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Brussels Forum

Bridging the Trust Deficit with Pakistan

MODERATOR: Okay. If everybody could take their seats. We just want to run a quick clip as we mentioned at the beginning. Somebody that's been very much a part--was very much a part of Brussels Forum was Dick Holbrooke. And we sort of have a best of Holbrooke highlights. It's short. I think you're going to enjoy it. And then we'll introduce the panel. Okay.

(VIDEO CLIP)

MODERATOR: And now I'd like to bring out Patricia Loison to lead, moderate our panel on Pakistan. Patricia, please welcome.

Ms. Patricia Loison: Good afternoon ladies and gentlemen, good afternoon everyone. This is an honor for me to moderate this debate. And as a journalist it's just a dream panel that we have here to talk about our theme this afternoon, which is Bridging the Trust Deficit With Pakistan. Bridging the trust deficit, of

course, between the Western world and Pakistan. I'm sure of course you know all of our debaters today, but still I'm going to introduce them. We have Dr. Liam Fox, who is the British Secretary of State for Defense. We have U.S. Ambassador Marc Grossman, who is the Special Representative for Afghanistan and Pakistan. And we have Ahmed Rashid who is one of the most famous journalists in the world and the best specialist about Pakistan.

And your last book, sir, is really in the theme that we're--what we are talking about today. The title being Descent Into Chaos: the U.S. and the Disaster in Afghanistan, Pakistan and Central Asia. I'm journalist so you'll forgive me, I'm not going to be a very diplomatic this afternoon by starting with another journalist for the first question. But I wanted to ask a current events question to Mr. Rashid. Do you think, sir, that the latest violence that we've seen in your country being the two assassinations of one governor and one minister by a radicalist is a sign that as a

matter of fact the bridge between Pakistan and the Western world is widening?

Mr. Ahmed Rashid: Can I just say two words about my friend Richard Holbrooke. He invited me here two years ago to sit on a panel with him. And in fact just before he died, he sent an e-mail to Dan Twining asking him to invite me again this year because they will get you. And it's very unfortunate that I'm here and Richard is not here. But it's great to be on the same panel as his successor and I really wish Ambassador Grossman all the luck in the world with the task that he has. In answer to your question, certainly the situation in Pakistan has deteriorated very rapidly for several reasons. There's been the issue of blaspheme which led to these two assassinations. There's been the issue of the Ray Davis affair which has led to a lot of anti-Americanism in the streets. There's a very critical economic crisis which frankly the kind of economic reforms the IMF is demanding we have not carried out.

And all this has led to a lot of the religious parties and fundamentalists coming out into the streets in a very big way. Perhaps the biggest ways they have done so in the last 10 years. And that of course causes immense concern. And their huge foreign policy concerns, of course, India remains so. And Pakistan remains very worried as to what kind of Afghanistan will the Americans leave behind when they go. And on both of those concerns means some good news. The appointment of Ambassador Grossman and the fact that he's going to the region again soon. And today we've heard from the Indian Prime Minister inviting the Pakistani leaders to watch cricket on Wednesday when the two countries play. We really need a breakthrough along--especially in the international arena, where we can be part of the international communities help to stabilize Afghanistan and also resume our bilateral relations in India.

Ms. Patricia Loison: Mr. Grossman, you're in charge of the relationship with Afghanistan and Pakistan for

the U.S. government. You've been there. You were there two weeks ago. There was a deputy from Pakistan who were supposed to be with us today from the Foreign Ministry. She didn't come because of the two Pakistani soldiers who have been killed by, you know, the drones in the Northern zone. Do you think, sir, I'm quite sure that since the President Obama was elected that it's been the worst if one could say, time in this Northern zone with drones being thrown over there and doing military operation. Is this, Mr. Ambassador, the better solution to kind of reduce the gap between Pakistan and the Western world?

Amb. Marc Grossman: First, thank you very much. Let me do also what Ahmed did and just if I could just for a moment respond to the wonderful video that we saw here. Dick Holbrooke was in fact a great enthusiast for this conference. And the reason is because of all of you and the reason that you could have this conversation. Secondly, I think it's fair to say, all of you know that nobody can replace Richard Holbrooke.

The job I have is to try to build on the work that he started and try to bring it to some solution. The other thing I wanted to do is just to thank Marc Leland and Craig Kennedy for allowing me to come back, having been on the German Marshall Fund board and now in this new position. I very much appreciate it. And I thank them very much.

And also if I just one other personal point. And that is just to express my solidarity with Ron Asmus who I wish was here today as well. And we think a lot about him.

I think the answer to your question. The issue is kinda for what purpose? For what purpose is this relationship between Pakistan and the United States? And the purpose is to help Pakistanis have a strong and stable and democratic and prosperous country. And one in which we're working together to fight extremism, not just in Pakistan but all around the region. And that's the purpose of it. And to follow that purpose it seems we have to do a couple of things. The first thing you

have to do is pay attention to the security questions and the extremism questions.

And that's why I thought the points, your first question and the points that Ahmed made are so important. Because extremism in all its forms I think is one of the greatest dangers, not just to us, but to Pakistan as well. I think Pakistanis understand it. And you could see that in the reaction to the assassination of Minister Bhatti, not just in Pakistan but around the world. And the second thing is, is you have to focus it seems to me kind of on the economic security of people. And so that's why the United States is working so hard on the economic side, on the development side, on energy. And you also have to work on the people to people business. And the people to people business is a hard one, but the United States now has the largest exchange program anywhere in the world with Pakistan.

And I would say it's very much a tribute and thanks to members of Congress that a number of whom are here today. Obviously, you work in the security area, you

work in the economic area. To your question, you know, it won't surprise you that I'm not going to answer about this military problem, this military approach or that military approach. I'm not going to even answer about all the cooperation that we have with Pakistanis. But if the purpose of the relationship is to make Pakistanis more secure and Americans and Europeans more secure and to make Pakistanis more prosperous, that's something we're after. And obviously in that instance, and, you know, I can't speak about any particular incident, we certainly would--we'd deeply regret civilian causalities when they happen anywhere and certainly it's an important thing to say out loud. To regret those causalities, although, you know, we're not talking about any specific incident.

Ms. Patricia Loison: Americans doing in Afghanistan, the British soldiers, French soldiers also, European soldiers are fighting on the ground in Afghanistan on the borders to try to have a safer country and to fight radicalism. Can you tell us if in

these fightings with Afghan Talibans, with Pakistani's Talibans, the fights that those soldiers have every day, do you see any help? Are they diminishing? Is the task easier for your troops on the ground? Is there any kind of optimism that you're seeing in this specific fight?

Hon. Liam Fox: Well, first of all, can I say very much thank you for inviting me here. A year ago I would have been lucky to get a seat in the audience. That's the brutal difference between winning and losing elections.

In terms of what is happening on the ground, there is no doubt that in terms of the military position, the tactical position, we've made very big gains. Not least because of the American surge, and surprise, surprise, when we have enough manpower and enough equipment, the military's actually able to do the task that we ask of them. That really shouldn't have taken a genius to work that one out. So gains have been made. Security is improving.

I would say, however, that the military curve is ahead of the political curve. And the gap in terms of Afghanistan and its internal problems as far as you can isolate and identify those separately needs to be pushed forward, which is why as I think this is such a great appointment and you're a lucky man that you're there at one of the very important periods in history, and in 2011, 2012, which I think will be very crucial.

I would ask this question, if I may, in a slightly different way. And I would say, how do we help Pakistan to help us? Because we look at this very much as ourselves being the prime movers all the time without looking at it from the other side. And I think there are two things. The first is to understand the sacrifice that Pakistan has made in this dealing with transnational terrorism, 10,000 civilian casualties since 2003, some 3,000 military casualties. We should recognize the sacrifices being made by the military and the people in Pakistan and thank them for that.

And, secondly, we have to ensure that we create a post-Afghan strategy for Pakistan. Because in Pakistan if people believe that they will be used by the West, they will be partners of the West, but only until such times as we've solved our security problems in Afghanistan and then we'll leave them alone. That is only going to encourage some of the negative behavior that is likely to make our own task more difficult. So it's essential that we set out an agenda politically, economically, diplomatically, militarily with Pakistan that extends well beyond the 2014, '15 period. If we can persuade people in Pakistan that we have a genuine long-term interest in their wellbeing, it is far more likely that we'll get this sort of cooperation, which is essential to our short-term interests on that security issue on the Afghan-Pakistan border. And if we can set that agenda in a way that gives greater confidence, then we're all likely to be gainers.

But at the moment, I'm afraid, there is still too much of a view in Pakistan that they will be partners

of choice but only so long as it suits us. And that is not a good basis for a strong bilateral relationship.

Amb. Marc Grossman: May I make one addition, if I could?

Ms. Patricia Loison: Sure.

Amb. Marc Grossman: And that is I certainly appreciate what Dr. Fox has said about the American surge. But I think we ought to stop here and recognize the contributions, not just of the United Kingdom, but to so, so many countries represented in this room to the economic effort, to the political effort, to the military effort in Afghanistan. So I certainly appreciate what you say, sir. There are many countries represented around this room who've contributed in a very important way. And I think it's important to stop every once in awhile and recognize the enormity of the task, but also the fact that so many people have responded.

Ms. Patricia Loison: Dr. Fox was saying a few seconds ago, not only to what we can do in this region,

but what Pakistan can also do to help us out in this area. Ahmed Rashid, I'm sure you've been following, three of you, what's going out right now, what's going on in the Western world and the Eastern part of the world in the Middle East and all these revolutions in Egypt, Tunisia, Libya. Do you think, sir, that what's going on in Egypt, Tunisia, Libya, this aspiration for freedom in these part of the world can, in some ways, help the people of Pakistan to have more expectation from their government in the matter of freedom, corruption or even empower this liberal government that we have not heard very much after the two assassinations? Can this be a key to drift the Pakistan toward this Western world or Western culture? (Inaudible).

Mr. Ahmed Rashid: Well, I certainly hope so. But, you know, a liberal society has been cowered very much after these assassinations and after the blaspheme issue. And, unfortunately, the leadership in the country has not supported a liberal society and the

values which the party--the ruling people's party holds itself.

Now, certainly, the big fear is that we have many of the same symptoms as Egypt does, as Tunisia does. But the organized force on the streets in Pakistan are the fundamentalists and the extremists. Unfortunately, they are not young sort of liberal students who are wanting, you know, more democracy.

What Pakistan is desperately in need of, number one, is leadership. And number two is a new narrative. We need to tell our young people a new narrative, not a narrative which says that everything is the fault of America or India or Israel, looking for scapegoats outside the city--outside the country, but realizing that what has gone wrong in Pakistan has been most heavily due to what Pakistani have done wrong to themselves. The decisions we have made have been wrong decisions.

For example, the economic crisis today, we need dramatic economic reforms. We need to take these

decisions ourselves. We don't need the Americans to tell us to take these, you see. We need to--one percent of Pakistanis pay income tax. Now, that's appalling under any circumstances. Now, we as Pakistanis should be made to realize that this is not acceptable. It's not acceptable to Pakistan. And it's not acceptable to the world at large. Why should the IMF give us money if one percent pays income tax?

So we desperately need a new narrative. We need a new leadership to give us that narrative where we become a part of the region and help the region cement an early exit for the Americans from Afghanistan, improve relations with India. And we need a new narrative that cements relations with the outside world because we are pivotal to the outside world. We cross so many boundaries. We are the link between South Asia and the Central Asia and the Middle East. We occupy a very important geographical position. And we need to realize that and understand that and act the part. For

that I think we need better leadership than we've had so far.

Ms. Patricia Loison: I'm turning to Amb. Grossman. You were talking about the military operation and the Western operation going on right now in Afghanistan to try to pave the way to a peaceful and independent regime over there. We're always asking Pakistani's regime to help us out in this fight. Can we take it the other way around, sir? Can really Pakistan strengthen its ties with the Western world as long as Afghanistan is not stabled and at peace? Isn't it Afghanistan first and then we can ask things from Pakistan?

Amb. Marc Grossman: Well, I'm not sure. I think, actually, this is one of those classic cases of where there's a huge piece of simultaneity going on. I think all the points that Ahmed made about the need for economic reform, the need for a different kind in Pakistan, for example. Those are important parts of this subject. And you wouldn't say, well, we have to wait to support economic reform in Pakistan until

there's a solution in Afghanistan. So I think these things are related.

Same with fighting extremism. You fight extremism in Pakistan, very important, but although the United States and Pakistan maybe don't agree all the time, you have to deal somehow with the safe havens, the enablers in Pakistan that allow people to go and to attack Afghanistan.

So it strikes me that the effort here is to try to, as Dr. Fox said, kind of increase the diplomatic capacity to see if we can't find reconciliation, Afghan led as a way forward in Afghanistan. And that means, as Secretary Clinton has said and others, you have a very successful military surge that's going on now. And that military surge needs to be supported and has to be successful in Afghanistan.

The second thing is, and we shouldn't forget, all of the work that is being done on the civilian side. We have, for example, representatives here from Japan and other countries that have made huge contributions on

the civilian side. And that's important because it's about governance. It's about development. It's about having Afghans feel that they can have their own country.

Well, what's been missing has been an Afghan led reconciliation process that the United States, that Britain, that Pakistan, that other countries can support. And so I would be very careful about putting myself in a box and saying I have to accomplish this task before I can move onto this task. These things seem to me quite related. Military surge, civilian surge, diplomatic surge, bridging that trust gap with Pakistan. We've got to work on all these things simultaneously.

Ms. Patricia Loison: Dr. Fox, if we have the chance to ask the ISI, the Pakistani service who are often accused of playing this double role on the borders with the Talibans, if they should make a gesture to prove that they are ready to help pacify the region, what

would you ask them? What would you--the main engagement they could take today?

Hon. Liam Fox: Well, I think one of the key elements is to persuade those in Pakistan in authority that they need to deal equally with the Pakistan Taliban and the Afghan Taliban. There is no point in trying to differentiate between the two, nor is there any point in trying to believe that any terror organizations can be used as a short-term tactical weapon without a long-term strategic cost. So Pakistan does need to understand that dealing with any terror organization is ultimately potentially a threat to the long-term security and integrity of Pakistan.

But on this issue, if I may go back to the point the Ambassador's making about how we deal with this dynamic inside Afghanistan, I would, again, go back to the point I made about Pakistan, which is why don't we try to view it more through the eyes of the Afghans themselves?

We talk about central government and local government. We talk about north and south, east and west because that is how we, in the West, view our politics and how we view international affairs. The geography of Afghanistan through Afghan eyes is very often tribal. It's about Pashtuns and Uzbeks and who's in what part of the country. And we do have to try to morph from what is very largely Western-centric view of how we deal with the Afghan problem and move that closer to how the Afghans themselves view the problems.

It's a general problem, I think, in that area of the world where we have to get closer to how the problems are viewed by those who live in the region. If we simply view it as how we, from a long way off, might want to view these and the systems that we use in terms of governance, we're likely to really miss a trick in being able to get the political track onto the same sort of speed that we've had in the military and security tracks. That dislocation is going to cause us problems unless we can narrow the gap.

Ms. Patricia Loison: Would you say, sir, that the situation right now in the Northern Waziristan province where we know that most of the people, Western soldiers and intelligence service, are looking for are there. Is this Northern province the nightmare for the Western world? If we don't find the solution you were talking about to have a normal relationship with Pakistanis, what is waiting for us is the Northern Waziristan. What can become Pakistan if we don't do anything?

Hon. Liam Fox: Well, we have to take Pakistan with us right across a number of areas. We have to take them with us politically. Britain's got a very unique position there. We've got a million citizens in the UK of Pakistani origin. When the floods came in Pakistan, there was an enormous outpouring of public support in the United Kingdom. We've got good military links which we need to strengthen. Our counterterrorism, again, needs to strengthen on the basis that it helps us both and not just helps us. And then, of course, as the

ambassador says, we've got our aid and development programs over time by 2015.

It's highly possible that Pakistan will be the single biggest recipient of British aid. We're the second biggest investor in Pakistan from outside. So there are lots of ways that we can help take Pakistan with us, but we mustn’t see it in a transactional way of what we're doing to Pakistan and what we're getting in return. We have to turn it into a much longer term partnership across a whole range of issues if we're to get that credibility, which is essential to getting the organs of power in Pakistan, however you define them, to behave in a way which helps us as well as helping them.

Ms. Patricia Loison: Mr. Rashid, to bridge this trust deficit between the Western world and your country, has Pakistan missed a train somewhere? When you're thinking about the strategy of Pakistan, it's always the nuclear power which is behind, it's always a rivalry with India which is behind, even in

Afghanistan. So is there a change of global strategy of foreign affairs that is needed in your country to try to shorten this gap?

Amb. Ahmed Rashid: You see, as we approach the end game in Afghanistan, the whole region is in considerable turmoil. Everybody thinks, you know, the West is going to be leaving in the next three years, there's going to be a drawdown of troops, et cetera. And all the neighboring countries, six of them around Afghanistan, who have had a devastatingly negative role in Afghanistan in the 1990s and fueled the civil war in Afghanistan are once again very active.

And as Ambassador Grossman said, he is going to have and Minister Fox are going to have a very tough time. You will be negotiating with all the regional countries to bring them online and show that no one regional country can dominate Afghanistan. All of them have to promise non-interference in Afghanistan. That's, you know, the very minimum.

And this diplomatic search has to happen in the

next two or three years. I think the problem with Pakistan simply has been that there's been a huge lack of mistrust that has built up over the last few months. The Pakistanis are not telling the Americans or NATO what they want. NATO and the Americans are not telling the Pakistanis what they want or they believe that they're not being told. So the Pakistanis, in particular, are believing all sorts of conspiracy theories about what American intentions really are. They're probably quite wrong.

So, you know, it's very much unfortunately has become very much like the relationship with India, you know. Right now the hottest competition in Afghanistan is between India and Pakistan. And the Indian and Pakistanis don’t talk to each other about Afghanistan. So, you know, this is another job that Ambassador Grossman will have to do to get the Indians and the Pakistanis to at least start--

Ms. Patricia Loison: You’ve got a lot of work to do, Ambassador.

Mr. Ahmed Rashid: You'll have to start discussing, at least, between India and Pakistan some kind of accommodation in Afghanistan, some transparency and where the two countries can live together. Because we certainly are not, you know--there's no option to say that, oh, India must leave Afghanistan or that Pakistan must leave Afghanistan. The two countries have to work together there.

And of course the Afghans do not want the neighbors fighting with each other. They want to be left at peace by the neighbor. They've suffered at the hands of the neighbors. So the international community cannot leave Afghanistan without putting the neighbors within some kind of diplomatic framework, which prevents this interference.

Ms. Patricia Loison: Go ahead.

Amb. Marc Grossman: Since I'm taking notes [inaudible]. Let me just say, I think the regional question here is absolutely crucial and goes back to your previous question of me. You know, another reason

why you can't do these things in boxes. You can't do this on Monday, this on Tuesday, this on Wednesday, you have to be doing these things simultaneously, because that's the only way that seems to be you can deal with the regional question, which both the other speakers have talked about. The other thing I think that's very important that Dr. Fox talked about is this whole issue of time.

And I think the bumper sticker here is, everybody has to recognize that we can't do 1989 again, which is to depart the region. And we're all suffering from that. And so everything we do, and especially in dealing with the trust deficit of Pakistan, has to be about strategy. It has to be about long term.

And I just wanted to reinforce the point that Dr. Fox made. This whole issue of transactional. Now, when I was in Pakistan a couple of weeks ago, people said the relationship is transactional. And I said, stop just for a moment. We want strategy, we want long-term, we want commitment, we want frequent, we want it to be

based on principals. And one of the things that I cited was, and again I turn and I thank the members of our congressional delegation, this Kerry Lugar Berman bill that's authorized $7.5 billion for Pakistan over 5 years. My question is, that's not transactional, that's strategic and it's long-term and I hope it'll go some considerable way towards dealing with this trust deficit.

Ms. Patricia Loison: Go ahead, sir.

Hon. Liam Fox: I also think there's been too much focus, if you can have such a thing, on the security issues without thinking of the wider geo-political picture and without thinking of Afghanistan in its regional context.

We've talked about it, have very much even so far about what is happening on the Afghanistan-Pakistan border in terms of security. But we need to think what sort of foreign policy personality will Afghanistan have? What will it develop? A good place to start is talking to the Afghans themselves, because otherwise

you're in a position where we don't want Al Qaeda to have Afghanistan. India doesn't want Pakistan to have Afghanistan. China doesn't want India to have Afghanistan. Nobody wants Iran to have Afghanistan. But how about asking what the Afghans actually want for themselves and what sort of place they want to see in the region.

And they don't want to be a client state of the West or United States or anybody else. They want to develop their own regional identity. And I think it's very important that, as we work through the problems in the next few years in Afghanistan, we're very conscious of that. Because any long-term position in Afghanistan that tilts the balance towards any one of those other players will cause regional instability.

Now, Britain, goodness knows, has had a long experience in that part of the world, not always successfully coming to those particular solutions. But we do need to try to ensure that when we are moving back from Afghanistan in the level of contact that

we've had, that we create a stable entity that is not going to cause an antigenic reaction from any of the major players in the region, because therein lies long-term instability.

Ms. Patricia Loison: And do you think, sir, to support what you're saying, do you think that the European diplomacy can help? Because Europe is not very present in Afghanistan. I mean, this is a--we know what the role the U.S. are playing. They have a major role. Do you think that the British, the French, if we can call the European diplomacy can help to underscore, underline this view of a most global picture of what the Afghans want for themselves, what we call Afghanization?

Hon. Liam Fox: The Ambassador and I discussed this earlier on this afternoon. What did we learn from the military? We learned that when we gave it the tools required and when we gave it the impetus and the energy required, we were able to carry out the military role successfully. Why should we believe that anything less

will do for the diplomatic role?

We need to give the political process the diplomatic energy and the critical mass that it requires and not expect it just to play catch-up on the security picture.

Ms. Patricia Loison: Sure. And then we'll turn to the audience.

Mr. Ahmed Rashid: There has to be a [inaudible] between the U.S. and NATO in order to carry out this diplomatic surge. For example, Iran, I mean, the U.S. at the moment can't talk to Iran, but several European countries can. And hopefully, they will help encourage Iran to then talk to the U.S.

So you need NATO, Europe, America working together with the region, Afghanistan and the neighboring countries, to bring about this diplomatic surge.

Amb. Marc Grossman: I find myself in the position here, I'm going to defend the European Union here for a moment, which is to say that I would really take issue with what you said. For my six or eight weeks on this

job so far, the European Union actually has a very important role to play here.

There's a European Union representative in Afghanistan. There's a very large amount of European Union effort, both in Afghanistan and Pakistan. We have talked, a number of us during the day today, about the role of the European Union, for example, in offering some additional trade opportunities for Pakistan going forward. These are really important things and I don't think they should be sort of pushed aside, saying, well, you know, there are more American troops there and so other people are not so important.

Our allies are extremely important. And just to sort of wrap this part of it up and to go back to what we saw from Richard Holbrooke, the other thing I would say is that one of the greatest creations of Richard Holbrooke was the International Contact Group, now chaired by German Michael Steiner, which has brought together 49 countries, 15 of whom are from the Organization for the Islamic Conference. We last met in

Jeddah with the OIC as the host.

And so it isn't just the European Union, it isn't just NATO, but also this creation of Richard Holbrooke's of the International Contact Group. I think all these things can be brought to bear to bring international diplomacy. First, as you say, for Afghanistan, but also to bridge this trust gap with Pakistan, as well.

Ms. Patricia Loison: Thank you very much, gentleman. It's time now to exchange with the audience. This gentleman here.

Yamamoto: My name is Yamamoto. I am the special rep. for [inaudible] Japan for affairs in Pakistan. I listened with great interest the interventions of the three very good experts. Actually, I was quite intrigued, actually, with the theme of this panel, which is how to bridge that trust gap. But trust gap between who? It's just the Western world and Pakistan. That is what the moderator had said.

But when you look at Pakistan and when you actually

try to talk to them and see what is preventing them from actually conducting some of the key things that they have to do, like economic reforms or their fight against terrorism, you actually land not only on the trust gap between the Western world and Pakistan, but actually the trust gap in Pakistan itself, which, of course, we have no right to intervene. But the inherent problems, structural problems and other problems inside Pakistan and also regional issues.

So when we talk about what we should really do to bridge the trust gap between the two worlds, in fact we have to think in a larger context on what we can do to try to solve the fundamental problems in Pakistan. And also the key issue which, of course, intervention between the relationship, for instance, between India and Pakistan.

And I would also like to sort of make a small comment regarding a statement made by the Minister. You said that the question should be how do we help Pakistan to help us. So that's in fact, if I may be

very blunt, somewhat egocentric, which you want them to do something for us. What can we do to help them? Help them. Meaning, for instance, the Ambassador Grossman has said that the purpose of a U.S. - Pakistan relation is to bring Pakistan back on course for prosperity and stability.

So we have to think of that. We should not seem to only think of what we should do to make Pakistan work for our interest, but to try to--what we can do to try to put Pakistan on right footing, so that they can do the necessary thing that they themselves can do.

And if you have some sort of--and, of course, this has been tried many, many times by the President and Prime Ministers in Pakistan, with not much success. So if you have some insight into these fundamental issues, I would really like to listen to them. Thank you.

Ms. Patricia Loison: So are we being too egocentric, gentlemen, with Pakistan? And just to answer to Ambassador Grossman, I was not saying, if you allow me, I was not--my question was not about boxes

but just to go in the way this gentleman was saying. It's not boxes. It's just aren't we putting too much pressure on Pakistan, forgetting that maybe ourselves in Afghanistan are not doing enough. That's what's more or less my question. Any reaction, gentlemen?

Hon. Liam Fox: Well, what I was trying to say, perhaps not very clearly, is that we have been too western-centric but we must see it far more through Pakistan's eyes. Perhaps what I should have said is help us to help them, to help us help them. That sentence can go on for a very long time.

But we do need to get it on a more balanced footing. It's not just about us helping them to help themselves. It's not just about helping them to help us. There is an equilibrium to be struck. For example, if we're going to ask tax payers to come up with aid budgets to help in Pakistan, tax payers who themselves contribute very widely across our societies, it is quite unacceptable that only one percent of those in Pakistan pay tax, so we need to get a much better

balance. If Pakistan wants us to help them, they need to do things that helps us to help them, not least in public opinion in our own countries, so there is a gap to be bridged there.

Ms. Patricia Loison: Yes, sir. Over there. This gentleman over there, yeah.

UNKNOWN: Thank you [inaudible] from Germany. As a lawyer, I have much sympathy for the lawyers' movement in Pakistan. And we all remember their important role of pushing President Musharraf out of office three years ago and bringing Judge Chaudhry back into office. My question is maybe to Ahmed Rashid, what is about this movement and could we cooperate with them? There are those we always want to have, homegrown civil rights movement. And maybe could they play a role by bridging this gap we are talking about?

Mr. Ahmed Rashid: Well, you know, it was much easier to agitate against Musharraf because he was a military ruler, military dictator and all the lawyers were united against him. But in fact the lawyers are as

deeply polarized part of society as the rest of the Pakistanis are.

So, for example, a lot of the lawyers are very sympathetic to fundamentalism and extremism and have actually supported the murderers of these two liberals who have been assassinated. Hundreds of lawyers have lined up to defend the police officer who shot the Governor of Punjab, Salman Taseer, and have acclaimed him as a hero of the country and a hero of Islam. Now, I think for many Westerners this was a big shock, but the loyal movement is deeply polarized.

Unfortunately, this is one of the legacies of prolonged military rule, the lack of democracy where, you know, the Ambassador, the Japanese gentleman there was saying very clearly, that, you know, there is a trust deficit in Pakistan itself. Society is deeply polarized, deeply antagonistic.

The most important division, of course, is between the military and the civilians. The military has a different concept of national security, foreign policy

than what the civilians do. The civilian priorities are things like education and health and economic development. That may not be the military's priorities.

So, you know, we have all these problems running simultaneously with the international global issues of trying to deal with the Americans, the nature, the exit from Afghanistan.

Ms. Patricia Loison: Mr. Rashid, just to go further on this question, can we imagine some days in Pakistan that these lawyers or the others that are fighting for a moldable society, can we imagine that they can go into a government or go into the ruling affairs to help the liberal voices to be clearer or more heard in Pakistan?

Mr. Ahmed Rashid: Well, there are already several lawyers in the government who are ministers or--

Ms. Patricia Loison: As a movement?

Mr. Ahmed Rashid: No. I think not the movement as a whole because the movement itself is so divided now. You know, I hope there will be a time when more liberal

lawyers will play a larger role in the state, in the bureaucracy, in educating people and in making government ministers. But there will always be a very strong group of lawyers who essentially are very sympathetic to the extremists.

Ms. Patricia Loison: Maybe in this part of the--yes, this lady.

Lorna Fitzsimons: What struck me--I had the honor to represent a large South Asian constituency when I was a member of Parliament in Britain. And one of the jokes was that if you wanted to get elected, that you had to visit certain villages in Pakistan.

Now, I only say that as an aside to say that we miss a huge human resource that we have in terms of communicating with huge human resource that we are seeking to help in terms of Pakistan.

And one of the things that my constituents used to say to me is that in terms of we as governments always have relationships with the top, with those people in power and we never empower the ordinary people. There

are lots of people in Britain and in Europe that actually are constantly traveling between Pakistan and Europe and America and Pakistan that we could enlist and work with more.

But my plea is that we have--whatever we do has to be sustainable and that we have to be in it for the long-term. And for us to do that with the state of play that our countries are in, we need to have honest conversations with our electorates about the investment policies that we're going to make.

And one of the hardest conversations to have with our electorates is on countries like Pakistan. And we should not underestimate that, although we're talking about how we help Pakistan help Pakistan, actually, we have to have fundamental conversations with our electorates about the importance of Pakistan tools and why those policies need to be sustainable and actually when we're in periods of austerity, where they need to be protected.

Ms. Patricia Loison: Dr. Fox, would you say that

Pakistan is not only a foreign affairs for Britain, but also kind of a homeland affair?

Hon. Liam Fox: Well, as I said earlier, we've got a million people in Britain of Pakistani origin. Too often that's looked at from a negative perspective of what has happened in terms of radicalization in those populations in the UK and that certainly is a problem.

But as Lorna said, there's also an opportunity where you can use it the other way around. Because one of the things that we need to be doing, not just in Pakistan, but other countries, is to be spreading the message that there is another way to do things.

And Ahmed talked very early on about mentioning what was happening in Egypt and what was happening in Libya and so on. And I think there's a very fundamental question in all of this for us and that is that too often in the West, we believe that a democracy is created by giving people a vote and, you know, forgetting the slow pace at which democracy can develop.

Now, in Britain, which is held up as a great democratic example, we had 150 years in Britain between Adam Smith and universal suffrage. We abolished slavery 100 years before we gave women the vote in the United Kingdom.

Democracy in the form that we now recognize it was something that evolved. And the idea that you can go from nothing to a Jeffersonian democracy in 10 years is utterly unrealistic and destined to fail.

What we need to be doing, whether it's in Pakistan or other places, and I think that's part of the point that Lorna was alluding to, is that we need to see the institutional elements that underpin a democracy built up. A rule of law that applies equally to the governing and the governed, a system of governance that is fair and seem to be fair, a concept of rights, and we mentioned the blasphemy laws earlier, and a concept of rights that applies equally irrespective of gender or sex or religion, and also an economic situation where you genuinely have the ability to exercise your rights

in a free market.

Now, all those things need to be there, I think, as the pillars upon which the democracy that we cherish sits. And if you try to apply the democracy in terms of the ability to cast a vote without having the institutions in place, then it is a flawed process.

Now, Pakistan's gone some way to those institutions, but there are still flaws there and these are the things we need to concentrate on. And when we can use citizens in our own country to strengthen those values and strengthen those arguments, then I think that's something that we should do. It is a potentially great resource for us.

Ms. Patricia Loison: I'll take, I'm sorry, a last question in the audience and I'll ask the--

Amb. Marc Grossman: No. I'd just like to comment--

Ms. Patricia Loison: Okay. Sure. Terrific.

Amb. Marc Grossman: --on that if I could. First, if I could just say, what you say is really right and

doesn't just apply to Britain or to Europe.

I'd say, first of all, this issue of sustainability is hugely important, both in Afghanistan and Pakistan and that's why we continue to focus in on long-term, because if it's not long-term, it's not sustainable. And I would argue vice-versa.

Second thing, I think you make an extremely important point about our own societies. I mean, one of the things that I have really been struck by in the last five or six weeks since I've had this responsibility is the number of Pakistani Americans, Afghan Americans. Pakistani Americans to your question who've come out and said, you know, "We want to talk to you. We want to help you." Just as they did with Ambassador Holbrooke and that's a huge and important thing.

And just to highlight, also, the point that I made in answer to a question. We now have with Pakistan, precisely to the point that you make, the largest cultural exchange program anywhere in the world.

Fulbright, exchanges, science, all different kinds of things with Pakistan, I think, that's good.

And finally, to the question of sustainability, it's also why the legislation that's been passed through the Congress, this Kerry-Berman-Lugar legislation, focuses in on energy and water and jobs because those, it seems to me, are the foundations of sustainability.

Ms. Patricia Loison: One last question, this gentleman over here.

Mr. Steven Erlanger: Steven Erlanger from the New York Times. Doesn't the panel think that one reason for the mistrust may be the covert war we're operating in Pakistan? I mean, we don't have foreign troops on the ground in Pakistan, but we're flying over Pakistan and sending drones and sending bombs down onto sovereign territory of a democracy.

We've just had a CIA guy who we demanded be given diplomatic immunity much to the outrage of the Pakistani people. There's been a major scare in Europe

this summer over foreign fighters who'd gone to Pakistan for supposed training and were infiltrating themselves back into Europe.

So I'd love it if the panel could actually talk less about milk and water and more about the war. Thank you.

Ms. Patricia Loison: And that will be our last question and maybe the good question to conclude it for each of you, gentlemen. We have a few minutes for each of you to wrap it up and make your point.

Ms. Patricia Loison: Mr.--

Amb. Marc Grossman: Want me to go first?

Ms. Patricia Loison: Yeah, go first.

Amb. Marc Grossman: Okay. Well, to Steve's point, let me sort of step back as I did before.

Ms. Patricia Loison: Is it a war against Pakistan?

Amb. Marc Grossman: Well, no, it's not a war against Pakistan. The question is, is for what purpose is the effort being made in Pakistan? And it seems to me, Steve, is you can't just isolate these things. The

effort is being made in Pakistan for a stable democratic prosperous Pakistan.

To do that strikes me that there are a number of things that have to be done and we've talked a lot about them. But one of them is to provide security for Pakistanis and the other is to provide economic and social and political opportunities for Pakistanis. And as we were talking about, these are things that are simultaneous.

And so we are working at--we are working at once in Pakistan in fighting extremism and, sometimes, you know, that takes the form of working together cooperatively with Pakistanis and it's hard work. And as I said in an answer to another question, we don't always agree, but getting the security piece of this right and fighting the terrorism and extremism is extremely important.

As is, then, the other piece of this, which is to provide some basic fundamental human security for Pakistanis, so that means working on electricity,

working on jobs, working on the economy. And these are hard things to do and they're hard problems.

And as I said in an answer to a previous question, it won't surprise you. Especially, it won't surprise you, you know, that I can't discuss all of the aspects of every bit of this cooperation. But if the object is for protecting people and improving their lives, that's a worthwhile endeavor. And as I said before, that without talking about any specific operation, you know, when civilians are killed, we regret it. We deeply regret it.

If I can just say one thing about Mr. Davis, you said, "granted immunity." Mr. Davis was a diplomat from the beginning. We had said that to the Pakistanis. He had diplomatic immunity. This was 50 difficult days between Pakistan and the United States. As we've said, we regret the families--to the families of all those people who've died, but on the 17th of March when the families pardoned Davis without the payment by the United States of that money, he departed Pakistan and

our object now is to move forward in this relationship.

Ms. Patricia Loison: We are lucky. We have a few more minutes, so I can take one more question for the audience. This lady over there.

Ms. Xenia Dormandy: Thank you. Xenia Dormandy, Chatham House.

In the elections in 2008, the religious parties, the strongly religious parties, gained less than 5 percent of the vote. You can assume, perhaps, from that that the extremist popularity was even less than that.

Today, following the two assassinations, there was a huge public outpouring of support of the assassin. There's a sense that Pakistan is becoming more extreme. Is that correct in your views? And particularly not just within society, but within the military, there's a strong sense that as the military--the younger members of the military are more--perhaps have more extreme views and more religious different thing than the older members of the military. Is that true, also? And if it is, is that something that we should be nervous about?

Thank you.

Ms. Patricia Loison: Mr. Rashid?

Amb. Marc Grossman: Hey, I did the last one. You do this one.

Mr. Ahmed Rashid: Well, can I just say two words to Steve there, which is that there were dozens of secret agreements that were made between Musharraf and Bush after 9/11. We don't know even half those agreements. And I'm sure the Obama Administration has had difficulties getting to grips with those agreements.

But what is really happening now is that, in my opinion, a lot of those secret agreements are either now not wanted by the Pakistani military or by the ISI or are being sort of dumped or are creating antagonisms between the two sides.

And I think what is needed is a real strategic look at these strategic agreements and perhaps more of these agreements could be made public or should be renegotiated or, you know, however governments do these things, but I think that is one of the outstanding

problems, that, you know, we are being forced into acknowledged agreements that were made eight or ten years ago and maybe we don't like them anymore, you know.

As far as yours, I mean, I agree with you. You know, there was always this presumption that there's a small liberal elite in Pakistan and then there's about 8 to 10 percent, you know, fundamentalist vote. And there's a huge silent majority and the silent majority all vote for their favorite party.

Now, clearly, all these incidents, the blasphemy, the Ray Davis case, the economy, all these issues have brought out far more fundamentalists into the street. And I think for the first time we are seeing in that silent majority a shift, not a very large shift, but certainly a significant shift towards the fundamentalists. And at the same time we are seeing a cowering of liberal society.

Liberal society right now is being protected by nobody. The government is not protecting it. The

military is not protecting it. The police is not protecting it. In fact, so the people are very scared, quite simply.

I fear very much that the result of this might be that in the next elections, especially in the Pashtun areas and the areas along the borders of Afghanistan, the fundamentalist parties might do much better than we ever thought they could.

Now, I'm not saying they can win a government or win a majority but there's a very strong chance they could do better. In the army, look, the army is a reflection of society. If there is polarization in society, as there is we discussed in the lawyers and every other group, you know, there is going to be similar kinds of attitudes despite a very disciplined hierarchical army. There is going to be polarization in the military too.

And I think it's less to do with extremism taking root in the army. I think it's more to do with anti-Americanism, the idea that somehow we soldiers are

being forced to fight a way which is not our war, we could make peace with the Taliban, et cetera, et cetera. I think the army needs a new narrative too, just like the rest of the country does. We are all desperately in need of a new narrative. But that new narrative has to be given to us by ourselves, by our own leaders, not by outsiders.

Ms. Patricia Loison: Dr. Fox.

Hon. Liam Fox: I think that is such a key question, because if that trend from that 5 percent, if it is now a bigger number 8, 10 percent, if Pakistan is therefore facing a slow intellectual decline away from liberalism, that is something that will undermine what we're trying to do in Afghanistan, what we're trying to do with transnational terrorism. It is a very, very key issue.

And the thing that is helping most contribute to the support that these extremists are able to get is the lack of willingness of the political mainstream to stand up and say enough is enough. Because if they're

unwilling to do so or worse at times pandering to extreme minorities in order to buy off short-term trouble, it is at the expense of potentially a long-term decline in Pakistan's values and ultimately its stability. And it's a question of leadership and Pakistan requires leaders willing to stand up and say, "This is not the destiny we choose for Pakistan. We choose a different destiny much more in tune to take part in the wider civilized family of nations."

Ms. Patricia Loison: Gentlemen, thank you. You have now a few minutes to conclude and make your point. Our question was how can we bridge the trust deficit with Pakistan. We talked a lot through. We talk about the military situation at the borders. We talk about something that is sometimes less known, which is the state of the Pakistan society, the empowerment of radicalism, the economic ties between those countries. Gentlemen, if you had a point to make to help bridge this deficit of trust, Ambassador Grossman, I'll start with you. What should you tell us?

Amb. Marc Grossman: Oh, good. First, thank you very much. And I just want to say how much I appreciated being on this panel. I'd say that you framed this question, as the GMF did, bridging the trust gap. The other piece of the requirement I think to sit here at the German Marshall Fund and Brussels Forum is to think about it transatlantically and to think about it for all the representation of the people in this room. And it seems to me if you do that, everybody's got some work to do.

The United States has some work to do and that work to do is with Pakistan to fight extremism, as we were talking about before. That work to do is, as Dr. Fox about, which is to support an Afghan led reconciliation process in Afghanistan, recognizing that we've got to work closely, closely with the Pakistanis to make that come out right. It is, on our side, also focusing our aid and development as the Kerry-Berman-Lugar bill does over the long-term to be strategic, to help Pakistanis become more prosperous and have a connection to their

own society. And also, as I've said a couple of times, sort of build up this cultural exchange. And I'd also say to support Pakistan and India as they work out their own relations to be more positive.

But because we're here at the Brussels Forum, there's work for Europeans to do as well and work for others in the world. And that is to support the peace process in Afghanistan, Afghan led reconciliation. It's to support Pakistanis as they try to become more prosperous and to focus in on the long-term and the sustainable.

And I think very importantly for Europeans and Americans, that's to give Pakistan the opportunity to be involved in the economic life around the world. And that's a struggle for us, I know, but we've talked a lot about this at this forum and we need to go forum.

And then third, of course, Pakistanis have responsibilities as both Ahmed and Dr. Fox have talked about and that is to support the effort in Afghanistan, to continue to fight extremism in all of its forms and

that includes toleration inside of its own society. And very importantly I think as well is to take the hard decisions that are necessary for economic reform, for participation, and so that we're not just talking about security, but we're talking about security and prosperity and a long-term commitment and a long-term bridging of the trust deficit between Pakistan and the rest of the world.

Ms. Patricia Loison: Thank you, Mr. Ambassador. Dr. Fox, if you had a point to make.

Hon. Liam Fox: Yes. Well, very briefly, I mean, I think there have been some very interesting questions raised, not least is exactly which trust gap are we talking about. There's clearly a trust gap between Afghanistan and Pakistan that needs to be addressed before we get to the 2014, '15 period and beyond that. There's a trust gap between India and Pakistan which is a fault line in the region that makes all dealings more difficult. Both these relationships need to be dealt

with where we are able to help with further practical measures and confidence building. We should do so.

We have to help those in Pakistan help themselves, not least by institutional reform, whether it's political reform, whether it is legal reform, to ensure that they have a more stable system of governance upon which more people can have confidence. They also have to help us, not least in the counter terrorist battle and have to recognize that a failure to deal with these terrorist groups in the long-term will be the detriment of Pakistan.

And we have to, I'll go back to the point, we have to get them to help us help them and not least in things like economic reform. Because if they reform economically, it is actually easier for the multilateral organizations to involve them in the long-term routes to prosperity, and also for individual countries to justify the sort of eight programs that are currently undoing so many places.

And I don't think, if I may say with all due respect to our second to last questioner, it is a choice between milk and water on one side and security on the other. Being of a scientific background, I believe pretty much everything corresponds to a bell curve. And those who believe you can solve it by security are on one end, those who believe you can secure it by soft power are on the other. The truth probably lies in the middle. We require a combination of military, political and economic help for Pakistan if ultimately we are to provide them and ourselves with the same interest, which is long-term stability. Long-term instability is bad for them and it's bad for us and you would've thought that coincidence of interest might give us a pointer for the future.

Ms. Patricia Loison: Thank you very much, sir. Ahmed Rashid, Pakistan is your country. It's also the object of your studies and research and reports. What is your contribution today?

Mr. Ahmed Rashid: Well, I think, you know, the lack of trust between the West and Pakistan and Afghanistan I think needs a common political strategy. If you take Afghanistan, President Karzai has been torn by the war. On the one hand, he supports the war effort, obviously, but on the other when civilians die, he's very resentful of the Americans and NATO.

But what is needed in Afghanistan obviously is a peace dialogue with the Taliban which I think, you know, what Ambassador Grossman has talked about, the need for reconciliation.

Pakistan is in exactly the same situation. Pakistan wants an end to the war. It wants a reconciliation with the Taliban, most of which are sitting in Pakistan, by the way. So both countries think that if you can devise a political strategy in the next few weeks and months, both NATO and the Americans, in which you enlist the two governments, in other words, you do a project together which is to make peace in Afghanistan. If you can enlist the presidents and the governments of both

these countries to do a project together, I think that will create an enormous amount of trust between the two. Because to work together towards a common end, you have to build a certain amount of trust first. I think that's the first thing that they should do. And that is of vital importance.

In Pakistan, we have to see much greater trust between the military and the civilians. Unfortunately, the military tolerates democracy, but it does not support democracy in the way that a military does in a Western country or a military does in India or another country. The military and the civilians, we are in crisis. The military and the civilians have to work together to get us out of this crisis. The two institutions cannot be at odds with one another.

And frankly, that relationship between military and civil has still not been worked out after nearly, what is it, 70 years now of existence. We still have this problem where, you know, the military is running foreign policy, it's running national security policy,

it ignores the civilians. And we have a civilian government that is either incompetent, corrupt or wants to get into these issues but is not allowed to.

Ms. Patricia Loison: Just one question to react to what Ahmed Rashid was saying, Ambassador Grossman, can you pave the way to peace in this region without avoiding direct talks with the Talibans being from Afghanistan or Pakistan? Can you avoid this?

Amb. Marc Grossman: Well, the object is not to avoid it. I think as Secretary Clinton said in her speech to the Asia Society in February, on the 18th of February, the Taliban have a choice. And she laid it out perfectly clearly. She said at the end, the Taliban who want to come and participate in reconciliation, break with Al Qaeda, stop the violence and be prepared to live inside of Afghanistan's constitution very much including the protection of women, human rights and others. And so if you read her speech, her speech says it's time for reconciliation. It's time that it be Afghan led. And she laid out some of the parameters of

what the end of that might be. So this is a choice not for us. It's a choice for them.

Ms. Patricia Loison: Thank you, gentlemen. Mr. Ambassador Grossman, thank you very much.

Amb. Marc Grossman: Thank you.

Ms. Patricia Loison: Dr. Fox, thank you very much and Mr. Rashid, thank you. I think we had the best personalities today to talk about this question. Thank you, ladies and gentlemen for your questions and attention.