



**INSTITUTE OF
STRATEGIC STUDIES**

web: www.issi.org.pk
phone: +92-920-4423, 24
fax: +92-920-4658

*Report – Roundtable
with*
**Graduate Students & Alumni from
Harvard Kennedy School of
Government**
March 20, 2019



Rapporteur: Nazish Mahmood

Edited by: Najam Rafique

PICTURES OF THE EVENT



China-Pakistan Study Centre (CPSC) at the Institute of Strategic Studies Islamabad (ISSI) hosted a briefing for 40-member group of graduate students and alumni from Harvard Kennedy School of Government on March 20, 2019. The group members comprised students representing 24 countries, including the United States, China, Germany, Turkey, Egypt, Lebanon, United Arab Emirates, Brazil, Columbia and Singapore.

Dr. Talat Shabbir, Director China-Pakistan Study Centre welcomed the guests. At the outset, Ms. Uroosa Khan, Associate Editor CPSC, gave a brief introduction of ISSI and CPSC.

Mr. Muhammad Ali, former Chairman Security and Exchange Commission briefly introduced the members of the delegation and their program in Pakistan. Mr. Ali thanked the Institute for accommodating them amid its hectic schedule, and said that the group was interested in understanding the China-Pakistan Economic Corridor (CPEC) and its role in evolving regional dynamics.

Director China-Pakistan Study Centre, Dr. Talat Shabbir gave a presentation on the regional imperatives of CPEC highlighting the vision, details, and future potentials of the corridor. He elaborated that the Chinese vision involves promoting economic and social development in Western China and accelerating development of Belt and Road Initiative (BRI). Meanwhile, Pakistan wants to fully harness the demographic and natural endowment of the country by enhancing its industrial capacity through creation of new industrial clusters, while balancing the regional socioeconomic development, enhancing people's well-being, and promoting domestic peace and stability. He apprised the group about the BRI and said it has strings of projects connecting the Baltic Sea with Pacific Ocean via roads, rails and sea lanes for free trade.

Focusing on CPEC, Dr. Shabbir explained that it is a flagship project of BRI. CPEC envisions connecting Kashgar City with Gwadar Port through highways, railways and pipelines. CPEC will complement Silk Road Economic Belt and Maritime Silk Route that envisages linking three billion people in Asia, Africa and Europe. He said China agreed to share with Pakistan its advantage of funds, technology, production, engineering and operational capability for mutual development. The corridor is attracting Foreign Direct Investment (FDI) into Pakistan's infrastructure, energy and construction sectors. Gwadar Port has the potential to surpass neighboring ports in terms of trading activity. He elaborated in detail various components of

CPEC and its implementation framework. Dr. Shabbir informed that completion of CPEC is spread over a 15-year period. A Long-Term Plan (2017-2030) has been agreed by both countries.

Dr. Shabbir highlighted that CPEC will address Pakistan's fiscal challenges. The annual revenue from toll collection is projected at around \$5bn by 2022. Meanwhile, infrastructure up-grade would see modernization of Pakistan railways. The Karachi–Peshawar main railway line will be upgraded to allow for train travel at up to 160 kilometres per hour, and tourism industry in Baluchistan and Gilgit-Baltistan region will experience expansion. He shared CPEC's global, regional and domestic imperatives with the group and also addressed the security implications of this project.

Following the briefing, Director General ISSI, Ambassador Aziz Ahmed Chaudhry warmly welcomed the delegates to the Institute. Ambassador Chaudhry situated the topic of interest to Harvard delegates in the broader context. He stressed the importance of understanding how Pakistan perceives its global and regional context in which it is pursuing its relations with China. He said that the world that we have known since World War II is changing rapidly and a new Cold War is emerging, this time between United States and China. He said Pakistan understands that US, following its Asia pivot policy, has now embarked on an Indo-Pacific strategy of which India would be a key extra-regional player. While US-India strategic partnership has deepened in recent years, so has Pakistan-China economic cooperation and the two trends have somehow coincided. He further elaborated that India-Pakistan bilateral relationship is undergoing a tense period. Ambassador Chaudhry said Afghanistan is still unstable, though a peace process is underway, giving a ray of hope. With Iran, relations are in flux due to constraints on economic cooperation.

Ambassador Chaudhry then listed five challenges emerging from the scenario for Pakistan. First, has been counter terrorism. Pakistan has faced the brunt of Afghan Jihad of the 1980s and post 9/11 US invasion of Afghanistan. When President Musharraf decided to side with the United States in the War on Terror, Pakistan became a legitimate target in the eyes of militants. From 2004-2014, Pakistan faced on the average 150 terror incidents per month. It was a huge test of will until the nation said enough is enough. A political consensus was achieved in 2014 and Pakistan's military forces undertook military operations to re-establish control over the areas in

FATA occupied by the militants. Today, Pakistan aims to ensure that there is no political, military or security vacuum that could be exploited by these militants. The number of terror incidents has come down sharply. Pakistan also feels that all these gains will remain tentative if Afghanistan next door does not stabilize. Therefore, Pakistan is more interested in Afghanistan's peace than any other country. Pakistan believe if Afghanistan is not at peace, we will be the biggest losers after the people of Afghanistan. And likewise, if Afghanistan is stable, peaceful and prosperous, Pakistan will probably be one of biggest beneficiaries. It is with this spirit, that Pakistan has support the present peace process led by the US.

The second challenge is stable relations with China versus roller coaster relations with United States which have not been steady. United States is a preeminent power and every country wants to have stable relations with it. US is important for Pakistan because we had congruity of interests for sustained periods. Pakistan does not want its relations either with China or the United States to be interpreted as a zero-sum game as it wants to have equally good ties with both countries and wants to find a common ground. Pakistan acted as a bridge for United States to China 40 years ago and Pakistan wants to sustain that role.

The third challenge for Pakistan is how to manage Modi's India because Prime Minister Modi has added a new feature to persistent Pakistan-India hostility. Modi has used the card of Hindutva to regain the glory of Hindu civilization and it's not an inclusive but an exclusive philosophy, and Muslims and other minorities do not have any place under this philosophy. Meanwhile, Mr. Modi has been using Pakistan as a bogey to win electoral votes in India.

Pakistan's fourth challenge is to keep a balance in its relations between Saudi Arabia and Iran. While both Saudi Arabia and Iran have tense relations, but for Pakistan, both are equally important. Saudi Arabia is home of Islam's two holiest sites, and more than 2 million Pakistanis are working there. Pakistan has always maintained very cordial relations with Saudi Arabia. On the other hand, Iran is a neighbor and has had a deep cultural imprint on Pakistan. We seek good relations with Iran as well.

The last and very serious challenge is the image problem. Those who visit Pakistan for the very first time carry a certain image of the country which for many in the end needs a reality check.

Still, there is a lot that Pakistan needs to do to improve its image. There are number of constraints but Pakistan need to address all of them.

The talk by Ambassador Aziz Ahmed Chaudhry was followed by an interaction discussion. Delegates asked incisive questions about Pakistan-China relations, CPEC, Afghan peace process, Pakistan's relations with India and Iran.