

Pugwash KEYNOTE SPEECH by

Prof. Ahsan Iqbal, Federal Minister for Planning, Development, & Reform, Pakistan

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Ambassador Jayantha Dhanapala, President Pugwash,

Prof. Paolo Cotta-Ramusino, Secretary General,

Distinguished Pugwashites,

Ladies and gentleman

Let me begin by expressing my gratitude to Pugwash for inviting me to deliver this keynote lecture and also congratulate the organizers on hosting yet another intellectually stimulating conference. As a long-time friend and member of Pugwash, I am proud to be among so many distinguished scientists, academics, policy shapers, and opinion makers.

Ladies and gentleman, we are living through a truly pivotal moment in our history. The forces of globalization, regionalization, knowledge and information revolution, climate change, demographics, and conflicts pose challenges for leaders everywhere. We live in a world where dominance of nation state is daily challenged by the empowering citizenry. In this world, South Asia houses over 1.7 billion people, which is one fifth of global population, where more than forty percent live under international poverty line with huge youth bulge and a region most vulnerable to climate change. 2013 and 2014 are years of change in the region and carry with them the uncertainty typical of such transitions. All eyes of course remain on the political, economic, and security transitions in Afghanistan that are certain to have a profound impact on the entire South Asian neighborhood. India is headed towards an election next year. Bangladesh too is heading towards an election. With two nuclear powers and history of conflict in South Asia, the topic of conference "Dialogue, Disarmament, and Regional and Global Security" has direct relevance to our region.

Pakistan itself is going through a defining period of its history,. While the challenges we face are many and regularly talked about, as Pakistanis we are also experiencing extremely encouraging developments that make us proud and hopeful of serving as a bedrock of South Asian integration and stability. We are acutely aware of the disappointing reality that we exist in the world's least integrated region, with regional trade about 2% of regional trade compared with 20% in East Asia, and are fully committed to changing that in collaboration with our fellow South Asians.

That Pakistan's role in a future South Asia is pivotal & is well recognized. Dare I say however that it pains the millions of Pakistanis who have seen their country suffer immensely over the past decade after becoming the melting pot of several external fault lines, first in 80s and later after 9/11. Pakistan is not the epicenter of terrorism, it is a victim of it and has tried to tackle it bravely and with immense courage. As a result of the blowback of the war in Afghanistan, more than 40,000 innocent Pakistanis have fallen prey to terrorism. Our armed forces and law enforcement agencies have suffered huge casualties. The economic losses of this relentless wave of terror is over 100 billion dollars – astronomically more than all inflows of assistance we have received. When I go to my village and talk to my constituents – when I talk to average Pakistanis on the streets of urban towns – they do have this question for the world: how many more of us would it take to convince the world that we are in the line of fire every day of our lives; just how much more should we do?

As the second largest South Asian country and a nuclear power after India, Pakistan's importance is undeniable. But Pakistan's real importance lies not in what you hear in the news; it lies in the promise it holds due to its location as a natural connector between Central Asia, South Asia, China and across regions and because of the many positive attributes it presents to fellow South Asians and the world.

I realize that perceptions are not easy to change. But it is mind boggling for someone like me who has been part of the political system in Pakistan for nearly over two decades and who sits in government today and is privy to the country's decision making to see accusations of lack of interest in regional peace being hurled. Which other country stands more to lose than Pakistan if

Afghanistan does not make transition smoothly over the next year; who hurts if Pakistan and India cannot realize their potential as economic partners; and why would an energy starved Pakistan not seek to gain from all the regional integration that is waiting to happen in our neighborhood? This would be sheer madness on our part!

We in Pakistan are fully cognizant of the need for regional stability and simply cannot afford to have it any other way. This is our wish, our desire, and our compulsion. There is therefore no question of Pakistan not working in earnest to achieve this end. And we have been doing so – and sacrificing tremendously in the process.

So what is our vision for regional stability?

Simply put, it is that a stable, peaceful, and economically robust Pakistan will radiate positive energy outward to its neighbors.

And how do we get there?

By investing in Pakistani citizens, by providing them opportunities in a revived economy, by realizing the promise of our tremendous human and intellectual capital and our youth cohort, by promoting regional connectivities, by pursuing a policy of zero conflict in our neighborhood, by strengthening rule of law, by building capacity of our institutions to deal with extremism, and by looking towards our friends and partners within and outside the region to appreciate how their actions and policies affect Pakistan and South Asia.

Ladies and gentlemen,

In May 2013, Pakistan experienced a historic general election that saw the first peaceful transition of power from one democratically elected government to another in the country's 65 year history. Encouragingly, the elections saw the highest voter turnout since the 1970s and was marked by healthy competition among political parties.

We are mindful that the people of Pakistan were not voting for PMLN, our party name. They were voting for a promise we had made: of better governance, of a focus on livelihoods, and of sincere efforts to ensure internal stability and improved opportunities for Pakistanis in the neighborhood. It was also a commitment on our part to stand up for Pakistan's rights as a self-respecting nation in the comity of nations.

In this backdrop, allow me to emphasize where we stand today in terms of playing our role for regional stability:

The new PML-N government has long believed that a strong Pakistani economy lies at the heart of reviving the spirit of South Asian cooperation. We have internally begun to address a number of long standing deficiencies. We successfully passed our first budget in difficult circumstances, we have concluded a fresh agreement with the IMF that many remained unconvinced was possible – but not only that, we have already implemented a number of difficult reforms that were needed to make this agreement a success and which our government believes are essential for Pakistan's economic strengthening. We are busy expanding our tax net, providing industry relief, and revitalizing our exports that have gone down by as much as 20 percent in real terms in recent years. Most important of all, a new energy policy that will more than make up for our supply-demand gap within five years is being implemented. The energy problem alone had been costing the Pakistani economy over 2 percent of GDP each year. Fixing it is a non-negotiable priority for the government.

In terms of law and order, which along with energy has been the biggest drain on our efforts to stabilize internally, we have taken a number of decisive steps. We have launched a peacemaking operation in Karachi, Pakistan's financial heart that had suffered the wounds of organized crime and violence for many years, and in a relatively short period, have begun to curtail violence. Much more is to be done – and it will be.

We opted to invite a Baloch-nationalist political party to take the lead in forming a government in Balochistan province and have extended our full support for dialogue to bring our estranged

Baloch brethren into the mainstream. Balochistan's development and progress also remains one of our top most priorities.

On the challenge from Islamist militants, as affirmed by the unanimous adoption of resolution on terrorism in an All Parties Conference a month and a half ago, the civilian and military leadership in Pakistan are united in their stand. There is a definite realization among all state organs that only a coordinated and unified effort can eliminate the forces of terrorism and extremism.

For almost a decade, we have pursued military operations against the militants. Today, an overwhelming majority of Pakistanis support talks with groups who have been undertaking an insurgency in the north western part of the country. Pakistanis support reconciliation because they realize that "a house divided against itself cannot stand." They want these talks to succeed so that the economy rebounds; so that they can get on with their normal lives in peace; so that their children can go to school without fear. It was in this spirit that the political and military leaderships unanimously agreed to pursue dialogue with the militants in September this year.

Our adopted course of dialogue with the Militants should not, however, be seen by anyone as a meek surrender to or a deadly embrace with them. As the Prime Minister of Pakistan has repeatedly affirmed, this dialogue will strictly proceed within the parameters of Pakistan's constitution and international obligations to counter-terrorism. Let no one harbor any doubts either, about the state's commitment to establish its writ at all costs. We are committed to see that no group is allowed to use terror as means of propagating their agendas.

Pakistan remains acutely aware of its international obligations to suppress terrorist threats from non-state actors abusing its sovereignty and imperiling international peace and security. In this regard, the Government has recently introduced amendments to the Anti-Terrorism Act to upgrade Pakistan's legal regime for counter-terrorism. A bill to curb financial flows of militants has also been passed. A number of other legal amendments are in the works. There are plans to empower the National Counter-terrorism Authority, to create specialized counter-terrorism units at both the federal and provincial levels, and to improve the capacity of law enforcement and

intelligence agencies. It would be gravely erroneous to assume that counter-terrorism is not at the top of the Pakistani government's agenda.

Let me now turn to regional relations.

On the economic and development front, we are pursuing a multipronged strategy. I have myself been deeply involved in our push to reach out to China through a multifaceted approach to enhance trade and investment ties. Both Pakistan and China have resolved to construct a 3,000 kms long Economic Corridor from Khunjab to Gwadar Port with enormous potential of trade for the entire region.

Pakistan is also fully engaged in regional efforts to integrate South Asian economies. We are enthusiastic about the TAPI pipeline; we have spearheaded the CASA-1000 energy initiative and recently hosted a conference to provide fresh impetus to the initiative. I just returned from Kazakhstan where we resolved to speed up progress on regional connectivity projects under the forum of CAREC.

We also remain committed to the Iran-Pakistan pipeline as the project is crucial for Pakistan to fulfill its energy needs. To implement our vision of regional cooperation, We have created a new Regional Initiatives Unit in Ministry of Planning, Development, & Reform to speed up regional integration projects

While too much is said about the security aspects of the Pakistan-Afghanistan relationship, we must not overlook the long standing and deep rooted ties Pakistanis and Afghans have enjoyed for years. Our economic ties have been robust - and have been boosted especially over the past decade. Afghanistan is now Pakistan's fastest growing export destination and bilateral trade is expected to cross \$ 5 billion by 2015. Thousands of Pakistanis work in Afghanistan, helping reconstruct the Afghan economy. The number is much larger in the opposite direction. thousand of Afghan students are also being educated in Pakistan.

Pakistan has always been a welcoming and generous host to our Afghan brethren in need. We have hosted more than 3.5 million Afghan refugees since the 1980s and as many as over 1.5 still remain. Over the past decade, we have also provided assistance to Afghanistan worth more than 450 million dollars that has gone towards the country's reconstruction and capacity building, especially in the health and education sectors. We have also decided to extend our Karachi-Peshawar highway up to Kabul to increase Afghanistan's external connectivity and access.

To be sure, none of these are favors to anyone: we are fully cognizant that the dream of a fully integrated South Asia ready to benefit from the vast resources and trade opportunities that lie to its east and west cannot be fulfilled unless Afghanistan and Pakistan are connected and in a position to allow goods and services to flow seamlessly across their borders.

Strategically, we are fully committed to the stabilization of Afghanistan. Let there be no doubt that we see a smooth and peaceful 2014 transition in Afghanistan as an imperative for a peaceful Pakistan. We hope that the international community will not overlook its responsibility to transform \$ 12 billion war economy in the region into a peace time economy to create economic alternatives in the region that has seen war and destruction for over a decade now. We hope for an Afghanistan that is firmly on the path of stability and prosperity.

We want everyone involved, both within and outside the region, to do whatever they can to ensure a smooth transition there. We are already doing our part and will continue to do whatever our Afghan partners ask of us. Our government has reached out to Afghanistan from the very outset and has found President Karzai and his team to be extremely eager and keen to join hands. As you know, Prime Minister Sharif hosted President Karzai for an extremely successful visit in August this year in which both sides agreed to continue working closely.

Ladies and gentlemen,

The conventional wisdom is that the state of South Asia is as good as that of Pakistan-India relations. This long standing rivalry has cost both countries dearly, to the detriment of the millions of our underprivileged citizens. I do not need to remind this audience that an improved India-Pakistan relationship is a passion of Prime Minister Nawaz Sharif and he has already

proven his determination to take up this challenge from where he left it in 1999. It was he who initiated the composite dialogue process with India in 1997 and invited Indian Prime Minister Atal Bihari Vajpayee on his historic bus trip to Pakistan in 1999, when both leaders signed historic Lahore Declaration and resolved to settle all disputes including Kashmir issue through dialogue. He has constantly stressed the need to find permanent solutions to Indo-Pak problems.

Prime Minister Sharif recently met his Indian counterpart Dr. Manmohan Singh in New York on the sidelines of the UNGA meetings. We have moved to expand astronomically, the list of items in which bilateral trade is permissible and are looking to make further progress on this count. A number of economic CBMs are already in place. But we have a long long way to go as the current state of economic ties belies projections of the potential scales of engagement.

We are fully aware that we have differences of opinion on key issues. But we have always stood for the judicious settlement of outstanding disputes and remained committed to this position. I am happy to report, and my Pakistani colleagues in the audience will bail me out, that anti-India politicking is a thing of the past in Pakistan. No political party in Pakistan felt the need to contest the May 2013 elections on an anti-India platform. There is complete civil-military consensus in Pakistan on improving ties with India. But we must do so together, with full commitment from both sides, and without allowing space to detractors – those who wish to keep us estranged and apathetic – to undermine progress by playing into their hands. Pakistan is facing difficult challenges but despite that it has continued to show utmost flexibility and commitment to moving forward with India. We are somewhat disappointed when we see lack of reciprocity from the Indian side and persistence with anti-Pakistan campaigning, particularly in media, as the election cycle takes off. Dialogue can't be made hostage to media groups race to jack up ratings by creating soap operas out of serious matters of diplomacy and security. We see a clear window of opportunity to surge ahead – on economics and on political issues – and we must not let this be derailed for the sake of short term gains. We need to promote people to people contacts, relax visa regime, India should resume air flights allow Pakistani channels on India cables on reciprocal basis, enable telecom roaming facility, we support to resume active sporting relations, and continue dialogue to solve all disputes including Kashmir with conviction. Both sides are



guilty of doing so for too long but we must leave this behind – for South Asia’s sake, where millions live in poverty we need to rise up to the challenge.

No one country can transform regional equities on its own. We therefore are looking to our regional partners and other friends around the world to join hands to make a stable South Asia a reality. Our call for international and multi lateral dialogue is rejected but even bilateral dialogue is not allowed to move forward. Without dialogue how can we move forward? Opportunity missed is future lost. We must seize the moment in South Asia, respecting each other’s points of views must move with the speed to find ways to build common agendas for peace, prosperity, and development

Pakistan has gone through extremely tough times and has a long way to go still. But as we make the effort and walk the extra mile, we expect others to reach out and appreciate our view point as well. No Pakistani government can stand up in front of its people and justify extreme flexibility while our sovereignty is being violated by drone strikes regularly and when we are constantly portrayed in a negative light despite our efforts and sacrifices. Appreciating Pakistan’s concerns and finding mutually beneficial ways of moving forward therefore remains in everyone’s interests. Pakistan, of course, remains committed to doing the same.

The choices we make today would have enormous consequences for our generation and those that will follow us. South Asian states have always relied on their promise for progress – but promise is another way of saying that we are yet to realize our potential to be a peaceful and prosperous region. It is time that we turn this promise into reality.

As Robert Kennedy, the fearless campaigner for peace around the world once said:

“All of us might wish at times that we lived in a more tranquil world, but we don’t. And if our times are difficult and perplexing, so are they challenging and filled with opportunity.”

I thank you all.