

The Empire Club Presents

HINA RABBANI KHAR ECONOMIST AND 26TH FOREIGN MINISTER, PAKISTAN REALIZING SOUTH ASIA'S POTENTIAL BEYOND CONFLICT: PERSPECTIVES FROM PAKISTAN

September 10, 2014

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Ms. Hina Rabbani Khar, Economist & 26th Foreign Minister, Pakistan

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Mr. Pierre Cyr, Director of Operations, Office of the Premier of Ontario,
Director, Empire Club of Canada

Ms. Barbara Jesson, President & CEO, Jesson + Company Communications Inc.;
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Mr. Frank Scremin, President & CEO, Hamilton International Airport

Ms. Andrea Wood, Senior Vice President, Legal Services, TELUS; President,
Empire Club of Canada

Welcome Address by Andrea Wood, Senior Vice President, Legal Services, TELUS; President, Empire Club of Canada

It is now my distinct pleasure to welcome Mehreen Javaid from the Canada Pakistan Chamber of Commerce to

introduce our guest speaker today.

Introduction by Mehreen Javaid, President, Canada-Pakistan Chamber of Commerce

Thank you for the introduction. Good evening, ladies and gentlemen. Before I invite Hina, I would like to thank each one of you for being here tonight. I want to thank a few of our guests, especially, Honourable Greg Sorbara, who is the Chancellor of York University, for being here. Thank you very much. Also, the Counsel General of India is here today. Thank you for being here. The Consul General of Pakistan and the Honourable Reza Moridi. I believe I saw Honourable Shafiq Qaadri here. Thank you very much for being here.

Ms. Hina Rabbani Khar has served as Minister of State for Economic Affairs for three years and a Minister of State for Finance and Economic Affairs for another two years. During these years, she was the lead person in Pakistan's economic diplomacy, both bilateral and multilateral. She successfully conducted four Pakistan development forums and the third World Islamic Economic Forum.

Hina graduated with a B.Sc., Honours, in Economics from the prestigious Lahore University of Management Sciences and Embassy Honours in Business Management from the University of Massachusetts.

For the first time, Hina was elected as a member of the National Assembly from District Muzaffargarh in Southern Punjab in 2002. She served as a Parliamentary Secretary for

Economic Affairs Division from 2003 to 2005. Hina served as a Minister for the State for Economic Affairs Division for 2005 to 2007. She was re-elected as a Member of the National Assembly in 2008 and served as a Minister of State for Finance and Economic Affairs Division from 2008 to 2010. From February, 12th to July 18th of 2011, Hina was a Minister of State for Foreign Affairs. In July 19, 2011, Hina was appointed as a Federal Minister for Foreign Affairs. Please, join me to welcome Ms. Hina Rabbani Khar.

Hina Rabbani Khar

Good afternoon and As-Salaam-Alaikum to everyone. And let me just say that Mehreen already thanked the many distinguished guests that we have here today, so I am going to thank them again and all the audience. It is, particularly, a matter of privilege for me to be in front of an audience, which is as wide and as honoured as all of you.

So, I am going to start with thanking Mehreen for really making it all possible. From my perspective, I think your High Commissioner to Pakistan, Mr. Greg Giokas, and Mehreen have actually been the ones who pushed me to come, and here I am.

Today, I have been asked to talk about realizing South Asia's potential. Actually, I chose to talk about realizing South Asia's potential beyond conflict perspectives from Pakistan, and I will state that the reason why I chose this topic was that,

I must say, that when I came to the job as the 26th Foreign Minister of Pakistan—and the many titles that preceded that, the first woman Foreign Minister, the youngest woman Foreign Minister, et cetera, et cetera—I came to the job with absolutely no preconceived notions. The job almost came to me because I was considered to be quite the finance- or economic affairs-focused person within the cabinet, within the parliament. And foreign affairs was something that I knew from an economic diplomacy perspective—but never the hard core. So, as the job came to me, I came to the job with absolutely no preconceived notions.

Typically, you know, Pakistan's foreign policy has been driven by what I call trying to court the distant to be able to handle or manage the close. And, as I go through the rest of my talk, I hope you will agree with this assessment because I think over the last many, many years, over the last 60 years, Pakistan's foreign policy and Pakistan's economic diplomacy have been overwhelmed by trying to manage and trying to cultivate distant relationships with very, very distant countries and in all of that time prioritize because we always must—whether it is a student, whether it is a businessman, whether it is a politician—prioritize. It is the law of life that if we are to succeed, we have to prioritize. So when you prioritize by trying to nurture relations so distant, you will end up ignoring those which are closer to home, those which are in your neighbourhood.

So when we talk about regions—because in order to realize

South Asia's potential, we have to talk about the region—how do we define 'region' in today's world? In today's world, defining 'region', defining 'neighbourhood', defining 'family', defining 'friends' has all become very difficult because we have the social media, so, on social media, we have friends whom we may never have seen. We have the global village or the world at large where distances mean nothing. Trends, sometimes stability, sometimes instability, sometimes financial crises, and then we just saw in the financial crisis of 2008 that it took days, if not hours, for one thing to fall after the other, from it to cross borders—there are no borders. Physical borders do not exist when it comes to financial crisis.

As we are increasingly finding out in the world today, physical borders also do not exist when it comes to conflict, when it comes to instability. And my country in some ways is a case in point because on the 20 years of conflict in Afghanistan it has slowly—almost not visible to the eye—permeated through the borders and crossed over into Pakistan. And Pakistan is suffering today, and Pakistan has possibly been suffering for the last five to ten years.

But, as Pakistan is correcting some of those wrongs, I believe Pakistan will stop suffering in the next five to ten years, but those trends have to be changed now, and the trends have changed as we speak.

But so, coming back to talking about the region, you know, eventually, I think the region as it can be defined even in

today's world, has to have a starting point, and the starting point of the region has to be of countries which are closest to you. Which are the countries which are closest to you? It is countries which are your immediate neighbours because no matter what you do, a country cannot change your geography. You cannot change who your parents are and who your relatives are, and you cannot change your geography. Everything else in life you can change. You can change jobs. You can change titles. You can change friends. You can change everything. Countries cannot change neighbourhoods. We have the option of changing neighbourhoods. We can migrate. Countries cannot migrate. So, to ignore your neighbourhood is to bring upon yourself the curse of living without realizing your full potential, and that, I think, is the story of South Asia. And that, I feel, is a story that South Asia must not espouse to itself for the future. Let it be the past of South Asia. Let it not be the present and the future of South Asia, and if you have to change the future of South Asia, we have to start today. We have to start from the present.

The other definition of 'region', if we insist, can be of countries which are neighbours of your neighbours, so the broader region. And in the case of Pakistan, it will have to be the two regions of which Pakistan is a part. It is very interesting. As I told you, I was working for Pakistan's bilateral, multilateral relations, economic relations, and every few years, the Asian Development Bank and the World

Bank decided to change where they place Pakistan. So sometimes it becomes South Asia. Then they say, "No, no, no, Pakistan is part of the West Asia block. Now, you will not have that much funding available because, you know, India will take some of it, but, now, you will because now you are invested." So they themselves—many people, experts—are confused about where Pakistan belongs. I do not think that is a bad thing. I think that is a good thing because it says that Pakistan belongs to both. Pakistan belongs to SAARC and to South Asia, and Pakistan, at the same time, together with Afghanistan, belongs to West Asia, to Kyrgyzstan, to Uzbekistan, you know, to all of these countries who are Central Asia. And Pakistan, then, in being in the centre of these two, also has a potential to play the role of the bridge. And how do you have the potential to play the role of the bridge and what sort of a bridge? A cultural bridge, an oil bridge, an energy bridge, a social bridge.

You have South Asia which is starving for energy, oil, gas, et cetera, et cetera. And you have West Asia or what we call the Central Asian Republics which are brimming, together with Iran also, with all of those goods that we are starving for. Let us assume for a second that we had not been stupid in the last many years, that we had been smart people like you, like Southeast Asia, the ASEAN region, like the European region or European Union—forget the European Union, Europe at large—and we had allowed ourselves to peacefully coexist for the sake of each other and our own

prosperity. Then imagine the bridges that would have been built. Imagine the pipelines that would be going from one region to the other. Imagine the road networks and the train networks that would be going and the seaports that we would be using off each other rather than destroying off each other.

So, you know, this has been, unfortunately, the legacy of the past. Now, I will go back to where I was starting from that when I came to the job I came with no preconceived notions, right? I had no notions of what I wanted to do with this new job that I had found myself in and very, very quickly—almost in a matter of two weeks—because I think what comes naturally, comes naturally very quickly or, otherwise, it does not come at all. You know, I saw myself to be completely imbibed by the Pakistan Peoples Party foreign policy objectives as they were during Zulfikar Bhutto's time—who actually went and reached out to the region. And some people believe the reason for his demise was that he reached out to the region a bit too much.

So, very quickly, I realized that what we need to try and work on was to try and concentrate on the region, to concentrate on the countries, and, if people tell you that these are impossible relations, we have to make them possible for our own sake, for the sake of our children and for the sake of a prosperous future and for the sake of not repeating the mistakes of the past. I always say that I am fine with the past. I am fine with history as far as we are able

to learn a lesson from history and not repeat those mistakes. When we go get into the business of repeating old mistakes, then we need to judge ourselves. We need to beat ourselves with a stick, and we need to correct ourselves, and if we do not correct ourselves, we will continue to suffer. We will continue to make our children suffer.

So to cut the long story short, let us come to the region. Let us come to the immediate neighbourhood. Let us come to South Asia's potential and perspective from Pakistan. We have four neighbours: We have China; we have India; we have Afghanistan; and we have Iran. Now, Pakistan and China have proverbial relations. I wish to emulate our relationship with China in 10%, 20%, 50% with all of our neighbours. We can never do it 100%. But, at some level, to get the same bond with the other neighbours that we have with China because China, we will never need to second guess. Everybody else, we will second guess their well-intended actions, words possibly. And every government in Pakistan has contributed to the relationship with China, so I am not going to waste my time on it because it is a relationship which is already very well engendered.

Now, we come to the most difficult, one impossible relationship, one difficult relationship. And can anyone guess which is the impossible relationship? Consul General? So, yes, we have India, what I would call the 'impossible relationship'. And then we have, of course, the difficult relationship with Afghanistan, and I am going to speak a bit

about both because I think sometimes it is not okay to just talk about the trends. Sometimes you have to go into details of events, of how we are going, of what we have corrected, which you may not have noticed because it was not spicy enough to make the headlines. It was not fun enough. It was not exciting enough because most of the corrections never make it to the headlines. It is always the spicy stuff which will create, you know, a bit of chaos, a bit of interest which will make it to the headlines. The corrections will never make it to the headlines. The corrections just keep on slowly, steadily correcting, and I will talk about some of the corrections that we have experienced in Pakistan.

Now, when it comes to India, of course, there is a history, and you have written about it. Even people who may not be Pakistanis or Indians or who may not have Indians or Pakistanis as their ancestors know about the Pakistan-India conflict. I was recently in Oslo delivering a lecture at the Nobel Peace Institute and the chairman of the committee said to me, “Ask some of your friends to solve Kashmir, and you get a prize. Not to me, but whoever does.” he said. So I was just thinking how many conflicts or how many issues there are in the world where somebody can say with such confidence that if you solve this, you get the Nobel Peace Prize. It just made me think that look at the global nature of this conflict. Look at the *effect* of this conflict.

We have had a history in which there have been flash points. We did not part with good; it was not a good separation.

We had a person like Muhammad Ali Jinnah, who, until 1914, was known as the “Ambassador of Hindu-Muslim Unity,” who after the 1935 elections—and the story will go on. Eventually, in 1947, the partition happened, and the partition brought in its throes, not peace and stability. It brought a lot of blood, a lot of instability, a lot of rancor, a lot of deep-seated hatred, which was experienced by people who saw their near and kin being killed in front of their own eyes. And it happened on both sides of the border. It was experienced collectively.

So, in the years of history that we had with India, we had another thing that we experienced together. Whether you were Pakistanis or Indians, whether you were Sikhs, Muslims, Hindus, you all collectively experienced this loss and this loss of humanity because you will hear stories which will bring you to tears because they are of neighbours killing each other, neighbours whose families lived together. So this is what conflict can do. This is what conflict can lead to.

So you begin to have a bad start. We understand. You have a bad starting point, but what do you do as statesmen, as people, as civilians, as academics, as professors, as bureaucrats? What do you do after that? Do you seek to normalize this difficult relationship? Do you seek to be able to bring a trend which will be able to make you exist peacefully so that both of you could prosper and develop, or do you almost, by choice, allow the basket of these disputes

to increase exponentially over the years? And, in this, again, I am not pointing fingers at any one country. I am talking about the collective region. I am talking about collectively both the countries, and I am talking about an equal portion of blame to be taken by both the countries.

So, you saw, of course, the 1971 separation of Pakistan and the creation of Bangladesh, and you saw a role of India which many will say much about, and then you saw other things. You saw Cargill. Before Cargill, you saw the Indian forces taking positions in the 1980s on Siachen and thus adding another severely disputed physical territory between the two countries. So with respect to this dispute basket, instead of the dispute being taken out and solved and put in the other basket, the basket of disputes was being increased, was being contributed to almost as if our objective was to add on to the disputes, to add on to the rancor.

As time passes, the disputes between the two countries—easy guess—only increased and people would say, “Of course, they had to. We had a bad start. We hated each other. Of course, they had to because the partition was ugly. Of course, they had to because the past was very hostile. Of course, it had to because the memories were very, very terrible.”

Now, please, compare, and, please, let this part be where it is for a moment and let us take ourselves a bit distant from this part and look at what is happening around the world. What is happening in your region? What is happening in East

Asia? What is happening in Europe? Give me an example of one region or give me an example of one country which has emerged as a tiger, as a lion, as a cat even—a prosperous cat amongst a region which is all in depravity and terrorism and, you know, all sorts of poverty and hunger. It has not happened, and people have been smart enough to realize that this cannot happen. Regions have been smart enough to realize that this cannot happen. You have the GCC countries combined together, work together, and, of course, they have political disputes, and the political disputes will continue. But it is still the GCC countries which are working to try and work together as much as is possible. You have ASEAN and within the ASEAN you have Myanmar. Now, we all know that, until two years back, it had a very different past than the rest of the other countries, but it still got it within the ASEAN region because it understands that you cannot even have one small country which is not part of the mutual, collective that the region will suffer because of that one country which will be left out. So the smart behaviour—look at the European Union. And now convince me that these countries or these regions have not had disputes which probably match up in proportion to our disputes: East and West Germany, France and Britain, the South China Sea, Vietnam, China, many other countries. So it is not the lack of disputes which is making them do this. It is just smart behaviour. It is just looking at the bigger picture and looking at the bigger trend rather than enamoring yourself and being

caught up by stupid, petty, you know, hostility and politics and just tit-for-tat behaviour: “You will do this, and we will do that.” You know, that does not take you anywhere because if I am truly going to be wearing a regional lens, then I understand that when I harm them, I harm myself first because he is, she is my neighbour. It is going to permeate through the borders and come over me. We will not be able to stop it. It is like a tsunami. It is like a slow-moving flood. It is like what is happening in Pakistan right now. It is like what happened in Pakistan in 2010. The flood was moving, and you could not stop the flow of water. You could divert the flow of water by creating artificial edifices or breaking them, but you could not stop the flow of water in the same way. If you are going to harm others, it is going to come back, so we are this collective, you know, with a national narrative that we have built against each other where we want to, and we have done a fantastic—let us congratulate India and Pakistan. They have done a fantastic job. They have literally gone into the deepest heart and minds of its people, of its children and infiltrated them with hatred, rancor, animosity against each other, and the results are brilliant.

Had the same energy gone in infiltrating these minds with love and the vision of a common future, imagine where we would be today. I believe it was a concerted effort. It was a policy decision to do what we did collectively, both the countries, and here we are today.

This is the history, okay? What do you do about it? How do you take a go at it because this is, of course, extremely political also? And which leader will have the courage to stand up and say, “I want to make peace with India at all costs”? Or, even more difficult, which leader in India will have the courage to say, “I want to make peace in Pakistan”? We had ten years that Prime Minister Manmohan Singh, the person for whom I have a great deal of respect and whom I had met at multiple forums at multiple times. I know he was yearning to come to Pakistan and also his ancestral home for ten years, but because of public pressure, he could not find the courage to come and visit Pakistan. These are the realities of this impossible relationship, okay? So what did we do?

During our tenure, the Pakistan Peoples Party decided that we could not be okay with it, that we had to contribute whatever we could, and if it was small, good enough. At least, it would be a start and we would not have a reactive foreign policy anymore. So we will not wait for India to take the first step and then follow. We would make our own first step and expect India to follow.

So we decided “Let’s do something which is considered to be impossible to do with India. We had an unsaid rule in Pakistan, unsaid policy—never approved by any forum—that we will not move on trade with India until the Kashmir dispute is solved. It is almost like saying we will never solve the Kashmir dispute because, you know, you cannot

have a country with which you have no normal relations. You cannot have a country with which you do not even talk across the table and then expect yourself to start by solving the most difficult flashpoint between the two countries.

So we decided that we need to normalize the atmospherics, the relations between the two countries to as much as an extent as is possible. We need to normalize it so much so that we start talking to each other like normal people. You know as the Foreign Minister of Pakistan when you were across the table with the Indians, it was almost like you expected abnormal behaviour, and we would all be not speaking to each other as human beings but almost as if we had to win points. So we said, "Let's stop all of that. Let's start creating the environment to start treating each other as normal individuals," and, since 1965, nobody in Pakistan had had the courage, no political party, no military government in Pakistan had had the courage to start the process of normalization of trade. We decided to do that, and it was not popular. It was not popular domestically. We decided to go ahead and do it, anyway, because we thought it was the right thing to do for Pakistan. And we thought that we were going to be putting the first steps of a long journey. We were going to be taking the first steps of a long journey, and guess what? As soon as we did this, we were highly unpopular. Our government was highly unpopular. We were attacked as people who could not care about the world traders, who did not care about national interest, who

were making compromises on behalf of Pakistan, and that goes with the long tradition of Pakistan Peoples Party, but we kept at it.

We did not go back, and, within months, we had the positive list with India, which meant that only 1,200 items would be traded with India, converted into the negative list which meant that only this many items which will not be traded. Everything else will be traded, and the cabinet gave approval to the MFN status with India so that we could move on and start normalizing trade with India.

Now, of course, before the MFN status could happen, our government got changed, and, hopefully, this is something that is still in process, but the change from the positive list to the negative list actually happened.

Then we decided that we are going to try and start cooperating with India when it comes to regional forums. So this typical view of Pakistan that India must not be at the table when it comes to Afghanistan changed; we changed that. We said, "We welcome India to be at the table when we discuss Afghanistan, and we just do not want India to be using Afghanistan against Pakistan. So let us talk to each other like normal people, and let us try and figure these problems out like normal people. We welcome India's economic contribution towards Afghanistan or any of the other neighbours." So we decided, basically, to not let the past define the future. We decided to chart out a new future. Now, as this went, we had many, as I said, challenges that

came in the way. One of the biggest challenges was, I believe, when we had multiple invitations which came to the Pakistani prime minister and president to visit India at Mohali when there was a cricket match taking place and then by Prime Minister Mamnoon Hussain when President Zardari was travelling to India. Now, a typical reaction from within Pakistan was that we would not let our leaders go because India had not sent its leader for the last ten years. Again, we said we were not going to follow Indian policy and that we were going to make our own policy. We sent Prime Minister Yousaf Raza Gillani. We sent President Zardari. I myself went to India on a bilateral visit.

So, all of this was an effort to try and normalize as much as is possible, and I think that had an effect, despite the fact that relations are not where they should be. I consider myself to be an indefatigable optimist when it comes to India-Pakistan relations, but even my optimism has been comprised by the recent event of Prime Minister Modi calling off secretary-level talks based on the Pakistani High Commissioner meeting—you know Kashmiri leaders.

I think it was something which was not required. It was something which was always done. I, as Foreign Minister of Pakistan, visited India and met Kashmiri leaders. Nobody called off the talks. So if you call off the talks on something like this that means you will find it very difficult to restart the talks now, so you are wasting time. I believe that any minute, every hour, every month must not be wasted on this.

So that is where we are as far as India is concerned, and we hope that Pakistan and India's enmity will not hold the region hostage to this enmity anymore. I believe it will be wrong to say that Pakistan and India have not held back the progress in SAARC. I think we have contributed to not making SAARC what it could potentially become, and we are responsible. I think it is about time that we start moving away from that trend and just understand that either we allow ourselves to mutually prosper or we continue at trying to mutually destroy each other, right? The 60 years have not been a good story of what we have been able to achieve by following a certain trend, and I think it is time to change the trend. I am very happy to share with you that, in Pakistan, this trend has changed. India-bashing is not fashionable in Pakistan anymore. You do not get votes. You do not get points. You know, we have elections. Even the Jamaat-e-Islami would not get votes on bashing India anymore. It is not fashionable. We do not like to do it. We have made people understand.

In India, however, the trends are still very different. You know, everyone who bashes Pakistan gets more votes. We hope also that as a democracy that is more mature than Pakistan, which is older than Pakistan, India will also change this trend, and I know that there are real-time changes that need to be made on both sides, and we hope that we will be able to make it.

Now, having talked about the impossible relationship, I

am coming to the difficult relationship now. Afghanistan is also very interesting to Pakistan. You speak to an average Pakistani, and he will tell you, “Oh, the things we’ve done for Afghanistan. We opened our arms and our hearts and our houses and our borders to our Afghan brothers and sisters, to 3.5 million refugees, you know, all sorts of activities associated to that. No other country in the world will allow refugees to come and stay in the city centres. We allowed that. We allowed them to own property. We allowed them to do businesses, et cetera, et cetera, et cetera. And, of course, look at the sacrifices that Pakistan made in trying to reach the advance of the Soviet invasion of Afghanistan.”

Now, flip that over, and speak to an Afghan, and what do they think about Pakistan? They will say, “Pakistan is interfering in our affairs, trying to tell us what to do, et cetera, et cetera.” So the two narratives do not meet. For me, I got a reality shock. I am not going to say, “reality check” because I did get a reality shock when I landed in Kabul for the first time. I was thinking in terms of the great brotherly relations that I had read about, but I was told that I should not get out because it is a security hazard for a Pakistani to get out in the street. And I said, “How is that possible? These are our Muslim brother friends. How is it possible that I’m not able to get out and be, you know, welcomed?” Because the narratives in the two countries are very different. Now, I do not want to go into the long history and into who is right and who is wrong. Let us forget it. I believe the past

should be forgotten. If the past is difficult, learn from it. Do not forget it in terms of historical lessons, but move on. So let us move on.

So, let us move on, and very quickly we realized that Pakistan needs to break away from the Afghan mind and the Afghan heart—this notion of Pakistan wanting to determine Afghanistan’s future for them or determine their present for them. And, since that is not something that we like to do, we will go to every extent to nurture that part in the Afghans. Okay? So, typically, Pakistan is believed to nurture the Pashtuns and to want the Pashtuns to lead and to be presidents. They do not have prime ministers yet. They might very soon. So there is a typical notion that the Pakistani establishment and the Pakistani nation will only befriend the Pashtuns. So we said, “Let us continue our good relations with the Pashtuns, but let us go out and befriend practically everybody who is a non-Pashtun, whether it is a Tajik or a Panchiri of Northern Alliance, Northern Front—people, all the people, all the entities, all the groups who have considered to be inimical to power, who are considered to be enemies of Pakistan. Let us go and befriend each one of them.” Guess what? Why? Because as a state, we do not have a choice but to befriend everyone who exists. As a state, we do not have a choice to pick up favourites. As a state, it is not in our business to tell them which president is best for you because it is for the Afghans to decide which president is best for you. Whichever president can bring

peace and stability in Afghanistan is best for Pakistan. He might be, you know, Panchiri. He might be Tajik. He might be Pashtun. He might be any other nationality or ethnic identity. Why do we care? We cannot afford to care, so let us not care, and let us prove to the Afghans that we do not care. I am very pleased to share with you that, typically, as a matter of fact, every foreign minister of Pakistan, the 25 foreign ministers who preceded me, each probably had in his tenure at least three, four, five visits to Washington, D.C. As Foreign Minister, I have had a visit to Washington, D.C. only once and to Kabul thrice. In my short tenure of two years, I made it a point to try and visit Kabul and to try and get, you know, visitors from there as much as is possible because we needed to work on gaining their trust, and it has not happened, and it will not happen overnight, and it will not even be visible in the next year or two years or five years, but it will happen over time as we change these behaviours. It is happening.

So when I went as Foreign Minister, my ambassador, which before would have been an impossibility, was able to arrange meetings with practically every ethnic group in Afghanistan and practically every political party—even those who were considered to be very, very hostile to Pakistan. And we saw a different type of response: We saw a very welcoming response. Then we took our prime minister there and our president there, and, for each of those meetings, each one of them, separately sat with all of these people. Then there was

a time during lunch when some of them refused to come on the invitation of their own president, but when we insisted they come, they did come, and they had lunch with us. So, you know, again, these will never make headlines, okay, but this is a change in trend which is there to try and engender a confidence within the Afghans that their future is for them to decide. We can only, as neighbours, assist them in whatever course they chart out for themselves. Any neighbour who thinks that they can do better than the people themselves, creates a problem. And that is a problem with Afghanistan, generally, and internationally because each one of us nation states, each one of us, the western, eastern neighbours, etc., Iran, Pakistan, India, U.S., and Britain—everybody believes they have a solution for Afghanistan, and they will go and put this pretty solution on the Afghans and expect them to behave. Let the Afghans decide what is their own solution, and you can posit as many solutions as you wish, spend more of the \$6 trillion that you already have on Iran and Afghanistan together, and then maybe ten years later, I will ask you, “Is the region less radical or more? Is the region less violent or more? Is there more stability or less?” As somebody who is coming from the region, I will say, “Yes,” to each one of them—that the region is more violent today, that the region is more radical today. And I cannot say that I come from a very stable region and that the stability of the region has increased in the last—I honestly cannot say that. I hope it will increase in the next five years, and I hope the

seeds have been sown, but, if you say to me, “Give me an analysis today,” I will say, “It has not.” Okay?

And in some ways, I am just going to take a bit of a sidestep and just add to this because I think this is, you know, coming from Pakistan. I cannot afford not to, and, coming from a region where Afghanistan also exists, I cannot afford not to warn the world and all the participants over here of the dangers that we get into when we start relying on non-state actors to do the job that states are supposed to do. We did it in Afghanistan, and we are still suffering in that region because those non-state actors take forms and mutate into bodies and people, and we have objectives that states can never sponsor or espouse to, and then they come back to haunt you. You might be their creator, but they will come back and haunt you and bite you as they did in 9/11, and then we spent a good 12, 14 years trying to fix it, and look how much we fixed. Has not been fixed at all, and look what is happening in the Middle East as we speak—another proliferation of support for non-state actors at different levels by different states, another fixing the problem by creating more problems.

Where did ISIS come from? Which weapons is ISIS using? Was it not in fixing the last problem that we created ISIS? And, now, in fixing ISIS, God knows what the hell we will create this time. These are all realities and policy, you know. This is not something that I read in the book, but one thing that I realized when I was in the job was that the decisions

that we make, the policies that we make today have lasting effects; they have such lasting effects that maybe my children will suffer or gain at the hands of the policy that I helped create. It will not even be in my generation. Look at what happened in ridding the region from the dangers of the Soviet invasion of Afghanistan. Look at the monsters that we created, and then, you know, Pakistan is happily blamed for that as if the funding did not come from many western or Middle Eastern countries and as if all of it was funded, created, conceived, implemented only by the state of Pakistan and its intelligence agency. No, let us get a reality check. Let us call a spade a spade. I am willing to accept my role in it. Are you willing to accept yours? Are you willing to accept responsibility for the contribution that your countries have made? And I say, speaking collectively again, not specifically.

In all of this, I have dealt with India, Afghanistan, the immediate neighbours. Now, I come to Iran because China, as I said, I do not need to talk about. We already have proverbial relations with them. I just want to get a part of the China relationship with all of my other neighbours. Now, coming to Iran, I always say to our western friends, especially, to the Americans, that you give us excellent advice when it comes to India. They always tell us to befriend them, make peace with them, prosper together, et cetera. But you give us terrible advice when it comes to Iran because you always tell us not to befriend them, not to make

peace with them, not to try and encourage them, not to try and have relationships—economic or others—with them, and I always used to tell them, “We do not have a choice. With our neighbours, we do not have a choice.”

So somebody might tell me that having good relations with India is a bad thing. “I do not have a choice,” is my answer. Somebody might tell me having good relations with Iran is not a possible thing. I will say, “I do not have a choice as much as I do not have choice with India or with Afghanistan.”

With Iran, again, huge opportunities exist. There is the IPI, which became the IP, the Iran- Pakistan-India pipeline, which became then the Iran-Pakistan pipeline because India decided to move away from it. We, in our times, despite the fear of economic sanctions—because these sanctions are national sanctions; they are not U.N. sanctions—as a state, I have a responsibility to abide by every United Nations sanction. But states cannot make other states do what they will, right? States can have policies which are implemented within their states, and I think that is fair, but I think it is not fair when states feel they can enforce their policy that is being made in their congress or their parliaments on other countries who have independent parliaments, independent congresses, independent executives. We have the United Nations to do that, and that is why the United Nations exists. For a sanction which is not a U.N. sanction, we can argue how applicable it is.

So we decided to go with the Iran-Pakistan pipeline. We decided to go and try and do a trade agreement for them where we could have, you know, almost close to an FTA with them. We decided to go and try and start to build roads which were to connect our border areas so that trade was easier, and we took many, many steps which were probably not taken any time before with Iran because, as I said, when it comes to our neighbours, they might be popular internationally or they might be unpopular internationally. We do not have a choice. We have to make sure that we are popular with each other. With India, we have to make sure that we are popular with each other, and I really do say it from my heart. I do not think I am in the business of scoring points on behalf of any of my neighbours because—I will give you simple example. Once when your foreign minister was here in Islamabad, we came out of a press conference, and, as I came out, one of our perky journalists told me, “Why did you make that statement because we had him?” So I said, “I made that statement because when you had him, you also had me because if you’re going to contract the space for him to function within India, you’re contracting the space for Pakistan, too, to benefit from that.” If I am committed to this, I have to increase as he has to increase mine, as he did. When I was in New Delhi, I think the reception was of general warmth from your officials. You know, if you reach a point where you can argue your way through a situation, I think that is a good point. That means

you understand each other, and you trust each other to quite an extent.

So I know I am almost out of time, so I am just going to say that I wanted to just talk about these issues, not from a distance but from home ground because I think it is important to sometimes look at the big picture from a small lens because when you go into the details of what is actually happening, you understand the dynamics better than sometimes giving broad statements. South Asia's potential—South Asia is going to be the engine of growth for the world. There is no doubt about that. The doubts are will we allow the next generation, you know, when we grow old, to be able to see that South Asia, or will we leave it for decades more to get sense? I am hopeful on this also because I believe that we are moving away from the generation which had seen the partition, which had seen the blood in partition, which had raw memories of very, very difficult times.

You know, I am of a generation which did not even see the 1971 war. I was born in 1977, so I believe when you come from a generation which has not lived through those very difficult war times, you can be taught hatred, but it will not be part of your DNA. I will tend to reject it very quickly, so I will tend to carve out my own way, and I am very happy that, you know, that I want to give a lot of credit for this to, of course, the party that I represent, to the Pakistan Peoples Party, because all of our leaders, whether it was Zulfikar Ali Bhutto or Benazir Bhutto or whether it is Zardari today,

have been committed to the region. As foreign minister, I know that the advice that I will get from a prime minister or president was *only* the region. You know, we had to manage. We had to give time to the U.S. because of Salala attack, et cetera, et cetera. Given an option, if those issues had not erupted, we would actually end up giving absolutely no time to the European Union. Yes, we wanted market access. With Canada, we have excellent relations, you know, and good relations, ones which are dependent on developments. Where you have good, decent relations, you do not need to give a lot of time. Where you have difficult relations, you need to correct the wrongs.

So I like to believe that, in some ways, we were able to contribute towards correcting those wrongs, and I just want to leave you with this because I think this is important because all of you are hearing and seeing pictures of Pakistan where you are seeing a Canadian national, a dual—Canadian-Pakistani national, Mr. Qadri holding the whole government hostage together with the cricket star who believes he is a rock star and that he can get away with murder. So with 20,000 people to 50,000 people, you are holding the whole mandate of 180 million people hostage, and you believe because you have 20,000 people on the street, you can challenge the mandate of 180 million people. So be it. You might get these images, but I want you to know that this is, in some ways, the mature democracy presenting itself in Pakistan.

Ten years from today, had my party, the Pakistan Peoples Party, been given, presented on a platter, the chance to topple to a PML-N government, we would have grabbed it, and look at what we are doing today. We are literally holding the balance between the preservation of the PML-N government or reelection, breakage of the system.

So this is how democracy has matured in Pakistan, and it is truly in this sustained, matured democracy that I have no doubt this narrative that I have told you of a new foreign policy dimension of the region of Pakistan will continue to hold. I was delighted—you know, one of my favourite phrases to use when I was foreign minister was that Kabul is the most important capital for Pakistan, and I was delighted when we saw Prime Minister Nawaz Sharif visit Kabul, and in his statement came the phrase, “Kabul is the most important capital for Pakistan.” So I did not tell him that, but they picked it up because that impression, that mark was left by the Pakistan Peoples Party government, and this is a mature democracy that you carry on the good work. You carry on the good legacy.

With that, I just want to thank you and to say you have been a brilliant audience. It is really my privilege to be in an audience like this where you have students, where you have academics, where you have professors, where you have industry leaders, where you have political leaders, you know, some who are, obviously, of Pakistani origin and some who are not of Pakistani origin—the India Consul

General, Pakistani Counsel General. So it is really a privilege to be able to speak to as informed a crowd as this one. So thank you.

Questions & Answers

Q: Thank you, Foreign Minister, for an excellent and inspiring speech. I could not help notice your discussion I think about Iran which leads me to I guess your views maybe on the role of Pakistan in perhaps helping in another region of the world which I think is close to Pakistan, in the Middle East. As you know, it has been riven by Sunni-Shiite conflict, and I think the fact that Pakistan can maintain excellent relations with Iran in the midst of all this suggests that maybe Pakistan has a role to play there. I know it is not out of the scope of your talk, but I would like to hear your thoughts on that.

HRK: To be quite honest, on that, I cannot say that we have burned midnight oil, but I can certainly say that this is something which has crossed our minds. And, yes, you know, with Saudi Arabia, with Bahrain, the UAE—we have always had excellent relations. The GCC countries have been one of the priority areas in Pakistan—and strategic relations with many of those countries. So now it is not unknown to anyone that there is a conflict between sort of the two—one group or some countries and Iran. And there is, obviously, an ethnic or Sunni-Shiite dimension to that.

You know, I think, my take on this as foreign minister

was that Pakistan is a country which has too many worries of its own, which has too many internal interests to preserve, to get involved and embroiled in others' problems. And Pakistan is a country which has to first secure itself. We have Shiites that I am proud to say I never knew were Shiites or Sunnis that I am proud to say I have never known are Shiites. If you look at the DNA of Pakistani society, it is not divided. We do not feel venom against the Shiite, or the Shiite does not feel venom against the Sunni, and we do not want to give rise to that. We want to coexist this peacefully, and the moment we get ourselves embroiled in these disputes, we become a party, and we have decided not to become a party.

Q: I just spent a week in Winnipeg with relatives from India who are quite excited by the election of the new government, new Prime Minister Modi, who has given immense hope to Indians for future prosperity. What hope does it give to Pakistan?

HRK: He took away all hope that he gave to Pakistan. I will be honest with you once again: I was in India. I was in New Delhi three days after Prime Minister Modi took oath, and, you know, I almost became enveloped by the electric hope that this man had been able to generate in India. I felt very jealous, positively jealous—as a well-wisher—jealous of the hope that this man had been singularly able to create. He had

given hope to the businessman, to the politicians, to the driver. And everybody all of a sudden seemed to think anything was possible in India, and I was just sort of tempering everyone by saying, “Listen, it’s very difficult to deliver in a state or in a province in Pakistan and India and very difficult at a federal level because the federal structures are very similar and are very, very convoluted.

Nevertheless, I was interviewed by Karan Thapar, and in that interview I remember saying very categorically that I am very hopeful from where we are today on where we are today because I would rather have a strong Indian Prime Minister who wants to contribute 50% to peace than a weak Indian Prime Minister who wants to contribute 100% to the peace. And in the person of Prime Minister Modi, we once saw a strong person who was strong-willed who could deliver, who had the ability to deliver, and my only concern was that, you know, God forbid he becomes unpopular within India, then he might use the Pakistan card to appease his right wing sort of supporters.

As I said, I mention it everywhere I go because I could not have not been more deeply disappointed by a single act of diplomacy, of foreign policy management, than Prime Minister Modi’s decision to call off foreign secretary level talks on what pretext? On our High Commissioner meeting—a Kashmiri leader—which is

done every day, which has been done by every High Commissioner that preceded this High Commissioner. So when you do that, you are actually almost backtracking and going to a position from which you will not be able climb down. How will we restart talks now?

We are not going to stop meeting Kashmiri leaders because Kashmir is an internationally recognized dispute. It is a dispute which is recognized between India and Pakistan, and the dialogue has been part of the resumed dialogue. You know, we are interesting people. We keep on changing the nomenclature. We say, “‘Composite dialogue’ sounds too serious.” Let us call it “revived dialogue,” or “revived dialogue” still sounds too committing. Let us call it “just dialogue” or “just a meeting.” So he just called off “just a meeting” on the pretext which cannot be justified. So he has taken away all hope but, as I said, I am being an indefatigable optimist on this. I believe that this was a big diplomatic faux pas. It was a mistake of the proportion that I do not think he has committed on any other front. We still have hope from the fact that he has delivered on many counts. You know, there are the Gujarat killing sort of baggage that he carries, but we forgave that baggage when we sent our Prime Minister, and the Pakistan Peoples Party contributed to that because even before the Prime Minister had accepted his invitation to go

to his swearing-in ceremony, we came on record, and we said, “Had we been in government, we would have accepted it long ago.”

So again, we need to mutually dance to move forward. We cannot take one step forward and three steps backward.

Q: Yes, thank you for coming out. Pakistan has been the biggest loser post-9/11. It sacrificed essentially itself as a country. I am wondering if you could comment and kind of share your experience with the U.S.-Pakistan relations and that relationship of convenience. And one more small question: Any regrets being a Foreign Minister?

HRK: Okay. Absolutely no regrets. I think I enjoyed every moment of it. It was something which required a great deal from any individual. I was sharing with Mehreen while we were driving down from Montréal from Ottawa, actually, that, you know, it is interesting that the decisions which are the most difficult and which make your life miserable while you are in government or when you are in the position are the ones that you are the most proud of when you are not in government. So, you know, for me I think that the opening of trade with India was one of them, reaching out to Afghanistan, allowing India to be on the table— not allowing India as if we have veto power on it, but some people in Pakistan believe they have veto power on being on the

conference on Afghanistan where India was. So these type of things, which are very difficult to do—allowing some commissions to come to Pakistan, being in the open. I think the thing that we tried to engender was that we be an open society. We have nothing to hide. If people believe we are doing something wrong, the only way we can prove that they are wrong is allowing them to come and see, allowing them to come and experience.

So on the matter of Pakistan-U.S., you know, Pakistan-U.S. relations have been very interesting. They have gone through all sorts of transformations and permutations, and I believe they have typically been overemphasized in both the countries than their due share. For us, U.S. is an important partner on many, many different fronts, but it is an important partner. It is not the determinant of Pakistan’s future as many people in Pakistan believe it to be.

So during our time, I think we were going through a very difficult time. With the U.S., a lot of their politics and the executive decisions are dependent on what is happening domestically in the U.S. So until the time Afghanistan was high on the agenda—and it was front page news in the *New York Times* and *Wall Street Journal*—you know, there was lots of stories vis-à-vis Pakistan’s role in Afghanistan, et cetera. Now, that that has died down, and Syria and other countries

have overtaken, I think we are learning to coexist peacefully. And, really, I think it is a relationship which is improving, which is improving from the very, very low depths that it has seen. These are real events. You cannot shoo them away. We had 24 soldiers dead. Nearly two supply routes got blocked. This is something which the U.S. did not like. We did not like that 24 soldiers were dead. All of those things happened, but we recovered from it, and I think we hope to have good economic relations.

Generally, we do have a lot of dialogue in Afghanistan. I think we are learning to agree with each other much more than we did in the past, even on Afghanistan.

Note of Appreciation by M. J. Perry, Vice President and Owner, Mr. Discount; Director, Empire Club of Canada

I do not think I will ever be invited to join the diplomatic corps because my first reaction is “Wow!” I thank you for coming. Like many who have no personal or business relationship with Pakistan, my experience has been from the headlines and the odd sporting event, and I would like to thank you today for your patience in educating, for your gentle correction when we unintentionally offend, for your understanding of our trying to grasp the relationships you have given to us. I thank you for all of this and hope, on behalf of the whole Club, that you continue to build bridges and move on. Thank you.

Concluding Remarks by Andrea Wood

I would like to extend a few final thanks before you all head on your way. Thank you very much to our generous sponsors. Our event sponsor today is Spencer Stuart and our VIP reception sponsor is Hamilton Airport. I would also like to thank the *National Post* as our print media sponsor and Van Valkenberg for providing our AV support.

We are on Twitter and Facebook as well as online at www.empireclub.org.

Thank you all for coming. This meeting is now adjourned.