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## Pakistan: Anchor for Regional Peace and Security

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I am privileged to speak at The Heritage Foundation, one of the foremost institutions of academic excellence in the United States. I am also honored by the presence of such a distinguished audience gathered here today.

I would like to begin by thanking the American people and the Bush Administration for the generous material and financial help for the October 8 earthquake relief. We are also grateful for their assistance pledged for the reconstruction and rehabilitation of the affected people and areas.

### Strategic Partners

The relationship between Pakistan and the United States is unique in many ways. We have been partners for over half a century—first against Soviet Communist expansionism and now against terrorism. There have also been low points in our relations, and Pakistan came under sanctions. However, the historical experience shows that whenever we have cooperated, it has served the interests of both nations and whenever our relations came under a shadow, our interests have suffered. I will illustrate this point with a recent example.

In the 1980s, we cooperated to resist the Soviet advance in Afghanistan. As a result we helped the consolidation of freedom movements in Eastern Europe and hastened the end of the Cold War, bringing about the momentous transformation of our time.

In the 1990s, our relations came under stress and Afghanistan suffered neglect. The consequences were

### Talking Points

- Pakistan is pivotal to a sensitive region where the United States and the rest of the world have important interests at stake.
- Pakistan has placed its economy on a high-growth trajectory through reforms based on the principles of deregulation and privatization. At the same time, it is consolidating its democratic institutions.
- Pakistan's positive regional role includes support for the war on terrorism, the peaceful settlement of the Kashmir dispute, and the prevention of nuclear proliferation. It also has moved to forge mutually beneficial economic linkages with its neighbors.
- Pakistan and the United States have been partners for over half a century—first against Soviet Communist expansionism and now against terrorism. Pakistan is a pivotal country for the pursuit of our shared interests in promoting peace, security, and development in our region and the world.

This paper, in its entirety, can be found at:  
[www.heritage.org/research/asiaandthepacific/hl929.cfm](http://www.heritage.org/research/asiaandthepacific/hl929.cfm)

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disastrous: Afghanistan became a haven for international terrorism.

The lesson is clear that Pakistan–U.S. relations have strategic character. Pakistan is pivotal to a sensitive region where the United States and the rest of the world have important interests at stake. The stability of the region demands a positive and constructive long-term relationship between our two countries.

I am confident that my visit to the United States and the forthcoming visit by President Bush to Pakistan shall take our relationship to a higher plane. The foundation of this relationship continues to be our shared strategic objectives, which have taken on even greater significance in the evolving international situation. Pakistan's position as a traditional friend and ally of the United States has enlarged with its growing role in the region.

Today, we are jointly committed to a secure and stable world order based on freedom, justice, and equity. We are allied in the war against terrorism while working together for the promotion of inter-faith harmony and understanding. We are committed to seeking an end to poverty and the promotion of socio-economic development across the world.

### **Pakistan's Reform Agenda**

The Pakistan of today and tomorrow is not the Pakistan of yesterday. The Pakistan of today is a strong and vibrant nation of a hundred and fifty million people. We are committed to a democratic, moderate, tolerant, progressive Islamic polity. Our country is richly endowed with human and natural resources. It is strategically located at the crossroads of three vital regions of the world: South Asia, Central Asia, and West Asia. We seek friendship and cooperation with the international community and especially with our neighbors. We are a responsible nuclear power and a factor for stability in our region. For these reasons, Pakistan is today an anchor for regional peace and security. This is the topic of my presentation before you today.

We did not inherit this position and promising situation. On the contrary, our government has worked strenuously over the past six years to reform, revitalize, and reposition the country in

order to meet the challenges before us as well as to benefit from the opportunities. Our objectives have been clear: to ensure peace, stability, and progress for our people. To achieve these objectives, we have worked assiduously for peace within our borders and peace beyond our borders.

We have pursued a comprehensive and carefully calibrated policy for national reform and revival based on six broad elements which I believe are essential ingredients of successful statecraft. These elements are:

1. Economic sovereignty,
2. Stable political process,
3. Good governance,
4. Internal security,
5. Credible defense,
6. Effective diplomacy

Determined and sustained implementation of these elements of statecraft have ensured a dramatic transformation in Pakistan over the last half-decade. We have been able to reform, restructure, and revive our economy; ensure the devolution of power to the grass-roots level; provide transparent and responsible governance including a vibrant opposition and a free media; ensure security and stability through enforcement of the rule of law; empower women and minorities and improve the delivery of social sector services, especially education and health.

In the economic field, we have based our reforms on the principles of deregulation, liberalization, and privatization. As a result of these efforts, Pakistan is today on a high growth trajectory. We have achieved a growth rate of 8.4 percent, second only to China in Asia. Our agricultural, industrial, and services sectors are growing rapidly. Foreign exchange reserves are at an all-time high. Growth of the economy is attracting unprecedented levels of domestic and foreign investment. Exports are steadily increasing and diversifying into new and more areas. To sustain this momentum, we are now implementing a second generation of broad-ranging structural reforms, especially in the areas of institution building, infrastructure development, and investment in human capital.

At the same time, we are proceeding with the consolidation of our democratic institutions. The second local bodies elections were held in August last year. These will be followed by provincial and national-level elections in 2007. We are confident that with unflinching commitment to the democratic process, we shall be able to live up to the hopes and aspirations of our people.

### **Regional Cooperation and Development**

The progress we have been making within Pakistan has required an enabling external environment. To ensure such an environment, it has been necessary to create an architecture for peace, stability, and progress to facilitate regional cooperation and development. This architecture is based on four pillars:

1. Dialogue for peaceful settlement of existing disputes and mechanisms to resolve issues on a bilateral and multilateral basis;
2. Strategic restraint and avoidance of an arms race in the region;
3. Strengthening of regional cooperation, especially trade, investment, and people-to-people contacts;
4. Enhancing cooperation between the different sub-regions of Asia, which will enhance security and mutually beneficial cooperation.

The pursuit of our external relations in accordance with this architecture has already paid some rich dividends. But this is still work in progress, and much remains to be done. We are confident that this policy will enhance Pakistan's capacity to be an anchor for peace and security in the region. Our domestic achievements as well as our unique geo-political location provide us with excellent credentials for such a role.

Pakistan's location at the hub of Central Asia, South Asia, and West Asia ensures multiple advantages. It provides the shortest access to the sea for all the landlocked countries of Central Asia as well as western China. It is also fast emerging as the bridgehead for multiple corridors of cooperation between all three regions involving energy, trade, transportation, and tourism.

Our role as the junction for promoting intra-regional cooperation is underscored by the fact that Pakistan is the only country which is a member of both the Central Asian Cooperation Organization and the South Asian Association of Regional Cooperation. Moreover, we have only recently joined the Shanghai Cooperation Organization as an Observer while moving towards a full dialogue partnership with ASEAN. As a leading founding member of the Organization of the Islamic Conference, Pakistan also plays a preeminent role among Muslim and Arab nations.

Having placed before you Pakistan's positive regional role in its strategic context, I would like to highlight our specific policies which we believe are contributing towards regional peace and security.

Following the Soviet invasion of Afghanistan in 1979 and the subsequent Afghan civil war, Pakistan has been confronted with the influx of more than three million Afghan refugees, the infusion of drugs and weapons, as well as incursions by extremists and terrorists.

This was a time when the international community—and especially the West—abandoned Afghanistan and only reversed this policy after the events of September 11, 2001.

Thereafter, Pakistan has fully supported the international war on terrorism within and beyond Afghanistan and has deployed more than 80,000 troops on our common border, leading to the elimination or apprehension of several hundred terrorists, which has broken the back of al-Qaeda. At the same time we have contributed significantly to efforts for reconstruction and rehabilitation in the country apart from assisting in the Afghan electoral process.

Afghanistan is a country with which we share ties of religion, history, culture, and language. We fully support the government of President Karzai and we have acted as a reliable and responsible neighbor. We have provided unrestricted transit access to this landlocked country, invested heavily in the Afghan economy, and are helping to rebuild their infrastructure. Our trade has gone over a billion dollars and is growing.

Our relations with Iran are guided by the compulsions of geography and history. We would like

to work with Iran for peace and stability in the region and would welcome Iran's role as a responsible player to this end. As regards Iranian nuclear policy, Pakistan has clearly stated its opposition to nuclear weapons proliferation, but we accept Iran's right to develop peaceful uses of nuclear energy under appropriate IAEA safeguards. We have consistently advised Iran to address this issue through dialogue with the EU Troika. We also believe that countries such as Russia and China could play a constructive role to resolve this issue. At the same time, we oppose any resort to the use of force, as this would aggravate the already troubled situation in the region.

The elections in Iraq are a hopeful development for the return of peace and normalcy in that country. However, the spiraling spate of violence in Iraq is a worrisome and dangerous development. Pakistan would like to see a speedy political transition in Iraq which would restore peace and ensure reconstruction of the country. Pakistan shall continue to fully support the sovereignty and territorial integrity of Iraq and we hope that the Iraqi people shall be able to overcome the challenges before them. The international community ought to work together for a practical approach that can bring political stability and normalcy to Iraq.

In our view, the Palestinian problem continues to pose a major threat to international peace and security and remains a source of extremism and terrorism in all its manifestations. Resort to violence needs to end from all sides. We also believe that a durable settlement of this issue can only be achieved by the attainment of a homeland by the Palestinian people. Pakistan has extended full support and cooperation to President Mahmoud Abbas and we believe that the international community, especially the major powers, must make every effort to help resolve this problem which continues to spawn violence and cause immense human suffering.

We have also opened dialogue with Israel, recognizing the constructive steps it has taken. This process needs to move forward despite any changes of leadership. Peace in this region can only be possible when the Israelis and the Palestinians can live in their respective homelands within secure borders.

The Kashmir dispute has remained at the heart of the tensions between Pakistan and India ever since our independence in 1947. For us, this is not just an issue of territory but of principle—the democratic principle of self-determination which is the inalienable right of the Kashmiri people.

We have demonstrated an unwavering commitment to a dialogue process with India for the peaceful settlement of all outstanding issues, including the Kashmir dispute. As a result of our sustained efforts this process was resumed in January 2004 and has contributed towards an appreciable improvement in the atmosphere of our relations with India. We believe that following the meeting between President Pervez Musharraf and Indian Prime Minister Manmohan Singh during April last year, the bilateral dialogue process has become irreversible. Nothing should be allowed to derail this engagement. We have also agreed on several confidence-building measures and people-to-people contacts.

The improved relations between Pakistan and India and the congenial international environment provide a unique opportunity for our two countries to work for a solution of the Kashmir dispute that respects the aspirations of the Kashmiri people. We, therefore, emphasize the need to involve the Kashmiri people with the dialogue process. We have suggested ideas of self-governance and demilitarization that resonate with the views of the Kashmiri leaders and intellectuals. The attainment of a final settlement shall require a solution which is acceptable to all three stakeholders: Pakistan, India, and the Kashmiris. For this, all sides will need to demonstrate courage, determination, sincerity, flexibility, and above all, passion.

Pakistan's nuclear capability must be viewed in the context of India's pursuit of the nuclear option and our security concerns. Pakistan does not seek regional domination or great power status. We do not threaten any country and wish to live in peace. Our strategic capabilities have been developed in self-defense following the Indian nuclear test of 1974 that disrupted the security balance by providing a nuclear edge to India's already existing numerical advantage in conventional weapons over Pakistan. The nuclear tests by India in 1998 obliged



Pakistan to respond in order to establish credible nuclear deterrence. Failure to do so could have created a dangerous ambiguity about our capacity and led to possible miscalculation. The importance of deterrence became clear when it prevented a conflict following Indian deployment of more than a million troops on our borders in 2001–2002.

As a nuclear weapon state, we adhere to a doctrine of minimum credible deterrence and are opposed to any nuclear proliferation or arms race in the region. Accordingly, we have proposed a Strategic Restraint Regime in India. We also believe that the introduction of anti-ballistic missile systems would have a destabilizing impact on the entire region.

Pakistan is also committed to the prevention of nuclear proliferation and has developed a strong command and control structure to protect our strategic assets as well as effective export controls to ensure against nuclear leakage.

However, we believe that no restrictions should be imposed on peaceful uses of nuclear energy under appropriate safeguards. As a fossil fuel deficit country, we need to develop nuclear power generation to meet the growing needs for energy required for our expanding economy. We are prepared to accept all safeguards for our civilian nuclear power sector.

The problem of terrorism threatens the entire international community. No country is immune from this menace. Pakistan has for long been a victim of terrorism. We oppose terrorism in all its forms and manifestations. Pakistan has been in the front and center of the global war on terrorism and our key role is fully recognized. Our commitment to counter terrorism is unwavering despite costs and risks. Both President Musharraf and I have been targets of terrorists.

While we remain steadfast in our opposition to terrorism, we are convinced that a lasting solution to this problem requires elimination of its root causes. We believe that terrorism stems from a denial of justice, from deprivation and a deep sense of humiliation. We must address the problem of terrorism holistically and not just focus on one aspect while ignoring the others.

We must also challenge the false notion of a clash between Islam and Western civilization. Moreover, we must reject the pernicious attempts to associate terrorism with the Islamic faith. Islam is a religion of peace, tolerance, compassion, and forbearance that preaches inter-faith understanding.

It is in keeping with the true letter and spirit of the Islamic faith that President Musharraf has presented the concept of “Enlightened Moderation,” to promise inter-civilizational harmony instead of a clash of civilizations. This concept exhorts Muslim societies to reform and reject extremism. At the same time, it calls upon the West to facilitate resolution of issues that have caused anger and frustration among Muslims. Enlightened Moderation aims, therefore, to win hearts and minds, which will ensure a permanent victory for peace and tolerance over extremism and violence. More than ever before, we need to work for inter-faith harmony and understanding.

With the rapidly changing international environment as a result of globalization, geo-politics is being replaced by geo-economics. Economic considerations are taking precedence over political calculations. Creating economic interdependencies that ensure a win-win situation for all parties are the basis for the promotion of peace and security at the bilateral, regional, and global levels.

Accordingly, Pakistan has been moving towards promoting mutually beneficial economic linkages across the world and especially in its neighborhood. It is playing a key role in the South Asian Association for Regional Cooperation (SAARC) as well as in the Economic Cooperation Organization Trade Agreement (ECOTA) between the Central Asian countries. It has recently become an observer in the Shanghai Cooperation Organization (SCO). Pakistan has also been pursuing a vision for East Asia policy by joining the Asian Cooperation Dialogue, signing the treaty of Amity and Cooperation with South East Asia as well as seeking to attain full dialogue partnership with ASEAN.

Pakistan’s capacity to play an effective role towards promoting regional peace and security has been enhanced by the close relations that it maintains with the major world powers.

China and Pakistan have maintained extremely close and friendly relations for decades and are strategic partners for the maintenance of peace and stability in the region. Recently, the two countries signed an agreement on Friendship and Cooperation which shall not only enhance bilateral relations in all fields but will also be a factor for greater regional cooperation.

Pakistan's relations with the European Union, Russia, Britain, France, and Japan are steadily growing. Apart from security cooperation, we are developing strong economic and trade relationships as well as building linkages in the educational, technological, and scientific spheres.

The United States, as I said at the outset, is our friend and ally. We have been partners since the Cold War. Pakistan played a key role in the American opening towards China, which tilted the balance of power in Washington's favor against Moscow. Our cooperation was pivotal for the retreat of the Soviet Union from Afghanistan which contributed to the collapse of the Soviet empire and the triumph of freedom and democracy in the

world. History also demonstrates that whenever our relations have declined, both countries have suffered, as they did when the U.S. sanctioned Pakistan and abandoned it to deal with the aftermath of the Soviet withdrawal from Afghanistan, which eventually led to the events of 9/11.

Today, we are partners in the war on terrorism as well as in the efforts to build a more peaceful, secure, and stable world order. 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 for the pursuit of our shared interests in promoting peace, security, and development in our region and the world. If we are to meet the challenges before us today and benefit from the opportunities, then Pakistan can make the vital difference for our success.

—*His Excellency Shaukat Aziz is the Prime Minister of the Islamic Republic of Pakistan.*