



ISSRA

The Dynamics of Pakistan - Afghanistan Relations

International Seminar

16 - 17 Jan 2024



**INSTITUTE FOR STRATEGIC STUDIES, RESEARCH & ANALYSIS (ISSRA)
NATIONAL DEFENCE UNIVERSITY**



POST SEMINAR REPORT SPONSOR

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THE DYNAMICS OF PAKISTAN- AFGHANISTAN RELATIONS

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CONCEPT NOTE

The future of Pakistan and Afghanistan is intertwined, given their shared history, geography, and ethnic ties. There are many challenges and opportunities for closer cooperation between the two countries. At the current juncture, bilateral ties are at a low ebb. One of the significant issues impacting Pakistan-Afghanistan relations is the great power competition playing out in the region. Major Powers continue to view Afghanistan from competing angles. Even after withdrawing from the country, the US is heavily invested in Afghanistan, with hundreds of advisers still in the country. It is refocusing on Afghanistan from the security prism. Russia is showing renewed interest in the country it invaded in 1979, and China is steadily enhancing economic cooperation with the Taliban government.

Regional countries like Iran, Central Asian Republics and India wish to gain leverage in Afghanistan for different reasons. India is working to regain leverage, this time with the Taliban government, to facilitate its agenda to keep Pakistan destabilised and to convince Afghanistan to counterbalance Pakistan. Iran remains wary of terrorist threats along its eastern border while building networks for transit trade to Central Asia. Meanwhile, the Central Asian Republics view Afghanistan from economic and security perspectives, focused on trade and transit opportunities through Afghanistan.

The future of relations between Pakistan and Afghanistan depends on how the two countries manage their bilateral ties and rebuild trust. Pakistan had hoped relations would improve under the Taliban government; however, terrorist attacks by TTP operating from safe havens in Afghanistan have severely damaged trust. Pakistan's decision to return illegal Afghan refugees has further strained ties. Bilateral relations are at an all-time low not seen since the Karzai era. To move forward, Pakistan and Afghanistan must increase cooperation in critical areas, engage in high-level dialogue to address mutual suspicions and pursue regional solutions while balancing external interests. Rebuilding interdependence and trust between neighbours is essential to harnessing their potential and ensuring long-term peace and prosperity in the region. Estranged relations will only undermine the national interests of both countries.

The International Seminar on “Dynamics of Pakistan-Afghanistan Relations” organized by ISSRA aimed to discuss and analyse the following questions and recommend a way forward:

- What are the interests of major powers in Afghanistan? How does major power competition impact Afghanistan and, consequently, Pakistan-Afghanistan relations?
- What are the Regional powers' interests in Afghanistan? What should Pakistan be doing to encourage regional cooperation and consensus to address the complexities and challenges arising from the situation in Afghanistan?
- What are the challenges in Pakistan-Afghanistan relations that are hampering improvement in bilateral ties, especially after the US withdrawal?





PRELUDE

The Institute for Strategic Studies Research and Analysis (ISSRA) at the National Defence University (NDU) organized a two-day International Seminar on "The Dynamics of Pakistan-Afghanistan Relations" on 16-17 January 2024. Ambassador Asif Durrani, Pakistan's Special Representative on Afghanistan, was the Chief Guest at the International Seminar. The event saw the participation of several academicians, practitioners, diplomats, and business people, who delved into the post-US withdrawal scenario in Afghanistan with a focus on the competing interests of major powers. Day two featured a Roundtable discussion that focused on Afghanistan's expectations from Pakistan, Pakistan's expectations from Afghanistan, and the vital issue of rebuilding trust between the two nations. The input from relevant stakeholders, policymakers, and practitioners led to an informed discussion. This report encapsulates the erudition, discussion, and recommendations during the International Seminar.

KEY FINDINGS

The summary of the two-day discussions is given in subsequent sections of this report. However, some key findings of the discussions are itemised below:

- The strategic significance of Afghanistan's location lies in its potential to foster economic, political, and developmental activities, thus serving as a conduit for regional cooperation and integration. However, amidst these prospects, it is imperative to acknowledge the complexity of Afghanistan's stability driven by many domestic, regional and global factors.
- It is unrealistic to expect Afghanistan to achieve stability overnight. The challenges inherent in its political, economic, and security landscapes necessitate a sustained and multifaceted approach towards fostering stability and progress.
- In evaluating the governance dynamics in Afghanistan, it is noteworthy that the Taliban government, despite its controversial nature, is deemed acceptable by specific standards. Comparative analysis suggests that countries face more significant challenges in diversity and governance. Therefore, engaging with the Taliban government constructively while upholding human rights and international norms could contribute to stability and progress in Afghanistan.
- While neighbouring and regional countries can offer assistance and support to Afghanistan, they owe it nothing. Therefore, the primary responsibility for its development and governance rests with the Afghan government and its people. External assistance should complement rather than replace indigenous nation-building and sustainable development efforts.
- The international community, particularly the United States, has made promises of substantial development assistance to Afghanistan. Yet, these commitments have often been contingent upon the involvement of regional powers such as Russia, China, Pakistan, and Iran. However, relying solely on regional powers to fulfil these promises through manipulative means undermines the prospects for sustainable development and stability in Afghanistan.
- In navigating the complex interplay between security and trade in Afghanistan, it is advocated to adopt a "trade for security" approach over a "security for trade" stance. By prioritizing trade and development as the main focus, stakeholders can address the root causes of instability and create conditions for sustainable peace and economic prosperity.
- The trade for security approach implies that security issues should be treated as challenge and not as impediments, with a focus on handling them alongside trade and development efforts.
- Balancing the imperatives of security and economic livelihoods in Afghanistan's war economy while curbing illicit activities and promoting inclusive growth. This is essential for transitioning towards a more stable and prosperous Afghanistan. Additionally, it is important to replace the war economy with a normal economy, focusing on legitimate economic sectors and addressing underlying factors contributing to instability.

PROGRAM

0930-1000 hrs	Registration & Reception
1000-1005 hrs	Recitation from the Holy Quran
1005-1010 hrs	Welcome Remarks by President NDU/ DG ISSRA
1010-1020 hrs	Keynote Address by the Chief Guest Ambassador ® Asif Durrani, Pakistan's Special Representative on Afghanistan
1020-1050 hrs	Light Refreshments
Session - I 'Major Power Competition and Regional Powers' Interest in Afghanistan Moderator: Ambassador ® Naghmana Hashmi	
1100-1105 hrs	Remarks by the Moderator
1105 -1115 hrs (via Zoom)	US Perspective <ul style="list-style-type: none"> Michael Kugelman, Deputy Director Asia Program and Senior Associate for South Asia at the Woodrow Wilson International Centre, Washington
1115-1125 hrs (10 mins via Zoom)	China's Perspective <ul style="list-style-type: none"> Dr. Li Li, Deputy Director and Senior Fellow, Institute for International Relations, Tsinghua University, China
1125-1135 hrs (10 mins via Zoom)	Russia's Perspective <ul style="list-style-type: none"> Mr. Ivan Safranchuk, Director, Senior Research Fellow, Center of Euro-Asian Studies, IIS MGIMO University, Russia
1135-1145 hrs (10 mins)	Central Asia's Perspective <ul style="list-style-type: none"> H.E. Mr. Oybek Usmanov, Ambassador of Uzbekistan to Pakistan
1145-1245 hrs	Interactive Session
1245-1250 hrs	Wrap-up by the Moderator
1300-1400 hrs	Lunch
Session II Building Bridges, Fostering Stability: Navigating Challenges in Pakistan-Afghanistan Relations Moderator: Ms. Maheen Jaffri – Anchor PTV World	
1400-1405 hrs	Remarks by the Moderator
1405-1415 hrs	Balancing Security and Development: Addressing Terrorism, Refugee Flow, and Border Security Amb ® Syed Abrar Hussain, Former Ambassador to Afghanistan (Pakistan)
1415-1430 hrs (via Zoom)	Breaking Barriers, Unlocking Potential for Economic and Trade relations Dr. Abdul Latif Nazari, Deputy Finance Minister Islamic Emirate of Afghanistan Ms. Maria Kazi, Joint Secretary (FT-II), Commerce (Pakistan)

1440-1540 hrs	Interactive session
1540-1545 hrs	Wrap up by the Moderator
1545-1550 hrs	Vote of Thanks by DG ISSRA
1550-1620 hrs	High Tea and Dispersals

ROUNDTABLE DISCUSSION

Day II – 17 January 2024 (Wednesday) RV: Sanaullah Hall, ISSRA, NDU

Fostering Stability through Unity: Regional Cooperation amidst Global Rivalry Moderator: Ambassador ® Riffat Masood	
1030-1035 hrs	Introductory remarks by the Moderator
1035-1335 hrs	Interactive Discussion
1335-1345 hrs	Wrap up the Moderator
1345 hrs onwards	Lunch and dispersal





Inaugural Session

Welcome Remarks by President NDU Lieutenant General Asif Ghafoor, HI (M)

The President emphasized the significance of constants and variables in shaping the relationship between Pakistan and Afghanistan. Constants, such as shared history and commonalities, along with variables like regional and international interests, play a pivotal role in defining their relations. The presence of Afghan refugees in Pakistan reflects the warm welcome extended by the country. However, hosting such a sizable refugee population has economic ramifications, and recent decisions to repatriate foreign nationals, including Afghans, due to compelling circumstances have raised concerns about potential challenges. There are claims of insurgent activities orchestrated by elements based in Afghanistan, further complicating the security situation. Both nations have endured hardships, and it is essential for their people to live in peace and benefit from their sacrifices. Establishing trade corridors from Pakistan to Afghanistan and the Central Asian Republics presents an opportunity for regional progress. By emphasizing commonalities and focusing on collaboration rather than divergence, a substantial foundation for cooperation can be established. To foster improved relations, it is imperative to adopt a policy grounded in negotiations, cooperation, and engagement.



Keynote Address by Chief Guest Ambassador Asif Durrani, Pakistan's Special Representative on Afghanistan

The Chief Guest noted that achieving peace in Afghanistan presents a formidable challenge for neighbouring countries, given its protracted history of instability and conflict. While recognising that the ultimate solution lies within Afghanistan, there is an advocacy for a constructive role from neighbouring countries through neutral engagement and regional cooperation, eschewing

the use of proxies or favouritism. Even with the Taliban's victory, the country hosts over 20 terrorist groups, culminating in a significant humanitarian crisis, with 97% of Afghans now living in poverty. Pakistan, already burdened with hosting millions of refugees over decades, faces additional challenges, including a weak economy, political instability, threats from the TTP, and a two-front situation with India. Caution needs to be exercised against supporting non-state actors based on past experiences, and there is an acknowledgement of the scant international attention given to Afghanistan's plight, characterized as mere "lip service." Proposing a regional approach, there is a need to reach out to Afghanistan's immediate neighbours to contribute to peace, security, and economic sustenance. Achieving stability necessitates regional cooperation, emphasizing the importance of patience, perseverance, and prudent management of affairs with Afghanistan while actively working towards peace and stability in the broader region.



SESSION I

Major Power Competition and Regional Powers' Interest in Afghanistan



Moderator
Amb @ Naghmana Hashmi



Mr. Michael Kugelman
Deputy Director Asia Program Wilson
International Centre, Washington



Dr. Li Li
Deputy Director IIR
Tsinghua University, China



Dr. Ivan Safranchuk
Director IIS MGIMO University
Russia



H.E. Mr. Oybek Usmanov
Ambassador of Uzbekistan
to Pakistan

Session I

Key Takeaways

What are the major and regional powers' interests in Afghanistan?

- Afghanistan is a pivotal geographical bridge connecting Central Asia, South Asia, and West Asia. The positive opening of Afghanistan's doors facilitates economic, political, and developmental activities across the broader region.
- From the US perspective, there is no great power competition in Afghanistan. Undoubtedly, Afghanistan has been a centre of great power competition, but this has not been the case for at least the last two decades. The US has been the superpower of the world since the end of the Cold War, and it has never faced great power competition in Afghanistan. However, from the US perspective, there is regional power competition between India and Pakistan and China and India in Afghanistan. This regional power or medium power competition in Afghanistan is likely to shape the future of Afghanistan in the medium to long term.
- However, some participants also viewed that the US perspective on Afghanistan, claiming no great power competition, should be viewed as naive and an attempt to absolve the US and the West of their responsibilities in Afghanistan. The efficacy of this perspective is to be determined by the Middle/Medium states.
- China underscores the imperative of peace and stability in Afghanistan, emphasizing its interest in security and the prevention of proxy wars. Economic development stands at the core of China's approach, aspiring to establish an independent, stable, and prosperous Afghanistan.

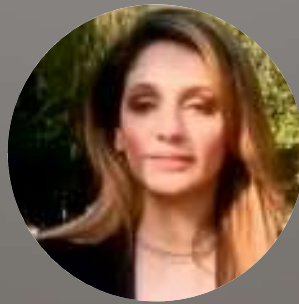


- Chinese interests in Afghanistan revolve around ensuring stability and security in the region by curbing the proliferation of terrorist activities, explicitly addressing the threats posed by the East Turkestan Islamic Movement (ETIM) to Chinese citizens.
- The Russian perspective aligns with the significance of political and economic sustainability for Afghanistan's stability. It emphasizes the need for positive relations with neighbours and underscores the importance of preventing external interference in Afghanistan's internal affairs.
- The Taliban's resistance to economic prosperity, when it compromises their core beliefs, underscores the trade-off between economic development and preserving ideological values. Previous attempts during the American occupation to pressure the Taliban into relinquishing principles through financial incentives proved ineffective.
- Economic prosperity and security are intricately linked, presenting a complex dilemma. A strategic approach should prioritize economic development, regional connectivity, and trade, complemented by security measures.
- Resistance to economic integration may signify opposition to natural relationships among countries, potentially hindering regional progress. Acknowledging the current dispensation in Afghanistan is essential, promoting engagement for issue resolution rather than isolation.



SESSION II

Building Bridges Fostering Stability Navigating Challenges in Pakistan Afghanistan Relations



Moderator
Maheen Jaffri
Anchor PTV World



Amb @ Syed Abrar Hussain
Former Ambassador
to Afghanistan



Dr Abdul Latif Nazari
Deputy Finance Minister Islamic
Emirate of Afghanistan



Ms. Maria Kazi
Joint Secretary (FT-II)
Commerce

SESSION II

Pakistan-Afghanistan Bilateral Relations

Key Takeaways

How can Pakistan and Afghanistan navigate challenges and build bridges for fostering stability in their relations?

- Acknowledging the historical instability of Afghanistan, a compelling need exists to rectify misperceptions between Pakistan and Afghanistan to foster a more nuanced diplomatic discourse.
- Economic stability is pivotal for achieving peace in Afghanistan. Issues like Pashtoonistan and militant groups are mainly due to economic insecurity, emphasizing the need for a stable economic system.
- Pakistan must develop a consistent Afghan policy, focusing on:
 - Renewing the refugee policy with maximum registration.
 - Formulating a comprehensive economic policy aligned with the refugee policy, exploring options like the Afghan investor visa system.
 - Tactical moves, such as managing Afghan refugees, should align with a strategic focus on economic development.
- Infrastructure and trade facilities under the supervision of Central Asia Regional Economic Cooperation (CAREC) are now operational at the Chaman and Tor Kham border crossings between Pakistan and



Afghanistan. These facilities aim to enhance trade and connectivity between the two countries by providing efficient border-crossing services. Additionally, efforts are underway to digitise the system, with Pakistan's single window playing a central role in connecting the country to Central Asian states. This digitalisation initiative aims to streamline processes, improve transparency, and facilitate smoother regional trade flows.

- Pakistan should consider adopting the successful Uzbek model to implement the 2017 TIR (Transports Internationaux Routiers) convention, which would simplify commerce-related procedures and streamline the movement of goods across borders. By learning from Uzbekistan's experience, Pakistan can enhance trade connectivity and improve efficiency in cross-border logistics. Additionally, encouraging diversification in logistics through the involvement of the National Logistics Cell (NLC) at the Pak-Afghan border would facilitate the smooth movement of Chinese goods, further strengthening regional trade ties. This strategic approach would benefit Pakistan's economy and contribute to the broader goal of promoting regional integration and cooperation.
- Pakistan must present its case on Afghanistan more effectively to the international community. It should stress the imperative of countering negative portrayals by showcasing diplomatic, economic, and cultural efforts dedicated to stabilizing Afghanistan. For example, highlight welfare projects in Mazar Sharif as tangible evidence of Pakistan's commitment to stability and development in the country and the region.
- Explore challenges in bilateral trade, including the absence of a formal banking system in Afghanistan. Highlight the impact of sanctions on the decline in trade, hindering the smooth flow of goods and services.
- Since trade often occurs through informal channels like Hundi or Hawala in Afghanistan, Pakistan should highlight the Afghanistan-Pakistan Transit Trade Agreement (APTTA) framework, guaranteeing freedom of trade, access to sea ports, and border crossings to Afghans.



Roundtable DISCUSSION - DAY 2

Fostering Stability through Unity: Cooperation amidst Global Rivalry

Key Takeaways



- At the start of the roundtable, there was a discussion on Iran's attack on Pakistan on 16th January. It was underscored that Pakistan underscores the imperative of preserving amicable relations with neighbouring nations Afghanistan and Iran despite inherent challenges in its eastern border dynamics.
- Following the recent attack from Iran in the Panjhoor area of Pakistan, resulting in casualties, a robust diplomatic response is warranted. At the same time, the challenges of managing border security and addressing miscreants along the Pakistan-Iran border underscore the need for a balanced and strategic approach to dealing with Iran.
- The U.S. is perceived as creating obstacles to Afghanistan's integration into the international community to prove that the situation has worsened following their departure. Navigating these obstacles requires careful diplomatic manoeuvring.
- The Afghan government's reluctance to take action against proxies like ISIS, TTP, ETIM, and IMU raises questions about their affiliations and motivations.
- This reluctance has negative implications for Pakistan, with the Afghan government's patronage of the TTP leading to the externalization of the conflict. To address this issue, engagement with both factions within the Taliban is seen as necessary to rein in the TTP and mitigate spillover effects.
- A discerning scrutiny is directed towards the role of extra-regional powers in influencing or potentially misguiding Pakistan's foreign policy decisions, particularly within the context of its relations with Iran and Afghanistan.
- Pakistan aspires to strike an equilibrium in its relations with regional and extra-regional powers, with a specific emphasis on navigating the complexities of its associations, notably with Iran and Afghanistan.
- India and Iran's joint management of projects diverts attention from Pakistan. This collaboration challenges Pakistan's energy security, particularly with the gas pipeline from Central Asia through Iran. India's involvement in the region through Iran is a concern for Pakistan.
- The proposal to expand the economic zone to absorb the Afghan economy into Pakistan is highlighted,

emphasising leveraging economic factors in Pakistan's favour. It is asserted that Pakistan can handle external powers, including the US, China, and Iran. There is a call to manipulate the Afghan environment to Pakistan's benefit proactively. The importance of maintaining economic leverage in Afghanistan, including the use of the rupee and discouraging rupee trade, is emphasized as a means of preserving Pakistan's influence.

- Both Pakistan and Afghanistan should consider integrating currencies (although the Pakistani rupee is used considerably in Afghanistan) to boost the already extensive formal and informal trade. Encourages retaining Afghan refugees and aims to eliminate illegal smuggling through a customs union.
- The potential for trade routes through Chitral and tunnels under Wakhan, along with the prospect of trade partnerships with Russia, presents opportunities for economic development benefiting Pakistan-Afghanistan relations, the region, and beyond.
- There is a need to introduce a visa-free mechanism for Afghani, suggesting opening more border points with biometric verification. Additionally, Pakistan can introduce resident visas and dual citizenship for Afghans, especially targeting the affluent to enhance integration.



- Pakistan needs to engage influential Afghans for economic and social integration, steering clear of involvement in Afghan politics. Envisions Afghanistan becoming an economically integrated region, drawing parallels with the Federally Administered Tribal Areas (FATA).
- There is a need for Pakistan to focus on trade and education in Afghanistan, approach the common people, and provide maximum support in these areas to have a meaningful impact in the region.
- There is a need to stress the importance of fostering mutually beneficial defence alliances to protect against external interventions, citing historical challenges faced by Pakistan.
- Pakistan is required to enhance economic and trade collaboration based on reciprocity, joint strategies with Central Asian Republics and Afghanistan, improving clearance at border crossing points, preferential trade agreements, finalizing revised agreements, and establishing formal banking channels for trade.



PICTURE GALLERY







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