

BUILDING POLITICAL AND ECONOMIC LINKAGES BETWEEN SOUTH AND CENTRAL ASIA.

EU's Resolution on Afghanistan and Pakistan: Pakistani Perception.

The honourable Chairman, distinguished Presenters, Researchers, Ladies & Gentlemen.

It gives me pleasure to be a presenter in this morning's Session 1(b) i.e EU's Resolution on Afghanistan and Pakistan: Pakistani Perception. As a matter of fact, on May 30, 2007, the foreign Ministers of the G8 countries and the Foreign Ministers of Afghanistan and Pakistan issued a Joint Statement on the "G8 Afghanistan-Pakistan Initiative". They reiterated their strong commitment to work for security, stability, development and lasting peace in Afghanistan and the region. In that they underlined the need for continued support of the international community for the region which is considered to be the vital element in the global fight against terrorism and for the promotion of freedom, democracy, rule of law, human rights, and economic growth opportunity and prosperity of their people. In that, the Foreign Ministers of Afghanistan and Pakistan renewed their Government's Commitments to strengthen cooperation and dialogue at all levels ,particularly in the fields of security, refugee issues, economic development and increased contacts between the civil societies.

This morning, I am going to dilate upon Pakistan's perception on the above said Resolution in the overall context of the theme of the Seminar i.e. Building Political and Economic Linkages between South and Central Asia.

Ladies and Gentlemen,

South and Central Asia has lagged behind other regions in fostering regional cooperation in political and economic fields. Despite the realization and affirmation of its critical need at various levels, almost two decades have passed without significant endeavors and sustained efforts in this area. Political discords rooted in the history of the Sub-continent and the geographical uniqueness of the regional grouping i.e. geo-political positions of some countries, and geo-physical strengths of others remained the major factors in preventing the 'political will' necessary to make progress towards building greater political and economic linkages between the two regions.

Re-emergence of Asia as the most dynamic economic region of the future has created new vision for the strategically located sub-regions within Asia. Spectacular economic expansion, coupled with strong growth indicators and poverty reduction initiatives across various sub-regions of Asia in the past few decades, have set a stage for creating a unique environment to foster political and economic cooperation between South and Central Asia. Following the

disintegration of the former Soviet Union and emergence of independent Central Asian Republics (CARs), the world, especially major powers like the United States, European Union, China and Japan, have focused their increased attention on developing linkages with the newly independent Central Asian Republics. Central Asia occupies an extremely important geo-strategic position for being located at the cross-section of three important power blocs, namely Russian Federation on the north, China on the east and Muslim countries of West Asia and Middle East on the South. The land locked Central Asia is a region rich in untapped natural resources, especially oil, gas, hydro electric potential and other minerals. Being part of the former Soviet Union, it was and still remains oriented towards Russia for trade, transportation and communication links. Due to the phenomenal rise in demand for energy, countries like China and India are especially attracted to Central Asia for the supply of much needed oil and gas. It is said that 21st will be the Asian century. The existing pace of development of Japan, ASEAN region, China and India to some extent is an indication of a resurgent Asia. This Asian resurgence is not possible without availability of energy resources to these fast developing countries.

Coming to South Asia, Ladies and Gentlemen, South Asia today, is considered as one of the fastest growing regions in the world. China's annual average GDP has grown to over 10% to an appreciable proportion to be on road to progress in the past few years. Srilanka and Bangladesh have also shown spectacular economic expansion, coupled with strong growth indicators and poverty reduction initiatives across South Asia in the recent years, have set a stage for creating a unique environment to foster political and economic cooperation between South and Central Asia. South Asia has its strengths in trained human resource, fertile land as well as high economic performances. The synergetic strengths of the two regions provide immense opportunities for Pakistan and Afghanistan to take steps for building substantial political and economic linkages with Central Asia to tap the latter's resources for sustainable economic growth and prosperity of our people. However, the peace and prosperity of both regions is directly linked with peace and stability of Afghanistan and tribal belt in Pakistan. This objective can be achieved only if greater political and economic linkages are established between South Asia and central Asia in general, and Pakistan and Afghanistan, in particular.

May I mention here that this vision is not new to the Government of Pakistan, as it is part of the PPP's Election Manifesto. It forms basis for the foreign policy of the PPP led Governments at sub-regional, regional and international level. The geo-political location of Pakistan makes it more imperative that it should play its vital role in providing impetus to strengthen linkages between the two regions.

As the positive economic developments in the two regions unfolded in the preceding years, the events following 9/11 brought new political realism to the two regions. Both regions were compelled to focus on security within and around, to be able to protect their growing economic prosperity, as prosperity could not be envisioned without stability and peace. This shared

concern provides a basis to form a collective vision of interdependence, triggered by a perceived common threat i.e. the security threat.

Ladies and Gentlemen,

The "thawing" of relations between India and Pakistan in the past several years as a result of initiation of the Comprehensive Dialogue Process (CDP), despite fraught with complexities and some inherent serious challenges over several years, has led to a stage where there is a continued willingness between the two countries to resolve all outstanding issues peacefully. Bilateral trade is growing despite the barriers, and people to people contact is also growing. In the same way, the continued willingness in Islamabad and Kabul to build mutual confidence and mutual resolve for joint efforts for the peace in the region are laudable. Such historic endeavors, as bringing countries, economies and people together for a 'higher cause' i.e., collective and shared prosperity and peace for all peoples of the region, need championing. And here too, the region is not lacking.

In Pakistan, the PPP led Government is committed to disallow cross-border terrorism in Afghanistan. The Government of the day firmly adheres to the principle of non-interference in Afghanistan's internal affairs. Taking guidance from the PPP Manifesto, the Government of Pakistan would engage the Afghanistan Government for reaching an overall understanding on border security, exchange of intelligence, exchange of information and non use of force in one another's territories etc. The PPP Government is committed to restoration of close cultural, economic and trade ties between the two countries.

PPP Manifesto 2008 is a resounding statement of the integrated process leading to domestic ,regional and universal linkages between diverse cultures. The manifesto stresses growth with equity, satisfaction of basic needs ,good governance and friendship with our neighbours in particular and the world in general. The party of martyrs proposes across -the board-reconciliation to counter the forces of darkness and extremism. Shaheed Benazir Bhutto laid down her life for peace, progress .democracy, and moderation. Her ideals remain the guiding principles and the fighting faith of her party .It is in this context that the Charter of Democracy known as the Magna Carta of Pakistan was born .Provision for the establishment of Truth and Reconciliation Commission in the Charter along the lines of South African experience is the best antidote to the scourge of terrorism.

We believe that good neighbourly relations with India and Afghanistan define a corner stone to build political and economic linkages within South Asia as well as between South Asia and Central Asia. To turn that dream into reality the party proposes an Asian Common Market to attract investment, create jobs and build bridges of peace and trade through all of South Asia. A peaceful South Asia will be in a better position to build bridges which are being discussed in this forum.

PPP also seeks to sign a Treaty of Peace and Cooperation with Afghanistan to root out the growing menace of terrorism from our part of the world. As terrorism is born "in the bowels of dictatorship" we firmly stand for tolerance, democratic pluralism and international harmony. PPP government is doing whatever is possible locally and regionally to make our region and the world a safe place inspite of the formidable challenges erected by the forces of darkness ironically in the name of the great religion which advocates peace, love and human brotherhood. We are committed and actively engaged in herculean efforts to avert the chilling threat of the so called clash of civilizations by dialogue and reconciliation but we will not compromise on establishing the writ of the government which was compromised over the years.

Religious radicalisation in Pakistan has been contributed to a large extent the vested interest through madarassas. But madrassa can be made less attractive for our youth if the state can gear up to producing alternative places of learning. However, that would be futile unless the NGOs which are prepared to provide free lodging and boarding educational institutions to counter and reduce the influence of these madrassas are encouraged and funded as done in Indonesia. Bringing change to the madrassas will help the moderates win the war of ideas in Pakistan. Education makes man a right thinker enabling him to receive knowledge and availing it for betterment of all. I urge upon members of this forum as well as world at large to help us in establishing appropriate educational institutions so that people prefer to send their children in these educational institutions instead of being drawn towards an extremist model school of thought.

To create initial momentum for building political and economic linkages between South and Central Asia, the process needs to be activity-based, which can secure interests, sense of ownership, and generate tangible results. This approach is particularly relevant in this region as mutual trust and confidence among participating countries are not in place at the outset. We should initially focus on physical connectivity, and then gradually expand to include trade, investment and other issues. The 'National Trade Corridor' project of Pakistan is a step in right direction. The physical connectivity will result in yielding tangible and intangible dividends in terms of increased connectivity, improved competitiveness and a greater sense of community. This model can be replicated across the borders in the whole region. As a by-product, the case of connectivity will be the harbinger of greater people to people contact and more civil society interactions. Transport infrastructure will accelerate market-driven economic linkages and

improved access to basic social services, especially for the poor in border areas of Pakistan and Afghanistan in particular, and every where in general.

Ladies and Gentlemen, the likelihood of establishment of close linkages between South Asia and Central Asia is based on a couple of imperatives. They are:

Since ancient times, the two regions had been linked together for the purpose of trade and travel. There has been almost incessant movement of the people and good between these two regions till the start of European era towards the end of 15th Century and establishment of British Empire in India, Colonialism severed the traditional links that had existed between these two regions for centuries.

After becoming a part of Russia towards the end of 19th Century, Central Asia lost contact with its southern neighbours. Through the building of roads, railways and other type of communication networks, the Russians integrated this region with Russia,. This pattern of relationship was not only maintained but strengthened under communism. Central Asia became a source of raw materials and a market for manufactured goods by the industries largely based in the European part of the former Soviet Union, presently Russian Federation.

Following the disintegration of the Soviet Union and declaration of independence, the CARs have very strong desire to act as independent entities in international politics. But it is not possible unless their dependence on Russia is reduced, which is still there because of the absence of alternate infrastructure, which could enable these countries to trade with their southern neighbours, and through them reach the markets of India, Southeast Asia and Africa.

CARs are energy rich, whereas South Asian countries like India and Pakistan are energy-deficit. This inevitably creates a situation where the South Asian countries would make serious efforts to establish links with the countries of South Asia for the supply of oil and gas and even electricity. The gas pipeline project for transporting Turkmenistan gas to Pakistan through Afghanistan, known as TAP has been conceived for the same very purpose.

South Asia is inhabited by more than one fifth of the total population of the world. Pakistan and India have a very large and lucrative consumer market. The achievement of an appreciable level of growth in Pakistan and India during the last about two decades has created an attractive consumer market in South Asia, which the countries of Central Asia would like to exploit through the establishment of trade links.

There is also a possibility that countries, like Nepal and China could also be associated with planned gas transportation networks between Central Asia and South Asia.

Likewise, the countries of South Asia would also like explore the Central Asian markets to expand trade in goods and services.

For political and strategic reasons, and also for the purpose of trade, India is pressing Pakistan for the grant of transit-trade facility to send by land route its goods to Afghanistan, and beyond Afghanistan to CA and even Europe through Turkey, Pakistan, however, is resisting the Indian demand due to unsettled status of Kashmir dispute. But Pakistan may agree to a limited facility in view Afghanistan's membership of SAARC and progress in Pakistan-India peace process.

Ladies and Gentlemen, Pakistan made efforts to establish links with Central Asian Republics immediately after their emergence as independent states in early 1990. That includes high level visits of the leaders of the two sides, and signing of number of agreements and MoUs with the objective of expanding trade and commercial links and economic cooperation. The Economic Cooperation Organization (ECO) provided yet another framework under which efforts were made to increase trade, economic, political, cultural and communication links between Pakistan and central asian region. But unfortunately, there has not been progress at a desirable level in this direction so far. The trade between Pakistan and 6 Central Asian Republics remains abysmally low. The agreements signed for the development of communication, rail-roads links have not been implemented. Even Project for the transportation of gas from Turkmenistan to Pakistan through Afghanistan (TAP), which was initiated in 1994, has not made much headway. However, there has been some improvements in the cultural relations.

From Pakistan's perception, the insecurity in Afghanistan is the biggest stumbling bloc in the way of establishment of linkages between South Asia and central Asia. The increase in the Taliban insurgency has made such a possibility further difficult but the present government has adopted a unique method of combination of dialogue and military operation with help of tribal Lashkars where dialogue does not work. This combination of carrot and stick has started yielding results and we strongly hope that this issue will be resolved. For establishing linkages between Central Asia and South Asia, resolution of Pakistan-India disputes, especially the dispute over Kashmir is very important. Communication and transportation networks between the two regions need to be built to foster establishment of broad based linkages.

Ladies and Gentlemen,

Mere statements of perceptions and perspectives of various stake holders, though important, are not enough. Conferences of this kind need to find common ground and common threads from intellectual discourse and knit them together to form a basis for united action. If a minimum consensus does not emerge from seminars of this magnitude the enormous effort invested in such

exercises becomes an exercise in futility. Let me therefore spell out some common factors which should crown this conference:

a. Democracy is the best revenge (against terrorism, dictatorship and war) as propounded by Shaheed Benazir Bhutto in her celebrated thesis on Reconciliation: Democracy, Islam and the West. This time tested philosophy could be adopted by this seminar to promote the linkages under discussion here. This thesis is the best response to the theory of clash of civilisations.

b. All democratic parties of South and Central Asia must get together in an effort to weed out all forms of terrorism including the scourge of suicide bombings. Dictatorship which is the midwife of terrorism must be banished from our region once and for all.

c. The western nations should be thanked for their support of civilian supremacy and democracy and warned against appeasement of dictatorship.

d. Peaceful and non violent struggle should be encouraged to achieve political objectives. Democratic movements do not gain anything from the madness of death squads masquerading as holy warriors.

e. Dialogue should be the preferred option over all manifestations of armed conflict because dialogue helps build bridges whereas violence destroys them. This is what our western partners need to factor in their anti terror policy.

f. Political and economic development of nations and regions must go hand in hand because both are complementary to each other. In isolation from each other any progress achieved can not last long. Our cherished idealism should be based on the principles of dialogue, deterrence and development and none at the cost of the other.

In the end, Ladies and Gentlemen, I thank you for listening to me patiently. God bless you.