the wake of 9/11, the attention of the world community was refocused on Iraq which has now become the new base for Al-Qaeda and militancy.

24. We do not deny that that there has been support going from our tribal belt to Taliban fighters. But the main problem remains inside Afghanistan.

25. We are making efforts to interdict this support and have taken effective measures. We have strengthened border controls and secured the border with the deployment of more than 85,000 troops. We are selectively fencing the border and have established over 1000 check posts as compared to about 100 maintained on the Afghan side.

26. We also want early repatriation of the nearly three million Afghan refugees, and are taking steps to close down camps that are often charged with providing safe haven to Afghan militants. Let me point out that the much feared spring offensive by the Taliban did not materialize.

27. Securing the Pak-Afghan border is, however, a shared responsibility. Calls on Pakistan to 'do more' are not fair. All sides - Afghanistan, Pakistan, U.S., ISAF, NATO etc. - must do more because it is a collective obligation.

28. On the economic front, despite our limited resources, we are extending \$ 300 million worth of assistance and are helping with numerous infrastructure reconstruction and development projects. Additionally, we have provided unrestricted trade access to this landlocked country.

29. Yet, there have been doubts expressed about our commitment especially in the media. We wish to make one thing clear: Pakistan has no interest in the Taliban, their ideology, or strategic designs. We want to have secure borders and a moderate society. Pakistan has made a commitment not to allow its territory to be used for any terrorist activities. We are sincerely abiding by that commitment.

30. Much more remains to be done in Afghanistan. The international community must shoulder its responsibility and live up to its commitments especially for development assistance. It is also necessary to help the Afghan overcome the problems posed by drug trafficking and poppy cultivation. It must be recognized that narco-terrorism - nexus between drug-traffickers and terrorists continues to pose a major security threat for the entire world. Peace and stability in Afghanistan will eventually depend on the success of national

reconciliation and reconstruction that brings about the change in the lives of the people.

Pakistan-India peace process

31. In our effort to build a peaceful and secure regional environment, we are engaged with India in a peace process to ensure durable peace in South Asia. We are seeking resolution of all outstanding issues including the core dispute over Kashmir. Confidence building measures have already led to improved relations.

32. We want the momentum for peace to become irreversible. But for this to happen, we must address the Kashmir dispute. President Musharraf's proposals on demilitarization, self-governance and joint management reflect out-of-the-box thinking. Kashmiris must be associated with the peace process on Kashmir. The challenge before us is to demonstrate courage, sincerity and flexibility to resolve the outstanding issue of Kashmir. The international community can help by encouraging both countries to move forward and make meaningful progress.

Nuclear proliferation

33. As a responsible nuclear power, we are opposed to proliferation of weapons of mass destruction and are resolved to help promote global non-proliferation efforts. We have deplored the recent nuclear test by North Korea and believe that this issue must be resolved through the six party talks.

34. It needs to be clarified that Pakistan was not responsible for nuclear proliferation in South Asia. We were obliged to respond in order to ensure our security by establishing a credible nuclear order to ensure our security by establishing a credible nuclear deterrent. Today, our strategic doctrine is based on minimum credible deterrent. We, therefore, support nuclear restraint and are opposed to an arms race in strategic or conventional weapons in the region, having put forward the proposal for a strategic restraint regime in South Asia. Domestically, once our deterrence became an overt reality in 1998, we have put in place an effective command and control system with comprehensive laws and regulations to prevent the export or pilferage of sensitive nuclear materials and technology.

35. Our commitment to global non-proliferation goals is unilateral and we consider ourselves as a partner in the advancement of these objectives. However, we cannot accept discrimination especially with regard to access to civilian technology for nuclear power generation under international safeguards. We are ready to accept any safeguards for our civilian facilities our energy requirements are rapidly increasing and are no less important than those of any other country.

Pakistan as a Regional Economic Hub

36. We have a vision for Pakistan rooted in our geography to become a hub of economic, trade and communications activity linking our neighbouring regions of South Asia, Central Asia and West Asia or the Middle East.

37. Pakistan provides the shortest access to the sea for landlocked

countries of Central Asia as well as Western China. To facilitate linkages we have developed a third port at Gawadar close to the Gulf. We are engaged in large-scale construction of roads and plan to have a rail network as well that would serve to link up the adjoining regions, especially Central Asia. We also plan to develop oil and gas pipelines and electricity grids which could satisfy our growing energy needs and become energy corridors for China and India. 38. We are conscious that for the realization of these ambitious objectives we need to promote peace and help conflict resolution in the area.

Vision for Pakistan

39. We are transforming our challenges into opportunities. We are designing our policies to benefit from globalization, taking advantage of ore" geography and are determined to build on the sustained economic growth, political stability and peaceful regional environment that we have been able to achieve. Pakistan is committed to play its part in the promotion of peace, stability and development in our region and in the world.

40. With the United States, today we are partners in the war on terror as well as in the efforts to build a more peaceful, secure and stable world. Our strategic interests now converge on a wider spectrum of bilateral, regional and global issues. As the anchor for regional peace and security, Pakistan is a pivotal country and can make a vital difference for success in the pursuit of promotion of peace, security and development in our region and the world.