



**Center for  
Research &  
Security  
Studies**

*Rule of Law - Security - Governance*

**Conference Report**

# **Afghanistan, Regional Geo-Politics & Trade Connectivity**

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Organized by

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## Executive Summary

The Quadrilateral Dialogue on 'Afghanistan, Regional Geo-Politics & Trade Connectivity' organized by the Center for Research and Security Studies (CRSS) brought experts and academics from Afghanistan, China, Pakistan and the United States together to share their insights on the situation in Afghanistan, its impact on regional trade and politics and the opportunities that might exist for trade connectivity. Besides highlighting different issues and opportunities regarding peace, trade, development and regional connectivity, speakers from Afghanistan, China, Pakistan and United States presented their respective country's perspectives.

Most speakers concurred that trade and connectivity in a turbulent region should not be overemphasized. Instead, the focus should be on trade accompanied by investment that could perhaps ensure mutual stakes. Furthermore, the geo-political centrality of Afghanistan not only requires acknowledgment but also demands a multi-lateral trust-based approach for peace.

The speakers were of the view that the problems in Afghanistan should not be seen as exclusive in nature because continued instability in Afghanistan will only create negative spill-over effects across the region if not curtailed sooner. Thus, no regional country should be excluded from the dialogue process to bring stability in Afghanistan.

One of the perspectives shared during the conference was the role of China's Belt and Road Initiative (BRI) as a global vision of infrastructural connectivity and a conception of 21st century multi-polarity. Speakers opined that the economic pull of BRI works as an irresistible magnet to exploit regional connectivity by stimulating trade objectives; be it by furthering bilateral trade with China or by connecting regions such as the European Union (EU), Middle East, Africa, and others that may naturally be interested.

It was emphasized that, in contrast to the common perception, China is not the center of BRI; it wishes to provide an economic network where every country is equal. Besides, it is purely an economic venture, not one which is security-driven.

It was also argued by some of the speakers that the Jirga system in Afghanistan should be revived at the national level for peace and development in the country. According to another perspective, the US could have made better deals with the Taliban in the past than it is in any position to do so now. In the future context, speakers emphasized greater focus on issues such as market economy, climate change, education, and finding more inclusive ways to work together. Some speakers also affirmed that restoring peace in Afghanistan is certainly in the interest of Pakistan more than anyone else.

## Background

The international dialogue was organized for an informed discourse on the understanding of the regional geo-political dynamics surrounding Afghanistan and regional connectivity. The geo-political realities underlined in the conference included 1) Afghanistan continually being at the center of conversations on the future of Southwest Asia and 2) Pakistan, as its immediate neighbor, being involved in the US-led peace process. The other immediate neighbor - Iran - remains embattled on its own because of the US-led sanctions. This potentially can also exacerbate and obstruct peace in Afghanistan. In this backdrop, the conference focused on how the peace plan can pan out and what impact Iran's exclusion could potentially have on it. Further, this uncertainty gives birth to several questions, inter alia:

- How will the US deal with this paradox i.e., seeking peace in Afghanistan but blowing hot and cold on Iran, the next-door neighbor? With or without Trump, what will the future of US engagement in Afghanistan look like?
- Is Pakistan's future political and economic development tied only to peace in Afghanistan? Is regional connectivity contingent only upon peace in Afghanistan? Or will the Kashmir situation have a direct or indirect bearing on the general situation in the troubled triangle?
- China is anxious to expand trade connectivity via BRI: Will it achieve these objectives despite suspicions by some regional players and despite its support to peace in Afghanistan?
- Will Iran play ball in Afghanistan despite its sanctions-related problems with the US?
- Where does Russia stand? Was the Moscow Process supplemental to the Doha Process? How did it help or otherwise?
- Regional cohesion/connectivity: How does unilateralism impact it?

All these questions came under discussion in two sessions. The panelists for the first session, chaired by Lt. Gen. (R) Asif Yasin Malik, included Mr. Intizar Khadim; political analyst, author, university lecturer, and Director General for Center for Development and Peace Studies (CDPS), who presented the Afghan perspective, and Mr. Zhou Shuai, a lecturer at Beijing International Studies University, who shed light on China's vision of regional connectivity through Belt and Road Initiative (BRI) and CPEC for regional development and connectivity.

The second session of the conference, chaired by Ambassador Ayaz Wazir, included Ambassador Asif Durrani, who presented the Pakistani perspective, Mr. James Schwemlein, former diplomat and currently a nonresident scholar in the South Asia Program at Carnegie Endowment for International Peace in United States, who presented the US perspective on the peace process in Afghanistan and Mr. Haroon Sharif, former Chairman of Pakistan's Board of Investment (BoI), who covered diverse approaches pertaining to the BRI, and the interests of various international stakeholders in regional connectivity.

## Chairpersons



**Lt. Gen. (R) Asif Yasin Malik**  
Former Defense Secretary, Pakistan



**Mr. Ayaz Wazir**  
Former Ambassador, Pakistan

## Keynote Speakers



**Mr. Intizar Khadim**  
Director General, Center for  
Development and Peace Studies  
(CDPS), Kabul, Afghanistan



**Mr. Asif Durrani**  
Former Ambassador,  
Pakistan



**Mr. Zhou Shuai**  
Lecturer at Beijing International  
Studies University, Beijing, China



**Mr. James Schwemlein**  
Former Diplomat,  
United States



**Mr. Haroon Sharif**  
Former Chairman Board of  
Investment (BoI), Pakistan

## Session I

Lt. Gen (R) Asif Yasin Malik, while chairing the session, argued that bringing back peace in Afghanistan was possible as was observed during the recent peace overtures where it had come very close to turning into a reality. Terrorism, he said, is nothing but a state of mind and the Afghans need to challenge this kind of mindset by showing commitment towards peace. He said that Afghans need to show a strong resolve to settle their issues through a collective approach.



He underscored that the global environment, as we see today, is very interesting in the sense that all the justice, the law and world organizations are there to serve the interests of the rich and the powerful. The rest of the people are just supposed to support this coercive system. Hence, people now tend to look towards China in terms of dispensation of justice - be it social justice or economic justice, Lt. Gen (R) Malik added.

While unpacking the idea further, he explained that economic justice means sharing global resources as it is an irony that today even the resources of the poor countries are being managed and exploited by the richer countries. For instance, the richer countries decide how to use and develop the resources that belong to poor countries and that is how geo-economics is developing and evolving, he argued.

“Though the perception at present is very negative about Pakistan in Afghanistan. However, perceptions are always built through very well-planned campaigns” said the retired Lt. General, while adding that the enemies of Pakistan and Afghanistan could be behind such perceptions. We need to understand that there are forces that do not want to see peace in Afghanistan as they are beneficiaries of the conflict, he concluded.

We have a golden opportunity in the form of the vision of the Chinese: The BRI and CPEC are a cake-on-the-plate for the region as right when Afghanistan is transitioning into peace, their concept has started maturing. The doors of opportunity are open for Afghanistan and beyond, which is fortunate for the region.  
- Lt. Gen (R) Asif Yasin Malik

## Afghanistan Perspective

### Mr. Intizar Khadim

Director General, Center for Development and Peace Studies (CDPS)

Afghanistan has always been an epicenter of global politics. In the context of regional connectivity, trade and existential threats and politics, the future of Afghanistan is the first thing that comes in our minds. We all know that Afghanistan is an important country, being at the crossroads of regional connectivity but many seem oblivious of the level of the pain that the Afghan people have endured. Knowing that is important to understand its impact on the people of the region including in Pakistan, India, China and Russia, according to Mr. Khadim.

In terms of opportunities, we have to think of the future instead of engaging ourselves in blame games. We cannot change geography, but we can create a new history based on friendship and partnership. We all face the existential threat of terrorism, which has been a factor in stopping the Chinese from implementing the idea of Belt and Road Initiative (BRI), developing the Gwadar Port (Pakistan) and other initiatives. It halted Russian regionalism and reduced the Iranian influence in the region as well. All of these are somehow linked with the situation in Afghanistan.



Some 18 years ago, we were informed that the United States (US) was entering into Afghanistan to ensure human rights, to bring democracy and to ensure a sustainable and stable economy in addition to crippling and paralyzing the Al-Qaeda and those who harbor them. After 18 years, one may observe what is happening in Afghanistan; the state of Afghanistan's electoral process and the Taliban group having multiplied into further 21 terror groups. According to Hanif Atmar, former National Security Advisor, about 65% people in Afghanistan live under the poverty line.

After spending \$134bn on development for 18 years, we have a parliament, hold elections, have the freedom of speech, and representatives around the world. Yet, the Transparency International (TI) termed us as the most corrupt country after Somalia and North Korea. The World Bank listed us as the worst country to invest in, and Gallop International says that we are a country where only 25% of people believe in the justice system. These are not mere statistics but the depiction of a dim picture we live in.

When we say that Afghanistan is stationed on the crossroads, between South Asia and Central



Asia, this situation of Afghanistan would have its impact for the whole region. Hence, the option is both in our as well as in your hands and either we can embrace the challenges, recognize them, and find the solutions or be ready to live with it while allowing it to get worse irreparably.

In the year 2003, when Tommy Franks, the commander of CENTCOM, was asked in the US Senate to explain the post-Taliban governance modality, he retorted that we have to cripple the Taliban first and then think about the governance modality. How ironic this approach was as we don't launch even a small project without a thorough SWOT analysis but here the future of an entire country was being jeopardized without proper homework. As a result, money was poured into the pockets of those that do not believe in democracy and an anarchistic military democracy was imposed on people. Hubris and arrogance prevailed over logic. Gen. Daniel Bolger, in his book 'Why we lost,' presents the same reality that instead of winning the hearts and minds of people, reliance was made on the use of guns.

**Today's Afghanistan is witnessing three types of proxy wars; 1) a political one between India and Pakistan; 2) a religious one between Iran and Saudi-Arabia; and 3) an economic one between the US and China. The damages Afghanistan has suffered due to these are a lot.  
- Mr. Intizar Khadim**

Finally, we come into the Khalilzad era and into the elections. Khalilzad has been an angel of optimism for us, but his modality of negotiations has been too sneaky. It has been one-sided with absolute exclusion of the Afghan government. Vague roles for regional countries made it even unworkable as there has been no written framework about the role of Pakistan, Iran, China and Russia. We need to ponder over the questions such as why 93% of global drugs are cultivated in Afghanistan, and how the Helmand province produces 48% of the 93% of the global drug. When one ounce of drug can amass a profit 6 times higher than the original price, then it could be quite understandable why war in Afghanistan sees no end. The link between the dynamics of drug and war must be revisited and responded to. If instability in Afghanistan is allowed to continue, China cannot implement BRI, Iran cannot feel safe and Russia cannot be free from the fear of terrorism.

Dr. Ashraf Ghani, in his book 'Fixing Failed states', wrote that 10 million people in Afghanistan are jobless and 7 million are living in hardships. About 71% of the jobless people are under the age of 34 which is an ample human resource for war. There is an unclear strategy for war and peace by the international community that has resulted in our sufferings. The ills that have crept in our society could be fixed provided a right vision is applied.

China, with its globalist agenda, spent only \$250 million in the rehabilitation of Afghanistan but

expects that it should be a safer country, playing a role in BRI and make regional gas pipelines. It is also expected to become the hub of trade transit, and along with the development of Gwadar and other corridors to be materialized. This meager investment may not help in achieving such big objectives.

China has been the largest importer and exporter since 2013, and by 2025, it could be the world's number one economy. Hence, it must not ignore Afghanistan in order to secure its objectives through BRI. The sufferings of Afghanistan are now not just the Afghans' pain and, hence, should be seen as a regional and global concern. In 2009, China announced \$10billion loan to its partners but Afghanistan has been nowhere in such plans. Afghanistan and its people are left alone with their drug problem, terrorism, political upheavals, dwindling economy, crumbling agreements, and all the other problems on the face of the earth.

This situation must be revisited by all the countries in the region to help Afghanistan fight terrorism of different kinds. Pakistan, Afghanistan, Iran and Qatar all have their own pieces and slices on the table, so we need to incentivize them. As a next door neighbor, Pakistan needs to change its definition regarding Afghanistan, which is still an issue, as anything which happens in Afghanistan, there is a perception in Afghanistan that Pakistan is behind it.

No matter who we are, we have the same destination as we are global citizens, and we are human beings. We need to work for a greater region and Afghanistan needs support from the regional and global players to stand on its own feet. The problems of Kabul are not exclusive in nature. All regional countries share the risk as the instability in Afghanistan will have negative spill-over effects across the region, if left unresolved. No country in the region should be excluded from its future development. All regional countries, including Pakistan, Iran, India and Qatar, should be incentivized with a role to play in the region. We are all embarked on the same ship while sharing the same destination. Hence, how we interact with each other during the journey will determine the course of our voyage, concluded Mr. Intizar.

## Chinese Perspective

### **Mr. Zhou Shuai**

Lecturer at Beijing International Studies University, China

The Belt and Road Initiative (BRI) is the global vision of infrastructural connectivity and a conception of the 21st century multi-polarity. The initiative is one of the most significant game-changing endeavors ever attempted in contemporary times. The economic pull of BRI works as



an irresistible magnet to exploit its regional connectivity in stimulating the trade objectives as it furthers bilateral trade with China such as the European Union (EU), Mideast, and African states which may naturally be interested. Besides, it procures an expedient outlet to the Indian Ocean such as how may be desired by Russia and the Central Asian Republics (CARS). Hence, the BRI ensures regional as well as global economic development.



The BRI/Maritime Silk Route initiative of China is worth more than 900 billion USD. With 20 countries involved in the project, BRI/Maritime Silk Road will provide access for China's domestic overcapacity and capital for regional infrastructure development, according to Mr. Zhou.

While responding to various misperceptions about the Belt and Road Initiative, Mr. Zhou contemplated that, in contrast to the common perception, China is not the center of BRI. Instead, it wishes to provide an economic network where every country is equal as it is open for everyone to join and is purely an economic venture and not one which is security driven.

A big country like China, unlike the western world, should take some responsibility for the world, through some public goods. So, the Belt and Road Initiative is like a public good. It is not only the network of Europe and Asia continents but for every country that could be linked with it and it is open to the American and African countries to be a part of it.

**The BRI is based on two cardinal principles; firstly, we don't want economic cooperation to be politicized. Secondly, Chinese foreign policy is based on non-interference in the domestic affairs of any country. It revolves around connectivity through infrastructure like roads and international ports for trade and economic connectivity.**  
- Mr. Zhou Shuai

Elaborating this argument further, Mr. Zhou emphasized that BRI is not an exclusive product and China would welcome if the United States decides to join it. The project has to face a number of challenges that include some internal as well as some external reasons. While presenting the details on external factors, he said that the political chaos that the world has witnessed during 1945-1991 still has its adverse effects. During the Cold War time, the Soviet Union and the United States as well as their allies were confronting each other and the prospects of a more peaceful world were being expected at the end of this era. However, living together peacefully proved to be an illusion and so is the case with our dream of focusing on developing our economy.

Mr. Zhou said that unfortunately, still our world is full of chaos and the situation in Afghanistan, Iraq, Ukraine, Syria, and many other parts of the world depict this sad reality. "We have to confront with another reason, which is economic and is resulted by the global financial crisis that erupted in 2007-2008," he said while explaining that once a country's economy has failed, its government would not be able to collect enough tax. Hence, the public spending and infrastructure would remain inadequate and the lives of the people couldn't be improved, he said.

"Trade protectionism that prevails nowadays is a serious problem as trade should be free," said Mr. Zhou while terming it as a challenge which weakens the environment of market. He explained that there is a so-called China threat as some elements argue that China will threaten the environment of the world economy. Likewise, he said, some countries share fears such as that China may colonize them; hence, China needs to resolve these issues in order to enable people and countries to understand our policies. He further added that this so called threat has some real negative impact; therefore, such perceptions need to be redressed as China does not want to control any country. China wants to live in peace with all and more connectivity and communication through BRI could help in spreading this message, he said.

Mr. Zhou said that although, there are a number of cooperation plans made by many countries but all of these plans are of regional nature. On the contrary, he said, China's proposed Belt and Road Initiative is broader that includes continental and oceanic countries in its design. This idea is not new as, since ancient times, there had been a Silk Road as a peaceful route for providing people an opportunity to exchange their culture and trade various products including food items, he said.

"Another important aspect is that China is not a center in BRI and instead, the project could be termed as a network, in which every country is equal with mutual benefits," Mr. Zhou said while adding that both China and other countries can fully benefit from BRI. He underlined that China doesn't want economic cooperation to be politicized and in addition to that, Chinese foreign policy is based on non-interference and hence, would always keep itself distant from domestic affairs of any country.



## Q & A Session

The participants of the conference, representing academia, civil society organizations (CSOs) and media, made productive contributions in the discussion during the question and answer session. They raised questions about the nature of power struggle in Afghanistan, Chinese trade policy and other related issues.

Mr. Zhou Shuai, while responding to these questions, reiterated that a principle of China's foreign policy is not to interfere in the domestic affairs of other countries. Mr. Intizar Khadim, in response to another question, stated that there have been a number of proxies in Afghanistan; however, it could be hoped that the constructive engagement of the various regional stakeholders could result in creating balanced relationships.

Some of the participants asked the panelists to shed light on the impact of the trade war between the US and China, about elections in Afghanistan and the dialogue with Taliban. In response, Mr. Zhou stated that there was no trade war between China and the US while Mr. Khadim was of view that for Afghanistan to emerge as a strong republic, the country needs a representative democracy and elections in a peaceful environment. The audience also shared their viewpoints on trade routes, BRI, and connectivity of regional countries through different trade corridors in the region.

Mehnaz Akbar Aziz, a member of the Parliament offered the following observations:

"I have two points here; first point is that we have missed out talking about the elephant in the room which is India, and consequently we have mistrust between Pakistan and Afghanistan. Whenever we have to talk to our Afghan counterparts, we are faced with a lot of mistrust, and towards the end of your presentation, you have reverted to the point that if anything goes wrong in Afghanistan, Pakistan is blamed. I don't agree with that, because it's not about Pakistan and Afghanistan only, there is India as well and the role which it plays, and our fear is of Afghanistan becoming a proxy for India to deal with Pakistan, which is a big question mark and I would like to hear your comment on this."

In response to this and another question about proxies, Mr. Khadim talked of three types of proxies; "one is political proxy which is between India and Pakistan, second is the religious proxy between Iran and Saudi-Arabia, and third is the economic proxy between US and China. Afghanistan should do something by itself to stop it, but we also remember that Afghanistan is a newborn baby. Just 18 years ago in 2000, we started democracy and we started to slowly understand how to walk along with the support of the donors and international community. I do understand that good things have happened between Afghanistan and Pakistan, but bad things also happened and there are black and white chapters. Sometimes in my speeches around the regional world when I go there, some people say jokingly, that there are 30 million factories in

India, if just one person from Afghanistan works in one factory, entire Afghanistan will be in India. But comparing to that economy of India, we have little or nothing. India is not as generous as it should be, and the damages we suffered due to these proxies is a lot. So India should be more generous and open in its support than it is right now. So, of course, we have problems, but I would suggest two solutions: one is the state-to-state solution i.e., state policy makers should unravel the complexity of both states, and secondly, unless we promote people-to-people relationship between Pakistan and Afghanistan, including the relation between the young generation, sisterhood between the universities and think tanks, and traders, we will still be suffering, may be for half a decade or a decade, he said.



## Session II

The second session focused on other vital aspects of regional connectivity and prospects of peace and stability in the region. Ambassador Ayaz Wazir, who was the chairperson for the second session, said that the peace process in Afghanistan must be initiated without any further delay. He said that we cannot expect regional connectivity when the gateway (Afghanistan) is closed. Restoring peace in Afghanistan is certainly in the interest of Pakistan more than any other country as only peace can ensure the ushering of an era of economic activities, he affirmed.



Ambassador Wazir said that if peace returns to Afghanistan, we benefit a lot. The main projects such as TAPI and CASA-1000 cannot be materialized if there is no peace in Afghanistan. He further said that when peace will return to Afghanistan, these projects could immediately be started in addition to other economic activities. Unfortunately, the great powers or P5 are not paying enough attention towards restoring peace in Afghanistan. Instead, they are more interested in their own economic interests. Such powers are not worried about the human rights violation of the Kashmiri people or for the economic deprivation of the people of Afghanistan and Pakistan, by denying peace to Afghanistan, he stressed.

Ambassador Wazir said that the concerns raised by the West over the Belt and Road Initiative have no justification as a complete silence has been witnessed on the international financial institutions plundering the poorer nations since decades. However, he said, the BRI is revolving around the security of China too; while not militarily, but economically, and the best kind of security a country could maintain is economic security. The main beneficiary of BRI will be China and other countries will only become a part of that development, he concluded.

## Pakistan Perspective

### Asif Durrani

Former Ambassador, Pakistan

Afghanistan needs a leadership with the ability to gather all tribes and factions under one flag. It also needs to revive the Jirga system at the national level for peace and development. In contrast, what is being imposed on Afghans are Harvard-styled models that look good in theory but have

failed miserably in reality. The country needs indigenous solutions, catering to the local needs which are effective and sustainable. Had it not been for the Cold War, there would not be turmoil in Afghanistan today.

Ambassador Durrani said that Pakistan and Afghanistan have indeed a symbiotic relationship and cannot be separated from each other. The fact that Afghanistan is the only country in Pakistan's neighborhood where 60000-70000 Afghans straddle the Pakistani border without documents substantiates this reality. This facility is not available to Afghans anywhere in their neighborhood whether it is Iran, Turkmenistan, Tajikistan or China, he said.



Likewise, Pakistan has not given this facility to any other neighbor, Ambassador Durrani underpinned. As far as connectivity is concerned, Pakistan has always been a trade route for Afghanistan and it continues to be so. Although, India has tried hard to bring up Chahbahar port but keeping in view the fact that it will take 18-20 days from Kandala port in Gujarat to Chahbahar to Zaranj to Kandahar and to Kabul, makes it unfeasible.

He pointed out that there are some contradictions on the part of Pakistan as well that need to be addressed. For instance, he said, in Pakistan we claim that we are at the confluence of South Asia, Central Asia and the Middle East but at the same time, we contradict ourselves by excluding India.

Ambassador Durrani, while mentioning the different aspects of regional trade and trade routes, termed instability in Afghanistan as a big hurdle in availing this local connectivity. He said that it is for this very reason that the projects such as TAPI and CASA 1000 have remained in limbo. Restoring peace in Afghanistan would be a key to remove all such hurdles and peace could be achieved only through intra-tribal Jirgas in Afghanistan, he concluded.

**Ambassador Durrani stated that the two countries are in a symbiotic relationship. So, politics and polemics apart, the two countries, as President Karzai used to call it, are like Siamese twins and cannot be separated. That is true because Afghanistan is the only country in Pakistan's neighborhood where 60000-70000 Afghans straddle the Pakistani border without documents. This facility is not available to Afghans anywhere in their neighborhood whether it is Iran, Turkmenistan, Tajikistan or China.**



## American Perspective

### Mr. James Schwemlein

Former US Diplomat and Scholar at the Carnegie Endowment for International Peace

The US has many lessons to learn from its military intervention in Afghanistan. The leverage it had earlier could have resulted in a better deal with the Taliban in the past than it has now, said Mr. Schwemlein.



The first lesson to learn is that the US leverage to reach a comprehensive peace agreement to attend the conflict is a deteriorating asset. The United States could have made a better deal in 2001 or 2002, after the initial intervention than we could have made in 2010 or 2011, at the peak of the US and NATO military presence in Afghanistan. By extension, we could get a better deal today than we would be able to get tomorrow, he said.

Mr. Schwemlein said that the second lesson for the US is that ultimately this conflict is going to be resolved among Afghans. Neither the United States nor any other state can impose a resolution to the Afghan war. Hence, overcoming the Taliban's opposition to engaging with Kabul is vital and urgent to anyone who supports a peace process. In this regard, the Trump Administration deserves credit for being willing to try to negotiate a path to direct, intra-Afghan talks, he added.

Likewise, the third lesson is that the Afghan political structure has to match with local realities. In retrospect, it is clear that the 2002 Bonn Framework was deeply flawed. "It seems likely that a more decentralized system would be more appropriate, but determining the nature of that system has to be a matter resolved in intra-Afghan talks," he argued.

The fourth lesson for the US in particular is that we need to be more deliberate in matching our end objectives with the means we use to pursue them. In Afghanistan, we pursued multiple objectives that shifted over time, and resourced the effort to achieve those objectives inconsistently, he said. The US has suffered from having unclear objectives which were failed to be articulated as well as resourced. Today, the world is moving into a new geographical market and it is championed by China where Asia is the new economic center of gravity, and Pakistan is at the cross-roads of this regional economic connectivity. He pointed out that these realities need to be acknowledged.

Mr. Schwemlein said that we can work together for a favorable conclusion to the Afghan conflict, or at least a more constructive next stage to the crisis that is favorable to Afghan, Pakistani, and US interests. He underpinned that the intra-Afghan negotiation that must occur to resolve the conflict is far more important and that is where the US and Pakistani cooperation will be more necessary than ever in this process. He added that such progress is only going to be possible if Pakistan fulfills its commitments to cease supporting militant and terrorist proxies that threaten its neighbors.

Moreover, Mr. Schwemlein said that he doesn't see the growing competition between the US and China as a grievance in the US-Pakistan relationship. The respective efforts of China and the United States in Pakistan will sometimes be competitive and other times, complementary. We may hope that Pakistan conceives of such a poly-alignment scenario as the preferred course of action, and that Pakistani leaders avoid becoming dependent on only one power relationship in the years ahead, he said.

But more broadly, Mr. Schwemlein stated, he is hopeful that we can find a positive economic basis for this relationship moving forward. We ought to talk about the market economy and the future of the trade and economic relations. There continues to be a deep potential for a strong relationship between the US and Pakistan, if we choose to seize it together, he concluded.

**More than 857,000 Americans have served in Afghanistan in the last 19 years, particularly in the military, because of their fast deployments in the war and, I point out, that the US would have spent a trillion dollars. I think we could have given each Afghan something like 35000 US dollars to stop fighting, if we knew we were going to be in this war for 20 years.**

**- Mr. James Schwemlein**

## Regional Connectivity: Reality or Pipe Dream?

### Haroon Sharif

Former Minister of State and Chairman of Pakistan's Board of Investment (BoI)

Pakistan has a geographical edge over other regional countries. However, the problem with this is that Pakistan has outsourced its thinking either to China or the International Financial Institutions (IFIs). Likewise, Pakistan's diplomats are great, but they need to be sitting in Beijing, Kuala Lumpur and Tashkent, rather than in Geneva and New York. The emphasis on



trade and connectivity should be shifted to trade and 'investment'. When there is investment, only then are there mutual stakes and the desire to work together.

Mr. Sharif underpinned that a new economic geography is rapidly shaping up around us which is leading to a departure from the years of globalization. Now the growth is beginning to concentrate around sub-regions where proximity plays a vital role. He said that it is critical thus for the countries in South, West and Central Asia to learn from what happened in Europe and how the ASEAN countries were developed. It is the economic agents who leveraged the advantage of proximity and opened up large markets closer to them - this is what is happening over here with the Belt and Road Initiative, he highlighted.

With the globalization and information revolution, Mr. Sharif said, the markets and the number of people in the markets have become very relevant because the larger the market is, the more resilience it has in an increasingly volatile world. Thus, it is important for countries to make relevant policies and institutional changes to strengthen economic diplomacy in partnership with the private sector. "One of the fundamental institutional flaws in this emerging geography is that all the dialogue forums are led by either security or foreign policy lenses," said Mr. Sharif. He elaborated that Pakistan, western China, Afghanistan and a few countries of Central Asia have half a billion people. Thus, the question arises that how can we ignore a market of half a billion people where 50% of the population is below the age of 35.

Mr. Sharif said that keeping in mind the geo-political shifts in a multi-polar world, we can see two sub regional blocs in this region for the next 15-20 years. One will be Pakistan, Afghanistan, Iran, China and Central Asia whereas the other would be India and eastern countries of Bhutan, Nepal, Bangladesh and part of Sri Lanka because that is where the sub regional forces are moving to. Whenever any region moves towards forming a new market, he said, somebody has to assume the leadership role. This emerging regional market will be championed by China which will be the driver of change.

South Asia is growing very handsomely for the past 10 years. Bangladesh's growth rate is touching 7%; India's is between 6-7%; and Sri Lanka's is almost touching 5.8%. It is Pakistan which went into a chronic balance of payment crisis and its growth rate went down to 3%. So, the question to everyone in the new market is what does South Asia need to catch up with to reach the the level of East Asia? If Asia is the new economic center of gravity, what do we do to catch up? "It is interesting that other than Pakistan, South Asia has been growing rather impressively in the past 10 years," said Mr. Sharif, while presenting the details that Bangladesh's growth rate is touching 7%, India's between 6-7%, and Sri Lanka's almost touching 5.8%. He said it is Pakistan which went into a chronic balance of payment crisis and it went down to 3% growth. Countries need to learn from growth models and understand that trade is a fragile instrument which could be stopped with the stroke of a pen, he added.

**South Asia is growing very handsomely for the past 10 years. Bangladesh's growth rate is touching 7%; India's is between 6-7%; and Sri Lanka's is almost touching 5.8%. It is Pakistan which went into a chronic balance of payment crisis and its growth rate went down to 3%. So, the question to everyone in the new market is what does South Asia need to catch up with to reach the the level of East Asia? If Asia is the new economic center of gravity, what do we do to catch up?**

**- Mr. Haroon Sharif**

He opined that we should not overemphasize trade and connectivity and focus more on trade and investment. If you have mutual stakes among the region, that leads to sustainable economic development and stability, he said. The other critical point to note is that the developing countries do not have the capacity to undertake large projects like TAPI or CASA-1000. Thus, we need to work on smaller transactions which will inspire confidence among people to scale up these initiatives, he suggested.

Mr. Sharif stated that we have paid a huge transaction cost by talking about these mega projects through international financing. We need to understand the political economy of international institutions and whose interests they serve. Similarly, enough time has been spent on increasing India-Pakistan economic cooperation and we may leave it aside for the time being and look for more practical options. There is huge amount of liquidity available in Arabian Gulf countries and China. He suggested that Pakistan and other smaller countries will have to invest in capability enhancement and come up with economic value propositions acceptable to investors.

"Pakistan's private sector has the managerial capability to deliver this proposition", he said and underpinned that Pakistan's current state institutions lack competence. Therefore, we should ideally look for a public-private partnership model to actually bring expertise to deliver which all of us have talked about, he explained.

He pointed out that there are practical transactions that could help Pakistan and Afghanistan strengthen connectivity in the region. Both countries should use the Rashakai Special Economic Zone as a regional opportunity and work on Torkham to Jalalabad-Kabul-Dushanbe motorway. This will connect Afghanistan and Tajikistan with Pakistan and China, he explained.

Mr. Sharif said that the private sector should be given the lead to achieve these objectives instead of useless state to state economic dialogues which lead to nothing but piles of paperwork. The key question is about Pakistan's leadership to steer these projects and their ability to influence China to put money behind it, he emphasized.

He underpinned that China has been respecting the rules of the global institutions so far but the heightened trade war between US and China is perhaps putting pressure on China to revisit it. For us, he said, we need to look towards Russia, Afghanistan and China as well as at very doable transactions which can be owned and sustained by people of these countries. We have fragmentation of institutions in Pakistan and Afghanistan and unless the leadership at the highest level takes the ownership of these matters, things will not be coordinated, he explained.

Mr. Sharif said that if we just delegate this to foreign offices, economic affairs division and the ministry of finance, we will get the same results which are being seen so far. Therefore, we need to rise above it and bring our best resources together and, thus, may hope for the market to emerge much rapidly. Therefore, it is up to us to fast track this transition towards shared prosperity, he concluded.

## Q & A Session

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The round of questions and answers at the end of the second session focused on geo-politics, terrorism, Afghan peace process, and the future of regional connectivity. In response to a question related to Kashmir, Mr. James Schwemlein emphasized on the need to improve the livelihoods of people on the ground, both in Afghanistan and Kashmir. To a question regarding peace in Afghanistan, he responded that a big mistake made in dealing with the conflict in Afghanistan was the failure to acknowledge and understand the ground realities.

Mr. Haroon Sharif, in response to another question, said that the international financial architecture is already changing and, in the last 5-6 years, almost seven new institutions have emerged, including the China-led multilateral institution i.e., Asian Infrastructure Investment Bank, which, in terms of money, is larger than the World Bank. In addition, there is the Silk Road Fund and the BRICS bank, he added. However, the problem is that, as a regional institution, they have not yet started taking a bigger role to develop the markets, Mr. Sharif explained.

In response to a question on Daesh's presence in Afghanistan, Ambassador Durrani remarked that several factors influenced Daesh's presence in Afghanistan. Mr. Schwemlein, in response to query about the Afghan peace process, said that he was hopeful that the US administration would return to the table pretty quickly and negotiations with Taliban will be resumed. However, we need to focus on a proper set of issues, he stressed.

While responding to another question, Mr. Schwemlein said that the US had no policy aimed at containing China. China is more involved in the daily lives of the Americans than any other country in the world, he said. China's growth story depends in large part on the purchasing power

of the United States while US consumers also depend heavily on Chinese products. Hence, the two countries' destinies are interlinked, he remarked.

In response to another question, Ambassador Asif Durrani ruled out any role of Daesh in the Afghan peace process or in Pakistan. "There is no role for Daesh. But when you look at the situation and it also depends which side of the divide are you when you talk about Daesh. For instance, Taliban say that when we were fighting the Daesh, our positions were, in fact, attacked by American aircrafts and the Russian foreign office is on record saying that Daesh were paratrooped in fact through helicopters in Afghanistan."

"My question is that what nationality do they belong to? If they are non-Afghans, then certainly they would be exposed. Certainly there would be more bloodbath and I think then there will be calm. But if they are from Afghan ranks, let's say predominantly from Taliban. Then again there will be a bloodbath and that would show that the Taliban movement is fragmented and then their claim, which is accepted internationally also, that they have a control of 50% of Afghanistan and they contest another 20% of the country, then that would be false. Their number so far ranges from 7000 to somewhere 20000 depending on who has researched and depending on what international community has talked or written about. So I don't think that Daesh would come to the level of which we saw in Iraq and Syria in Afghanistan and then they won't be able to establish their rule. The reason being that in Afghanistan itself, it's this sprinkling of the tribes. So the old tribes will have to be vanquished or they have to surrender for that. I don't think it will be acceptable to any of the tribes," said Ambassador Durrani.

One of the participants asked Mr. James Schwemlein as to whether the fracturing of democratic institutions within the United States could be linked to Afghanistan and why the United States continues to view the conflict in Afghanistan from a Cold War lens.

Mr. Schwemlein responded by denying this impression. "I don't think that changes in the administration or the personnel have dramatically affected US policies towards Afghanistan from a Washington perspective. Actually, it is a lesson I would take from US approaches that changes in the personnel on the ground are critical. If our soldiers were deployed for six or nine months, it was impossible to have any continuity of relationships of local knowledge in that kind of situation. We tried to have a variety of mechanisms to instill expertise and cultivate that. But ultimately, I would say that our failure of system was not a political leadership one. But the bigger failure was the failure to acknowledge that we understand in the first place. Our system did not enhance our understanding of the ground realities, he said.

To the trilateral cooperation, I would totally protest the notion that we take Cold War into perspective. Not anymore, said Mr. Schwemlein. I mean we spend tons of times trying to engage

Moscow in Afghanistan. The Russians enabled the Afghan War initially and continue to be a vital supply line for NATO and for the United States at the helm of Russia-NATO council, which collapsed after Russian invasion of Crimea and Ukraine, he said.

On the China part, I would say that the first ever US-China joint development projects anywhere in the world were in Afghanistan, training Afghan diplomats, nurses and agricultural specialists, where the mutually selected beneficiaries would go to Chinese institutions for two weeks and then come to United States for two weeks and vice versa. We would alternate annually. That's the first time that ever happened. We tried to have a dialogue which then led to quadrilateral dialogue that included Pakistan. So it's a reality that the United States has been just more interested in seeing Afghanistan as an area convergence, starting back in 2002 when we co-sponsored the listing of East Turkestan conflict in UN. You know in response to Chinese concerns, the United States has no interest in the Chinese side participating in the Afghan effort, Mr. Schwemlein said.

## CRSS Seminar at Quaid-i-Azam University

The Center for Research and Security Studies (CRSS) organized a seminar the next day at Quaid-i-Azam University (QAU) on the same theme - "Afghanistan, Regional Geo-Politics and Trade Connectivity".

Speaking at the seminar, Mr. Intizar Khadim was of the view that United States came to Afghanistan for four key reasons i.e., to uphold human rights, to cripple Taliban and Al-Qaeda, to install democratic institutions, and to ensure economic development. Though, after 19 years of war, not a single goal seems to have been achieved. We all embark in the same ship. We have the same destination. How we interact with each other in the ship will determine the course of our voyage, said Mr. Khadim. "I would recommend to the world community to not exclude any country; neither Pakistan, nor Iran, nor India, and nor Qatar. Incentivize them and utilize their role in the region," Mr. Khadim proposed.



He further enunciated that Afghanistan has always been at the center of geo-politics as it lies at the cross-roads of regional connectivity. In this age of connectivity, a new term has emerged recently i.e., 'glocalized' - not to be mixed with 'globalized,' he clarified. Today's human is global and local at the same time. So, there has to be a mixed approach; just imposing an alien approach to an indigenous problem won't solve issues; it has not worked so far, particularly in Afghanistan. The problems of Kabul are not exclusive in nature; all regional countries share the risk. As no one can live in isolation, the instability in Afghanistan will have negative spill-over effects across the region if not curtailed.

Giving the Chinese perspective, Mr. Zhou Shuai, Lecturer at Beijing International Studies University, China, enunciated that the Belt and Road Initiative (BRI) is the global vision of infrastructural connectivity and a conception of the 21st century multi-polarity. It would not be an exaggeration to state that it is one of the most significant game-changing endeavors to ever be attempted in the contemporary times. The economic pull of BRI works as an irresistible magnet



to exploit its regional connectivity in stimulating the trade objectives, whether it is furthering bilateral trade with China such as the European Union (EU), Mideast, and African states may naturally be interested in, or in procuring an expedient outlet to the Indian Ocean such as what Russia and the Central Asian republics desire. Hence, through this endeavor, the BRI ensures regional as well as global economic development, Mr. Zhou said.

Further, BRI/Maritime Silk Route initiative of China is worth more than 900 billion USD. Over 20 countries involved in this grandiose and striving project - BRI/Maritime Silk Road - will provide access for China's domestic overcapacity and capital for regional infrastructure development. Mr. Zhou also shed some light on the misperceptions about Belt and Road Initiative (BRI). He stated that in contrast to the common perception, China is not the center of BRI; it wishes to provide an economic network where every country is equal. It is open for everyone to join. Secondly, it is purely an economic venture, not one which is security driven, he explained.



Explaining the US stance on the regional dynamics and the Afghan war, former US diplomat Mr. James Schwemlein stated that the US has many lessons from its military intervention in Afghanistan, one being that its leverage is now a deteriorating asset; it could have made better deals with the Taliban in the past than it is in any position to do so now. Further, the US has suffered from unclear objectives which were failed to be articulated as well as resourced.

"I hope that we can form a positive relationship which is favorable to Pakistan, Afghanistan and US' interests. I hope we talk about market economy, climate change, education, and find more ways to work together," he concluded, nevertheless.

Further, CRSS team urged the youth to think critically rather than sticking to the cliched narratives. Towards the end CRSS and the School of Politics and International Relations (SPIR), QAU, reinforced the need for more of such informed discussions and critical enquiry, and pledged to jointly continue this tradition of rational conversation in the future as well.

## Recommendations

- The connectivity role of Afghanistan should be revived and the BRI and CPEC should be seen as a window of opportunity to achieve this objective.
- By learning from past mistakes, a forward-looking approach should be adopted to create a win-win situation for all countries in the region.
- All tribes in Afghanistan should be engaged through Jirgas to resolve intra-tribal conflicts.
- Democracy in Afghanistan needs to be established as a system truly representative of the Afghan people.
- Resumption of talks with the Taliban should be considered as the key to restoring peace in Afghanistan.
- For sustainable peace in the region, human rights violations of Kashmiri and Afghan people must be stopped.
- The US should play a constructive role in ensuring stability in Afghanistan.
- The link between the dynamics of drugs and war must be revisited and responded to.
- The global stakeholders need to come up with solutions to reduce unemployment in Afghanistan.
- Investment in Afghanistan should be enhanced in order to secure the objectives of BRI and other international projects.
- There should be a clear understanding that peace in Afghanistan is not going to be achieved at the end of a drone strike or at the butt of a rifle.
- Finding solutions to the conflict in Afghanistan should not be delayed any further.
- The deficiencies in 2002 Bonn Framework should be properly addressed.
- The issue of Kashmir should be seen as a matter of human rights and political freedom.
- The Belt and Road Initiative should be seen as a contributor for the public good.
- The presence of trade protectionism should be reconsidered as it proves to be a serious issue keeping in view the principle that trade should be free.
- BRI should be seen as an initiative that ensures shared prosperity, love, and peace for all stakeholders.
- China needs to promote BRI proactively by setting and presenting good examples and models to attract more countries to join it.
- Emphasis should be placed on trade and investment instead of trade and connectivity.
- Regional stakes should be increased as a solution of growth and stability in the region.
- Pakistan should focus on a public-private partnership model to enhance its capacity regarding the state of competitiveness.
- For enhanced regional connectivity, a transaction of Torkham to Jalalabad-Kabul-Dushanbe motorway should be revived.

- Doable small-scale transactions should also be worked upon which can be owned and sustained by the people of the countries in the region.
- No country in the region should be excluded, and Pakistan, Iran, India, and Qatar should be incentivized to play their roles in the region.
- Issues such as market economy, climate change, and education, should also be discussed while finding solutions for regional peace.



## Profiles of Chairpersons

### **Lt. Gen (R) Asif Yasin Malik**

Lt. Gen (R) Asif Yasin Malik is a fourth-generation soldier who joined the Pakistan Army in 1973 as an infantry officer. He has undergone one-year training in Germany and served in Saudi Arabia for two years. He remained as the Brigade Major (S-3) of an infantry brigade, Chief of Staff of a Strike Corps apart from being on the faculty of Command and Staff College. He has also acted in a joint capacity by serving as the Director General Joint Intelligence and Information Operations in The Joint Staff Headquarters and a Director General in Inter-Services Intelligence. He completed his service and retired from active duty in December 2011. He was appointed as Secretary of Defense in July 2012 and completed his tenure in July 2014. Lt. Gen (R) Yasin has a Master's degree in Strategic Resource Management from National Defense University, Washington, DC.

### **Ambassador Ayaz Wazir**

Ambassador Muhammad Ayaz Wazir (Retd.) is a career diplomat who joined the Foreign Service of Pakistan in 1974. He served the Ministry of Foreign Affairs, Islamabad and Pakistan Missions abroad at Vienna, Maputo, Dubai, Riyadh, Mazar-e-Sharif, London, Manchester and Doha. While serving at the Ministry of Foreign Affairs as Director General (Afghanistan, 1997-2000), he was selected as member of the Prime Minister's Mission for shuttle diplomacy between the Taliban and the Northern Alliance to bring them to the negotiating table for a peaceful solution of the problem in Afghanistan. Ambassador Wazir represented Pakistan in the OIC's Committee on Afghanistan (1999-2000) at meetings with Heads of States/Governments of Iran, Pakistan, Saudi Arabia, Tajikistan, Uzbekistan, and the UN Secretary General to seek their guidance about efforts for resolution of the problem between the two warring factions in Afghanistan. Ambassador Wazir has a Master's degree in Political Science from the University of Peshawar.

## Profiles of Keynote Speakers

### **Intizar Khadim**

Mr. Intizar Khadim is a university Lecturer, political analyst and author. He has served as the Chief of Staff and Director of Strategic Communications for ILDG, the Director General of AGAH, Research Fellow with Amnesty International - Washington, and Humphrey Fellow for Executive Masters from Arizona State University. He is currently the Director General for Center for Development and Peace Studies (CDPS) for professional engagement in governance, peace and security affairs in Afghanistan and the region. Mr. Khadim writes for Pashto, Dari and English media outlets, and is a regular TV commentator for international media on Afghanistan, regional and international political affairs.

### **Zhou Shuai**

Mr. Zhou Shuai is a Lecturer at the School of International Relations at Beijing International Studies University, China. He is also a Senior Research Fellow at China Academy of Belt and Road Institute. He holds a PhD in Diplomatic Studies from China Foreign Affairs University. His research areas include China-South Asia Relations, China's Asia Diplomacy, Indo-Pacific strategy, and strategic trust in international relations.

### **Ambassador Asif Durrani**

Mr. Asif Durrani served as the Ambassador of Pakistan to the UAE from 2014 to 2016 and to Iran from 2016 to 2019. He joined the Foreign Service of Pakistan in 1986 and served in various other diplomatic postings in New Delhi, Tehran, New York, Kabul and London. Ambassador Durrani holds a Master's degree from the University of Balochistan in Quetta, and a Masters in International Studies and Diplomacy from the School of Oriental and African Studies, University of London.

### **James Schwemlein**

Mr. James Schwemlein is a nonresident scholar in the South Asia Program at the Carnegie Endowment for International Peace. He currently serves as a consultant for the World Bank on South Asia and as a consultant for private sector clients. Mr. Schwemlein is a former U.S. diplomat experienced in South Asia and U.S. foreign economic policy. Previously, he served as senior advisor to the U.S. special representative for Afghanistan and Pakistan with responsibility for regional diplomatic strategy and economic policy.

### **Haroon Sharif**

Mr. Haroon Sharif is a well-known global expert of economic policy, international development, economic diplomacy and financial markets who has negotiated transformational regional initiatives in South and Central Asia. He served as the Minister of State and Chairman of Pakistan's Board of Investment in 2018-19 and was Pakistan's Lead Representative for Industrial Cooperation in the Joint Cooperation Committee (JCC) of China-Pakistan Economic Corridor (CPEC). Mr. Sharif worked as the Regional Advisor to the World Bank Group for six years to promote Economic Cooperation in South and Central Asia.

## Program

<b>09:00 HRS</b>	<b>Registration</b>
<b>09:30 HRS</b>	<b>Welcome Remarks</b> by Mr. Imtiaz Gul – Executive Director, CRSS

## Session I

<b>09:40 HRS</b>	<b>Introductory Note by Chairperson:</b> Lt. Gen. (R) Asif Yasin Malik
<b>10:00 HRS</b>	<b>Afghan Perspective</b> by Mr. Intizar Khadim
<b>10:20 HRS</b>	<b>Chinese Perspective</b> by Mr. Zhou Shuai
<b>10:40 HRS</b>	<b>Q &amp; A Session</b>
<b>11:00 HRS</b>	<b>Tea Break</b>

## Session II

<b>11:15 HRS</b>	<b>Introductory Note by Chairperson:</b> Ambassador Ayaz Wazir
<b>11:35 HRS</b>	<b>Pakistani Perspective</b> by Ambassador Asif Durrani
<b>11:55 HRS</b>	<b>US Perspective</b> by Mr. James Schwemlein
<b>12:15 HRS</b>	<b>Regional Connectivity: Reality or Pipe Dream?</b> By Mr. Haroon Sharif
<b>12:35 HRS</b>	<b>Q &amp; A Session</b>
<b>12:55 HRS</b>	<b>Concluding Remarks</b>
<b>13:00 HRS</b>	<b>Lunch</b>



**About CRSS**

The Center for Research and Security Studies (CRSS) – founded in 2007 – is an independent think tank and advocacy center committed to the cause of independent research and nonpartisan analysis. As an advocacy center, CRSS is dedicated to trigger critical thinking through discourse anchored in global democratic values such as socio-political diversity, rule of law, equal citizenry, and acceptance of fundamental human rights.

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