## GLOBAL TRENDS AND EVOLVING STRATEGIC ENVIRONMENT: OPTIONS FOR PAKISTAN

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As we look at the global strategic picture what stands out is the continued dominance of this scene by the United States. Its military power and military spending exceeds that of the next ten countries put together. Even while the Iraq and Afghan war have led to an overstretching of the human capacity of the armed forces they still remain a force capable of mounting yet another campaign albeit largely through the use of air and naval power rather than "boots on the ground". The plans that have been announced of a further expansion of the armed forces were triggered by the shortages experienced in Iraq and Afghanistan but it can safely be anticipated that these increases will be permanent or at least will remain in place until there is a perception that the battle against terrorism has been won. This is unlikely for the next decade or so given the probable continuation of the present Bush policies by succeeding administrations.

This administration and probably future administrations will continue to believe that this defence spending does not pose too much of a burden. In September 2001 that is before 9/11 when the largest increase in defence spending since the 1980's was proposed Secretary Rumsfield said that the United States was spending less than 3% of its GNP on defence a sharp decline from the 10% that used to be spent earlier. After 9/11 the budget has climbed much more steeply but as a recent book on American financing of America's war on terrorism says "World War II cost about 40 percent of GDP at its peak, Korean War 15 percent, Vietnam War about 10 percent, this war is less than 1 percent.<sup>2</sup>

US economic strength has not despite the costly wars it has been fighting in Iraq and Afghanistan been reduced. Nor has it been much affected by the fact that in the last twenty five years the USA has converted from being the largest creditor in the world to being the largest debtor nation in the world.

Analysts have offered the view that "a prolonged decline in the dollar's value and increasing indebtedness will erode America's dominance in political and security spheres. These trends threaten the dollar's role as the global currency that facilitates international trade and finance, something the United States has gained immeasurably from over the years. A weaker dollar also reduces American leverage in international financial institutions such as the World Bank and International Monetary Fund (IMF). Finally, a diminished U.S. currency means that each dollar's worth of military and development assistance has less impact at precisely the time when the nation faces the greatest challenges". The truth of the matter however is that even with its large borrowings to meet its budget deficit and its trade deficit the Americans remain well below the figure of budget deficits in other countries. This year for instance the Bush Administration has announced that the budget deficit will now be half of what it was at its peak in 2004 and at \$205 billion will amount to 1.5% of the GNP.4

Because of the dominant position that the United States now occupies there is a need for every country and particularly countries in the region in which the United States has an immediate interest to assess the probable direction of American policy and what are the factors that will influence this policy in the near and medium term future. There is now no doubt that for the next decade or more American policy will be determined by the threat it sees from terrorism and more specifically from the Al-Qaeda and the affiliates and associates it has developed in various parts of the Muslim world.

A second and in many ways related concern for the Americans will be energy security. Many observers believe, perhaps rightly, that the American public's concern about terrorism was used by President Bush as the pretext for the invasion of Iraq. For him it was perhaps related to his view that his father the senior President Bush had left the job undone and had as a result lost his chance for re-election. For his neo conservative advisers however there were more substantive reasons grounded in geopolitics and economics. First there was the concern that despite the crushing defeat Saddam had suffered Iraq remained the only Arab country that could in time

come to use its manpower and natural resources to threaten Israel's dominance of the Middle East. Second given the shaky situation in Saudi Arabia an occupation of Iraq was a sure way of guaranteeing that supplies of oil-Iraq had the second largest reserves of oil in the Middle East-would be available to satisfy American demands.

The invasion of Iraq has of course not advanced the global war against terrorism. It has instead given the extremists in the Muslim world the best possible recruiting tool that they could have asked for and created within Iraq-a country hitherto free of extremist trends- a haven for extremists from all the neighbouring Sunni Arab countries. It has also ominously from the perspective of the Arab world and the non Arab parts of the Islamic world catalysed a fresh impetus to the sectarian divides that first became significant during the Iraq Iran war of the 1980's.

It is now almost definite that the Americans will withdraw from Iraq within the next 18 months. How orderly this withdrawal can be and how far this will impact American relations with the other countries of the region and the rest of the world is not yet clear. What does seem likely is that the "civil war" now raging in Iraq will gain impetus and will lead to the partition of the country into an independent Kurdistan in the North, a Sunni Arab centre and a Shia South. Some American politicians-notably Senator Biden, chairman of the Senate Foreign Relations committee- believe that this can be brought about in an orderly fashion. Most observers of the region disagree. Such a partition, in my view could be a recipe for disastrous turbulence in the region as regional players try to protect their own interests or those of their co-religionists in the changed circumstances. Let us look at some of the possible grim scenarios.

Turkey for instance will have to make moves to guard against the independent Kurdistan state becoming the nucleus for a "Greater Kurdistan" encompassing large parts of eastern Turkey and large swathes of Iranian and Syrian territory. Other players will also be active. What will be Iran's reaction? Will the Shia state in South Iraq seek a confederation with Iran or will the Arab population of Iran's Ahwaz province seek a special relationship with the Iraqi

Shias? Will there be an Iran Turkish alliance to prevent the setting up of the independent state of Iraqi Kurdistan? What will be the fate of Jordan, already struggling with the influx of 750,000 Iraqi refugees and the creation of Sunni insurgent cells primarily for activities in Iraq but also capable of directing their fire against King Abdullah's regime? What will Sunni majority Syria- the conduit for most of the foreign fighters that have found their way into Iraq do when its territorial integrity is perceived as being under threat from the Kurds, when the Sunni Arab conclave takes shape against their traditional Iranian allies and their alleged actions in Iraq and when the stalemate on the occupation of the Golan Heights continues with Israel refusing to yield any ground? Will Saudi Arabia become the main financial backer of the rump Sunni state in Iraq and will this rump state become the safest possible haven for extremist insurgents from all over the Sunni world? All these are questions for which no clear answers can be provided but which do make it certain that the Middle East will be thrown into the sort of turmoil that would make the Palestine issue pale in comparison.

The recently announced American initiative to provide arms to its Arab allies in the region is perceived by most observers as a step designed to reassure its regional allies that even after they withdraw from Iraq the American will remain active players in the region. Over the next ten years the Americans are talking of providing \$30 billion in military and economic assistance to Israel, \$13 billion to Egypt and to sell about \$20 billion of arms to the Gulf countries-notably Saudi Arabia and the UAE<sup>5</sup>. This is also meant to reassure these countries that the USA will stand with them as they view apprehensively the possible emergence of Iran as a nuclear weapon power and as a dominant influence in a divided Iraq.<sup>6</sup>

In Palestine again the Americans believe that the new initiative they have taken of promoting a regional conference will bring results. They hope that they can by backing President Abbas in the West Bank financially and otherwise, reduce the popular support Hams enjoys in Gaza which it controls and remove the pocket of Hamas supporters in the larger and more populous West Bank. There is no doubt that the majority of the Palestinians including also a majority in Gaza favour the two state solution that Hamas is said

to be opposing but there are no indications that Israel will be prepared to make the concessions that would really make for a viable Palestinian state. This would require Israel to remove many of the settlements that they have set up in the West Bank and to dismantle large parts of the fence that they have built. Observers are agreed that Olmert lacks the political strength to make such concessions and more importantly Israeli hardliners are confident that as the Presidential elections approaches in the USA no American politician will risk the wrath of the Israeli lobby and pressure Olmert or his successors to make such concessions.

In Lebanon there appears to be no end in sight to the political impasse and the ongoing battle between the extremists occupying Palestinian refugee camps and the Lebanese army is not going to end soon particularly when it appears that other Palestinian refugee camps and Palestinian outpost in the country are becoming havens for extremist insurgents who are either veterans of the insurgency in Iraq or have been trained for that purpose. Hezbollah's universal popularity for its heroic resistance against the Israelis has now given way once again to questions about why it invited the destruction of Lebanon by provoking the Israelis. Its credentials as a welfare organisation have also been called into question by allegations of tardiness in providing the promised aid for reconstruction and of Hamas officials having developed sticky fingers in handling the aid that Iran is providing.

Overall there is also the intense dislike of the Americans that has been aroused in the Arab world and in the Islamic world. The Economist has said rightly, I believe, that "Any Arab leader who wins the label "moderate" and is showered as a result of this with American love and money is in danger of being called a traitor". In the same article in the Economist the writer argues perhaps debatably that Egypt's president, "Anwar Sadat, was called a traitor for making his courageous peace with Israel in 1979 (and assassinated by jihadists two years later). Arafat was called a traitor after shaking hands with an Israeli prime minister on the White House lawn. In Lebanon right now the Hezbollah movement calls the beleaguered government of Fouad Siniora traitorous because it is propped up by France and America. Iraq's prime minister, Nuri al-

Maliki, needs to keep his distance from America to fend off accusations that he is a puppet of the occupation. And, of course, the assumption of many Muslims that a pro-American leader must in some way be a traitor to the cause extends beyond the Arab world: in Pakistan and Afghanistan Presidents Musharraf and Karzai have constantly to face down the cry that by allying with the superpower they have sold out their countries or, worse, their religion".

In Iran, our closest neighbour, there appears to be no immediate internal threat to the present system or even to the populist President Ahmadinejad. There is some unrest as the economic situation continues to be of such concern as to prompt a band of Iranian economists to launch a scathing criticism of Ahmadinejad's policies. Petrol rationing has been introduced and a harsh morality campaign has been launched. All this has been justified as one Iranian economist put it, "The arrests, the intimidation, even the economic policy is about preparing Iran for the biggest outside threat it has faced since the Iran-Iraq war,". He characterises the leaders as "people with military backgrounds that see dissent as a security issue and are very paranoid".

There appears to be no prospect of any agreement being reached between the Iranians and the Americans on the nuclear issue nor do there appear to be prospects of some early resolution of American charges that the Iranians are fomenting trouble in Iraq and sabotaging the prospects of progress on the Palestine issue or on reconciling current political differences in Lebanon.

The Iranians believe that the Americans are assisting if not creating insurgencies in Iranian Baluchistan using Pakistani Baluchistan as the conduit and are fomenting assistance to insurgents in the Arab population in Ahwaz province and in the Kurdish areas of Iran. They view with concern the monies the Administration has asked for and secured from congress for bringing about regime change. <sup>10</sup>

In other words the situation in the Middle East is fraught with danger. There is little chance in my view of the Americans attacking Iranian nuclear facilities and possibly there will eventually be an agreement that allows Iran to retain and operate its uranium enrichment facilities under IAEA safeguards. This agreement will however be long in coming and in the meanwhile tensions will remain clouding the sort of political and economic relations that South Asia would like to develop with Iran. The most notable feature of this relationship would obviously be the planned Iran-Pakistan-India gas pipeline.

In our immediate neighbourhood, the peace process is regarded by both sides as irreversible but there is the perception that not enough progress is being made on the issues of concern to Pakistan in the composite dialogue and that such measures as have been agreed upon by way of enhancing people to people exchanges and increasing trade, while being beneficial to both sides are seen in the Pakistani mind as being part of the Indian agenda. There appears to be little evidence of flexibility on the Indian side on such easily resolvable issues as Siachen and Sir Creek. The Indians say that they are having difficulty persuading their armed forces to accept that there is no likelihood of Pakistan re-occupying the positions that would be vacated when an agreement is reached. Many are prepared to concede that this is an untenable position but feel that the current government does not have the political strength to be able to overrule the reservations of the Armed forces. On Sir Creek there has been a joint survey and there is a possibility that with these agreed maps a land boundary can be worked out paving the way for demarcating the maritime boundary. Ironically India which has always insisted that Indo-Pak disputes whatever their nature should be settled bilaterally faces the danger of having international arbitrators from the Law of the Sea Commission decide the Maritime boundary between India and Pakistan if the two sides do not agree upon a boundary themselves by 2009.

From Pakistan's perspective there is also concern about what appears to be the successful conclusion of the Indo-US civil nuclear cooperation agreement. As a result of this agreement it is clear that enormous quantities of fissionable material will become available to India for the enhancement of its nuclear arsenal. It will make it necessary for Pakistan to spend valuable resources to upgrade it own nuclear weapons so that its deterrent capability is maintained. Since

all analysts are agreed that this Indo-US strategic partnership is aimed at providing a counter-weight to China's growing economic and military strength there is a strong chance that even while China will remain focused on its economic development it will also take steps to counter Indian capabilities. There is a prospect of an Indo-Pak arms race and perhaps a stepping up of a Chinese military build-up in the vicinity of South Asia.

In Afghanistan the situation continues to deteriorate. An inept Karzai administration beholden to warlords, rampant corruption, proliferating opium cultivation and trafficking, lack of development and therefore lack of economic opportunities, a wholly inadequate level of combat troops in the NATO and US forces have led to the resurgence of the Taliban and an increasing willingness on the part of the general populace to join them in the struggle against what are now regarded as occupation forces propping up a puppet regime.

As are result, Afghan refugees continue to be on Pakistan soil in camps that are probably being used by the Taliban as planning and training centres for their operations in Afghanistan. At the international community's insistences Pakistan has agreed to extend by another three years the period for voluntary repatriation of the refugees. While some of the camps are to be closed there is little likelihood that the new camps wherever they are located will not continue to serve as sanctuaries in addition to the other sanctuaries that the Taliban have managed to retain with the aid of their local sympathisers in other parts of Pakistan. Another significant consequence of the presence of the refugee camps and of unregistered Afghans spread throughout the country is the fact that they are a source of criminal activity and are often seen as the shock troopers of extremist religious parties.

An even more serious element is the allegation contained in the National Intelligence Estimate drawn up jointly by the 16 American intelligence agencies that Al-Qaeda adherents have found safe haven in the tribal areas of Pakistan and that they have regrouped well enough to be now seen as having more capabilities than they have ever had since 9/11. There is panic in the United States since the head of their Homeland Security has opined on the basis of a "gut feeling" that Al-Qaeda would launch another attack on the USA this year. The American Congress has now made aid to Pakistan which amount to more than \$ 1.6 billion annually conditional on a Presidential certification that "the Government of Pakistan is making all possible efforts to prevent the Taliban from operating in areas under its sovereign control, including in the cities of Quetta and Chaman and in the Northwest Frontier Province and the Federally Administered Tribal Areas". 11

The American Congress bill which is designed to implement the recommendations of the 9/11 Commission has also asked the President to present to Congress within 90 days the strategy it intends adopting in building a strategic relationship with Pakistan to achieve the following objectives: curbing the proliferation of nuclear weapons technology; combating poverty and corruption; building effective government institutions, especially secular public schools; promoting democracy and the rule of law, particularly at the national level; addressing the continued presence of Taliban and other violent extremist forces throughout the country; maintaining the authority of the Government of Pakistan in all parts of its national territory; securing the borders of Pakistan to prevent the movement of militants and terrorists into other countries and territories; and effectively dealing with Islamic extremism<sup>12</sup>.

The bill also talks of working with the Government of Pakistan "to combat international terrorism, especially in the frontier provinces of Pakistan, and to end the use of Pakistan as a safe haven for forces associated with the Taliban" and of "dramatically" increasing its own assistance and assistance from the international community to achieve these objectives if "the Government of Pakistan demonstrates a commitment to building a moderate, democratic state, including significant steps towards free and fair parliamentary elections in 2007" <sup>13</sup>.

In this context it is important to note that Pakistan, since joining the coalition in the Global War on Terrorism in 2001 has been regarded as the frontline state in this campaign against the Al-Qaeda both in Afghanistan and in the hideouts that Al-Qaeda leaders

had established in various Pakistani cities. The success Pakistan has had in arresting Al-Qaeda leaders has been acknowledged. It has been said that no other country has done as much nor has any other country suffered quite as much particularly when action was taken in the tribal areas to try and rid the area of foreign militants. And yet there is concern as the above mentioned bill shows that the Al-Qaeda far from being eliminated from Pakistan has now found safe haven in its inaccessible tribal areas. This, in itself is bad enough but there has also been since 9/11 and even before that a concern in the international community that the polity of Pakistan was being Talibanised. In August 2001 the then Deputy Secretary of State had noted that America wanted to work towards preventing the Talibanisation of Pakistan. More recent expressions of concern have come about the growth of extremism in Pakistan. The recent reporters about the movement of the Taliban elements from the Tribal areas into the settled districts of the NWFP and of course even more significantly the activities of the Lal Masjid militants gave credence to these apprehensions. All this came atop reporters perhaps exaggerated that the British born perpetrators of bombing incidents in the UK had received training in Pakistani Jihadi camps or Madarsahs.

Whether we like it or not we must know that the world is concerned about this and this includes not only the western countries but also the East Asian Muslim countries and the conservative Muslim Arab states that we count among our friends. It is becoming increasingly difficult for Pakistanis to secure visas for a number of countries.

In past years there was great hope that a peaceful and stable Afghanistan would enable Pakistan to utilize its geo strategic location optimally to act as a bridge between Central, South and West Asia. Afghanistan after all had been the catalyst for the collapse of the Soviet Union and it was anticipated that the victors in that epic battle-the Afghan Mujahideen- would, with the assistance of their American, Pakistani, and other supporters, be able to rebuild the country quickly and would profit from their strategic location to provide the trade and transit routes that the newly independent states of Central Asia desperately craved to reduce the strangle hold the

Soviet Empire had established on the trade and resources of this region.

That hope, if it had ever been realistic, was soon belied by the events on the ground. The newly independent states of Central Asia were anxious to establish ties with their neighbouring Muslim countries and to resurrect the traditional ties and trading routes through these countries-Turkey, Iran and Afghanistan- that had been their means of communicating with the rest of the world before they became part of the Czarist and then the Soviet empire. They welcomed proposals from the newly resurgent ECO (Economic Cooperation Organisation that theoretically tied Iran, Pakistan and Turkey together in a regional, economic and trading bloc. Elaborate plans were drawn up to incorporate the Central Asian states and Afghanistan into ECO and much emphasis was laid at least in Pakistan and Afghanistan on how the Central Asian states would now be able to reduce if not eliminate their dependence on the distant Black Sea ports for their trade and even more importantly be able to secure world market prices for their fossil fuel exports.

Problems arose almost immediately. The Americans backed a Turkish effort to be in the vanguard of the Western drive to loosen Russia's grip on the Central Asian economies and to be the vehicle for almost all Western assistance to the Central Asian states. Americans were also anxious to ensure that the model the newly independent states should adopt be that of Turkey rather than Iran. By the end of 1997, a substantial part of the \$ 900 million credit that the Turkish Bank offered to the Central Asian States had been used and Turkish entrepreneurs had undertaken construction projects worth \$ 5.75 billion in these states 14.

Iran, on its part had ambitions of its own in Central Asia including most obviously the use of Iranian territory and Iranian ports for the Central Asian states exports and for making Iraq the core of an Energy Grid that would pool the resources of the region and permit through Iranian operated pipelines and other means of transport their flow to markets in Europe, South Asia and East Asia. It very quickly built a rail link with Turkmenistan and there was an agreement reached on the construction of a pipeline that would bring

Turkmen gas to Iran which in turn would supply from its gas reserves an equal amount of gas to Turkey. It has not quite worked because the pipeline remains small and there are already problems between Iran and Turkey about the assured supply of the gas that Iran itself has contracted to supply to Turkey.

At that time it was appreciated that Pakistan, through Afghanistan was the logical transit route partly because (a) it was itself a large market (b) it could provide access to the Indian market which even at that time was beginning to experience serious energy shortages and was anxiously looking around the world for secure and economical supplies and (c) it provided the most economical access to the sea. Pakistan, at that time, was also seen as the friendly neighbouring country with which the Central Asian states had old connections but not connections that could be threatening to their effort to establish their independence. In the case of the other two neighbours, Turkey and Iran, there were linguistic or ethnic ties which the Central Asian states felt could offer an advantage but could also serve as a base for proposing to the Uzbeks, the Turkmens and the Tajiks what direction their political and economic development should take. There was also a very real fear in the Central Asian republics that Iran would seek to use.

The Central Asian had made their preference clear to outside investors. In 1991 it was difficult to find a hotel room in Islamabad since these were overflowing with representatives of oil and gas companies from around the world all wanting a slice of the action in Central Asia and believing that the route to those riches laid through Islamabad. Unfortunately the security situation in Afghanistan remained, to say the lest problematic and then under the Taliban, Afghanistan became a pariah state that even the most hardy of investors was not prepared to look at it as a viable transit route. If, as appears likely, the Iran-Pakistan-India pipeline project does go through it will be because the more economical and more politically beneficial (beneficial because of the revenues and economic activity it would have brought into some of the most impoverished areas of Afghanistan) pipeline from Turkmenistan could not be built. There continues to be talk of such a pipeline in the meetings between the Turkmen, Afghan and Pakistani leaders but the fact is that now almost all of Turkmenistan's disposable gas reserves have been committed in long term deals with Russia and China. Because of the change in the global energy situation moreover Turkmenistan may not find it more attractive financially to sell to South Asia since it is now getting close to market rate prices from China and Russia.

Afghanistan today is a haven for smugglers. It is calculated, if the customs revenues collected at Herat are an indication that approximately \$5 billion worth of goods are brought into Afghanistan via Iran. Only a small proportion of this is destined for local consumption while, I believe, some \$4 billion worth of goods are smuggled into Pakistan doing serious damage to our economy and to the governments revenue raising effort. Afghanistan is also the source of 92% of the world's total supply of opium. Only a limited portion of this goes to European and Central Asian markets. The rest is consumed by the youth of Pakistan and Iran doing enormous damage to the generation on which Pakistan's further progress will depend. An open or porous Pak-Afghan border and unregulated traffic across this border is therefore deleterious for Pakistan's security and economy.

Some people in Pakistan had entertained the hope that a friendly Afghanistan would provide "strategic depth" for Pakistan in the case of a Pakistani conflict with its eastern neighbour. This was a flawed concept which no rational analyst could support. There could be a case made for seeking a friendly or even subservient Afghanistan to put an end to irredentist claim that Afghans have maintained on Pakistan territory while claiming that the Durand Line was an imposed border that Afghanistan did not recognize. This too is a flawed argument since even the Taliban regime much beholden to Pakistan refused to legitimize the Durand Line and propounded instead the dangerous thesis that between nations belonging to the Ummah there can be no borders. It was Taliban statements of this nature and the spread of their influence in our tribal and border belt areas that prompted concerns in the world about the "Talibanisation" of Pakistan. The fact of the matter is that Afghanistan's rulers-no matter what their complexion and no matter what the nature of the relations they maintain with Pakistan will not recognize the Durand Line since the call for its erasure is the

rallying cry used to promote unity domestically. At the same time however Afghanistan will continue to remain overwhelmingly dependent on Pakistan for its trade and its communications with the outside world. The Iranian route is less economical and every Afghan government again no matter what its complexion will be compelled to maintain a working relationship with Pakistan.

This then is the strategic environment regional and global in which Pakistan has to determine its options and frame, its domestic and foreign policies. It would seem to be obvious that no good news for the Muslim states of the Middle East can be expected in the near future. It is likely that there will be further deaths of Muslims in Iraq, Lebanon and Palestine. These will serve if precautions are not taken to inflame public opinion in Pakistan further and give fresh impetus to extremism. It is necessary therefore for any regime that is in power in Pakistan to educate public opinion and to make them understand that such emotions must be controlled and the nation's efforts must be focused on building Pakistan's economic strength so that it can then effectively defend both its own interests and the interests of the Muslim world.

It is also painfully obvious that in curbing Talibanisation in our tribal areas we need to deploy not only military assets but also politicians who can win the hearts and minds of the people of the region away from the appeal of the distorted version of Islam that the extremists preach. This is a task best done by politicians and not by military commanders. Similarly the administration of the region must be placed in the hands of incorruptible seasoned Political agents-called back from retirement if necessary to help in the restoration of a system that will deny the free hand that the extremists now enjoy in spreading their ideology through their control of the mosques of the region.

The long awaited reforms of the Madarsahs first promised by President Musharraf in 2002 have yet to be implemented. This task must be given priority attention. This is not to suggest that all Madarsahs are breeding grounds for extremism, though some of them are certainly engaged in such activities. More importantly it is necessary to ensure that the students who emerge from these

institutes have acquired the knowledge and skills needed in today's economy.

It is of course understood that none of these internal measures are likely to succeed unless all organs of the state – the empowered civilian government, the armed forces, the intelligence agencies and the bureaucracy-work in close harmony to educate the public on the difficulties extremism creates and to wean away present adherents to the extremist school of thought and deny them the funding they receive from external and internal sources.

We have to strengthen our laws on money laundering and to ensure that the remittances received from abroad are for legitimate purposes. Much of the money from anonymous donors in the Gulf countries however comes in briefcases and other informal transfers through the Havala system. We have to pay special attention in our contacts with our friends abroad to this aspect so that all charity funds arriving from generous donors of their Zakat funds are used beneficially and do not fall into the hands of those who use them to promote an extremist agenda.

On the broader foreign policy front it is clear that in our relations with India we must continue to act on the premise that the peace process is irreversible but we must at the same time continue to press for the settlement of disputes and at the same time warn India and the world that an agreement on arms control in the region is necessary to avoid the wastage of scarce resources on an arms race that may ensue if India's build up of its nuclear arsenal and it its conventional forces continues down a reckless path. At the same time we must be prepared to acknowledge that India may perceive its defence needs in a different light than we do and that some flexibility on our part with respect to the ratio of forces may be necessary.

Unlike the past however today we must acknowledge that our principal preoccupation in the region must be with our western neighbour Afghanistan. It is relations with this country and the actions we take with regard to it that will determine in large measure the nature of our relations with the rest of the world and even more importantly the measure of success we enjoy in our campaign against extremism and terrorism in our own country. We must, as part of our campaign against extremism, seek and secure international assistance to close the Afghan refugee camps and to relocate them in Afghanistan. If the difficulties are too formidable-and this sort of excuse should not be too readily accepted-they must at the very least be shifted away from the border areas. Currently the Afghan refugees by and large live off the local economy competing for jobs with the hard pressed locals. If they are to be found jobs the international community must be persuaded to fund food for work projects on which they can be employed without infringing on the rights of local employment seekers.

We must acknowledge that whatever the concerns of our own Pushtun population Afghanistan is a sovereign country and will determine for itself the composition of its government. We must maintain correct relations with the government but must take such precautions as sealing our border as far as possible to prevent the flow of undesirable elements, undesirable goods and undesirable influences into our country.

Since we cannot, despite our best efforts, remain unaffected by the strife in Afghanistan and since we are now recognising that a Talibanised Afghanistan or a consolidation of Taliban influence in areas of Afghanistan bordering on Pakistan represents a danger to us, we must press hard on the coalition forces in Afghanistan to do their part in the effort to defeat the Taliban or to make them reconcile with the government. Even at this time the deployment on our side of the border and the number of posts we have set up dwarf the effort being made on the other side. We must join with Afghanistan and others in pressing the other partners in the coalition to make a greater military and developmental effort in Afghanistan.

We are the larger and comparatively the more stable country. While it is reprehensible that anti Pakistan sentiments are expressed by some Afghan politicians and leaders we should take them in our stride, secure in the knowledge that they do not amount to more than bluster and, if we have taken the right steps, will carry no credibility with the rest of the world.

Bringing the strong minority of extremists in our country back to the moderate polity that was the vision of our founding father and taking the right steps in our relations with Afghanistan and as a corollary with the coalition partners are two sides of the same coin. An abrasion on one side will affect the value of the obverse side.

## **End Notes**

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