

The Role of Pakistan and ECO Member Countries in Promoting Trade Relations

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Abstract

With the economic liberalization, privatization of economy and globalization of the world, countries experience drastic variation in business situation. In such a changing environment of globe business require making effective policy for overcoming these issues in developed and developing countries. In this regard, Pakistan occupies the vital geopolitical situation in which borders are connected with china, India, Afghanistan and Iran. The core idea is to promote prosperity among individual, which can be easily attained through Regional Corporation instead of conducting economic effort for influencing political situation. In this regard, Economic Corporation Organization (ECO) plays an essential role which was formed in Pakistan, Iran and Turkey in 1985 which was expanded in 1992 by adding more seven more member countries including Afghanistan, Azerbaijan, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, Uzbekistan in regional trading agreement. This paper focused upon the relationships of Pakistan and Economic Co operation Organization member countries that how they will promote the relationships with each other through trade relations along with trade agreement, effectiveness of regional organization, Pakistan and Western Strategies, Western interests in Pakistan. The purpose of organization among member countries differs. As for the Asian countries, ECO support for stabilizing the political situation and increasing trade. Additionally, for the central Asian countries were reluctant to increase the trade which bring an opportunity for creation of trade.

Keywords: ECO, Regional Corporation, Regional Organization, Trade agreement

INTRODUCTION

The economic dimension is the main vector of cooperation within the Organization for Economic Cooperation. In this regard, its Member States have sought to make significant progress, for example in the area of regional transit of both people and goods. However, it should be noted that multilateralism has not always produced fruitful results within the organization. On the one hand, there are Member States who prefer to address certain issues, such as visas, through bilateral channels, thereby avoiding multilateral regulations (Weber, 2009). On the other hand, it should be recalled that the fact that all the Member States of the Economic Cooperation Organization are simultaneously involved in in other regional organizations (which creates an overlap and conflict of interest) paradoxically, likely to constitute another limitation to the adoption of a multilateral stance, in that it may in this case make 'excess' counterproductive multilateralism. Although it may be premature to say that cooperation within the Organization for Economic Cooperation is not functional, due to the panoply of ambitious projects yet to be implemented, it is nevertheless permissible to point out the existence of various obstacles to their functioning. Valdés (2013) refer, for example, that “since the Organization for Economic Cooperation has lacked financial resources”, it has not been able to support significant investments in infrastructure. Besides that, The Organization faces major regional problems, such as the continuing lack of transnational transport and communication routes, the slow development of energy trade prospects, the widespread environmental degradation resulting from resource exploitation (a prime example is the decline in volume). As well as instability in Afghanistan (which favours drug trafficking and terrorism). On the other hand, as Wu (2013), notes as well as instability in Afghanistan (which favours drug trafficking and terrorism). On the other hand, as McEwan and Mawdsley (2012), promoting business integration - which is one of the organization’s goals - has in practice been slow. On the basis of the “poor performance of the Economic Cooperation Organization in ratifying and / or implementing action plans”, first of all, it should be noted that

its Member States are at very different levels of economic development. For geographical, historical and political reasons, this makes it difficult to align the economic interests of all Member States. On the other hand, although economic institutions are at the core of the institutional framework of the Economic Cooperation Organization, they have not been able to boost economic cooperation and bring about economic growth and development, whereas the Economic Cooperation Organization is generally failed to become an important economic bloc. The Organization lacks mechanisms to oversee the state of implementation and sanction Member States that do not meet the deadlines. In addition, relations within the Organization for Economic Cooperation have always been characterized by geopolitical rivalry between some of its Member States (mainly Turkey and Iran) (Mitchell & Wallis, 2009). In addition, the projects of the Organization for Economic Cooperation often need support from both Iran and Turkey in order to be successful, and cooperation between the two countries is fragile as Iran resents Turkey's affinity for the Western powers and, in particular Israel (Leiponen, 2005). Despite these obstacles, it should be recognized that the Organization for Economic Cooperation allows the Central Asian Republics to diversify their foreign policy towards the south and west, and to benefit from cooperation with states that have common cultural, religious and linguistic roots. It has been found that Pakistan is making progress with economic reforms. In IMF report of 2013 in which it was reported that Organization is due to meet in June to decide on new loan and the IMF lent \$ 6.6 billion to the country. At that time, the IMF was encouraged by the overall progress made to advance policies to strengthen macroeconomic stability and resume investment and growth," said Jeffrey Franks, head of the IMF's mission to Pakistan. Economic indicators are generally improving, with growth gaining momentum, improving external financing, and private sector credit increasing. However, core and global inflation are also rising in country.

PAKISTAN'S TRADE AGREEMENT

The key purpose of this trade agreement was to reduce tariffs for creating specific boundaries among member states. In relation to this, contracting parties are developed for fulfilling its commitments, which had provided the lists to countries including Turkey, Pakistan and

Afghanistan. Additionally, documents that are covered under this agreement include the following:

Documents covered by the "Framework Agreement on ECO Trade Cooperation"

Transit Trade Agreement	March 1995
Trade & Development Bank Agreement	March 1995
ECO Shipping Co. Agreement	March 1995
ECO Air Agreement	March 1995
Visa Simplification Agreement for Businessmen	March 1995
Transit Transport Framework	May 1998
Transit Transport Framework Agreement (TTFA) + Annexes 1-8	May 1998
International Road Transport Agreement (between Iran & Turkey)	May 1980
ECO Trade Agreement (ECOTA)	July 2003 Box 1

(Source: www.ecosecretariat.org)

There is the significant response towards implementation of ECOTA to recognize its benefits. Additionally, ECOTA is amended, which require participation of at least five members countries. In this regard, Pakistan and Turkey has decided to provide tariff concession bilaterally within the framework of ECOTA that was signed as trilateral agreement among Pakistan, turkey and Iran to reduce the custom duties by 10% for some of its products (Hoekman, et al., 2002). However, trade goals ECO was affected due to the reason that seven out of ten members do not have access over WTO. Applications for taking access by the other member are pending for reviewing since 1995. This leads to creation of unequal practices of ECO members' countries and enable the members countries to implement discrimination tariffs whenever it's needed for promoting multilateral and bilateral trade without being non-compliant at either forum. The low pedalling for acquisition of WTO membership is due to two reasons. On the one hand, experience of Kyrgyzstan which accesses to membership in 1997 without considering the long-term consequences to reduce tariffs with higher margin and carried out its trade negotiation without possession of trade negotiation capabilities. As a consequence, Kyrgyzstan gain higher import from multiple countries around the world and become the channel for informal imports in region which suffered from the problem of balance of payment and made it difficult to recover.

On the other hand, five countries in central Asian republics (CARs) have strong ties with Russia through common wealth independent states. In this regard, it is indicated that as long as Russia

remain out from the WTO, non-membership of ECO member countries does not detached CARs from the international trade. Analysis of ECOTA by Azerbaijan foreign ministry reveals low scores for continuation of interest in trade transit through Land-lock, which affects the Pakistan as well. This is due to the reason that Pakistan develops close trade relationship with Azerbaijan (Bhagwati & Srinivasan, 2002). Pakistan and Azerbaijan maintain friendly and warm relations, characterized by common views on major global and regional issues. Both states characterize their diplomatic relations as “friendly and fraternal. Relations between the two states were established after the Republic of Azerbaijan became independent after the collapse of the USSR - in 1992, on June 9 (Siddiqui & Kemal, 2006). Pakistan was one of the first countries to recognize Azerbaijan in December 12, 1991. The trade turnover between the two countries is growing steadily; there were several meetings at the highest state level, at which issues of increasing trade were discussed.

The official visit of the President of Pakistan - Sardar Faruk Ahmed Khan Legari to Azerbaijan was held in the autumn of 1995. In April 1996, the return visit of the President of Azerbaijan - Heydar Aliyev to Pakistan was made. Heydar Aliyev met with the Prime Minister of the Republic of Pakistan - Benazir Bhutto (Siddiqui & Kemal, 2006). The parties signed 9 diplomatic documents. Meeting of Heydar Aliyev, the President of Pakistan - Pervaiz Musharraf was held in the summer of 2000 at the summit of the Economic Cooperation Organization (ECO) in the capital of the Islamic Republic of Iran the city of Tehran. Bilateral support was announced among these countries. In addition to this, an agreement on defence and military cooperation between the parties was concluded in 2002. In the same year, another meeting of President Heydar Aliyev with Pervaiz Musharraf was held in the city of Istanbul at the summit of the Economic Cooperation Organization. In September 2003, the Prime Minister of Azerbaijan - Ilham Aliyev met with the President of the Republic of Pakistan Pervaiz Musharraf. They discussed international issues that are in the interests of both countries. In the summer of 2004, Pervaiz Musharraf made an official visit to Azerbaijan. For three days, prospects for strengthening diplomatic relations were discussed; agreements were signed to combat the illegal import of drugs, as well as psychotropic substances; about combating terrorism; about the development of tourism; customs clearance was considered (Atif et al.,

2010). Heads of State signed the Joint Declaration. In July of the same year, the President of the IRP visited the Heydar Aliyev Foundation.

EFFECTIVENESS OF REGIONAL ORGANIZATION

Pakistan, Iran, and Turkey established the Organization for Economic Cooperation in 1985 to promote economic, technological, and cultural cooperation among member states (Ahmed et al., 2014). After the fall of the Soviet Union, Azerbaijan, Afghanistan and the five Central Asian Republics joined it (ECO Trade & Development Bank, 2010). The Organization for Economic Cooperation has cultural cohesion in that it unites all non-Arab Islamic countries in central and western Asia (Afesorgbor & van Bergeijk, 2011). Now, the question of the identity and valorisation that states make of it is, as we have explained, important for the hermeneutic analysis.

The organization's main objectives include the sustainable economic development of the member states; the progressive elimination of barriers to trade and the promotion of intra-regional trade; strengthening the role of the organization in the growth of world trade; the advancement of regional cooperation in the fight against drug trafficking; the promotion of ecological and environmental protection; and the strengthening of historical and cultural ties between the peoples of the region (Ghose & James, 2005). It is interesting to underline that “the Economic Cooperation Organization is, to date, the only intergovernmental regional organization that incorporates all Central Asian Republics as full members and, furthermore, that this organization, rather than the ones we will analyse, is not includes Russia, and overall its composition is quite different from that of other regional groupings. The supreme authority of the organization is the Council of Ministers, made up of Foreign Ministers and ministerial representatives appointed by their respective Governments (Dodani & LaPorte, 2008). The Council of Permanent Representatives is composed of Permanent Representatives and Ambassadors of the Member States, as well as the Director General of Organization Affairs of each Ministry of Foreign Affairs. The General Secretariat comprises specialized agencies as well as Regional Planning Councils that are made up of foreign ministers and ministerial representatives appointed by their respective governments. The Council of Permanent Representatives is composed of Permanent

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PAKISTAN AND WESTERN STRATEGIES

Throughout 2002, the situation in South Asia was tense enough to justify the concern of the Western powers. Pakistan and India, in one of their periodic crises, concentrated about one million soldiers on both sides of the Control Line (LoC) that divides Kashmir and the common border. Though tensions eased as Indian and Pakistani troops withdrew to their normal positions, animosity remained between the two countries. The United States government, the most active foreign power in South Asia, continues to express its concern about the political state of the region. As stated by Christina Rocca, Assistant Secretary of State for South Asian Affairs to the US Senate Foreign Relations Committee, We helped to successfully walk India and Pakistan back from the brink of war last year. Even if this statement is judged to be excessive, it is well known that senior leaders from the United States and other powers have repeatedly sought the rulers of Pakistan and India, suggesting moderation (Alam, 2004). The serious concern expressed by the Pakistani authorities, and many observers in Islamabad, is also known about the risks of escalating tensions with India to the point of further conflict.

Indo-Pakistani tensions have deep and ancient roots. Firstly, the issue of Kashmir, seen in Islamabad as the core issue of bilateral relations, looms large. Pakistan accuses India of refusing to deal

bilaterally with the issue that has dominated the others since their independence in 1947. Islamabad also accuses New Delhi of disrespecting UN resolutions on the matter. India, in turn, accuses Pakistan of promoting attacks on Indian Kashmir by an interposed agent, namely the jihad organizations that it sees as being based in Pakistani territory; to India, jihad actions are nothing but cross-border terrorism, according to the expression commonly used (Gupta et al., 2002). The notion has important implications. Should the Indian thesis of cross-border terrorism be accepted, Pakistan would be against international unanimity forged after the attacks of 11 September 2001. Pakistan, for its part, denies the existence of cross-border terrorism through the LoC and says whereas this accusation is an attempt by India to defame him in such a way as to upset him with the international community and to cover up the massive human rights violations in his view committed by Indian forces in Kashmir.

Tensions between Pakistan and India are not just another picture of confrontation, among many others. India is the second most populous nation in the world and has one of the largest military devices on the planet. It is clear that it intends to pursue its emerging path, including the possible acquisition of a permanent seat on the UN Security Council. With about 140 million inhabitants, Pakistan is the most populous Muslim country after Indonesia and constantly projects its role within the Organization of the Islamic Conference, which brings together fifty-six nations. Both Pakistan and India have nuclear weapons and develop new missile systems (Rizvi, 2002). The international implications are also considerable. Pakistan is a neighbour of Afghanistan; their cooperation proved indispensable in the fight against the Taliban. Through Afghanistan, Central Asia has a potential outlet in Pakistan for its products, especially for oil and natural gas. With regard to the region of contact between South Asia, Central Asia and the Middle East, Pakistan borders Iran. The Pakistani coast in the Arabian Sea allows quick access to the Persian Gulf and international oil routes. . India, with its population and territorial mass, shielded by a considerable military device, is the most prominent regional power between the Far East and the Arab Gulf countries. As an emerging power on China's southern frontier (the latter regarded by many as an upcoming superpower), India attracts the attention of all diplomatic planners. Among the various regions already mentioned, including the central and southern parts of Asia,

there are complex relations, sometimes subjected to great tensions, if not armed conflicts, and all show marked political dynamism (Javaid & Jahangir, 2015). Contrarily, in Iran there is the dispute between the reformist wing, which is favourable to the rapprochement with the West, and the more traditional, nationalist and Islamizing tendency. Similarly, in Afghanistan there is continued instability outside Kabul; the post-Taliban Afghan regime continues to need the protection of foreign forces and international economic assistance. In Central Asia, there is a different evolution, where relations with Russia or the United States may become more relevant, as appropriate. Between India and China a possible rapprochement develops, in a process that is far from being completed. For Pakistan, China is the all-weather friend (another common expression), the traditional and infallible ally, while India is unknown: out of turbulent relations with India a number of conflicts have arisen, yet it could become a major economic partner for Pakistan.

WESTERN INTERESTS IN PAKISTAN

In this framework of interests and conflicts, the great powers have substantial reasons for designing their policies. Here is a major complicating factor for the already complex picture of South Asia, namely the differences between the great powers, which suddenly and sharply manifested from the crisis around Iraq. Until the end of 2002, when this crisis intensified, the projects of the great powers maintained general consensus: containment of Indo-Pakistani tensions; nuclear non-proliferation; curtailment of missile development and use; economic orthodoxy; and political liberalism, so as to underpin constitutional and civil regimes (Cornell, 2003). To make this vision of international relations operational, there was a twofold appeal: major diplomatic pressures, in the form of the promotion of bilateral instruments, including the Nuclear Non-Proliferation Treaty (NPT); and the application of sanctions, which could be bilateral or collective. Sanctions conferred non-negligible force on these policies, while UN treaties and resolutions associated them with notions of consensus and legitimacy. The conflict in Afghanistan has undermined the sanctions policy. The United States and its allies needed Pakistan's support, without which it would not be possible to seal the Afghan border or defeat the Taliban. Sanctions were suspended after the September-October 2001 definition and alignment phase. Meanwhile, the Western

Powers' core policy unit for South Asia remained. Noorani, (2008) indicated that the great powers continued to demand Islamabad's adherence to the NPT and the Comprehensive Nuclear Test Ban Treaty (CTBT), as they continued to await their understanding with New Delhi. Within the same criteria, they required Pakistan not to exchange nuclear or missile technology with other countries and jihad abroad.

The Iraqi crisis has introduced a powerful new disturbance into this consensual framework. In fact, it introduced a fundamental change by causing the breakdown of the unity of the great powers. Pakistan had found a seemingly safe position by aligning with the Western powers in 2001: obtaining economic assistance with the end of sanctions; protected its nuclear bases despite the formal insistence of the great powers on the NPT and the CTBT; and prevented the international anti-terror coalition, directed at former Pakistani Taliban allies, from carting free to New Delhi in its chronic confrontation with Islamabad. Most importantly, for the Pakistani government, the Western powers were reconciling with the military regime in Islamabad, previously subject to specific sanctions.

With the division between the great powers, due to the Iraqi crisis, and the consequent disputes in the UN Security Council, Pakistan was called to define itself (Mansoor Khan & Ishaq Bhatti, 2006). Prime Minister Zafarullah Jamali and Foreign Minister Khurshid Kasuri received calls from leaders of both power groups. There were also high-level visits from both the United States and Iraq. The most influential country in Pakistan is the United States. But the Pakistani population is against the war (Leiponen, 2005). The prestige of Russia, Germany and France has noticeably increased, with favourable pronouncements from party leaders and press articles about the attitude of these countries. China, which already had an excellent image in Pakistan, was once again praised for not joining the coalition against Iraq. The Pakistani government has announced its anti-war stance in Iraq without criticizing the United States head-on.

From the Pakistani point of view, the consequences of the Western rupture for international relations in South Asia are serious. Although Pakistan has no interest in hegemonic domains in global relations, according to the so-called unipolar model, the division between the great powers raises serious dilemmas for Islamabad. These dilemmas affect Pakistan's core policies, from its economic uplift plan to arms issues. It is within this framework of uncertainty that

Western strategies for Asia fit in, and against this backdrop Pakistan will have to make fundamental decisions. Their decisions are also linked to equally dilemmatic issues internally, as will be seen below.

PAKISTAN'S TRADITIONAL ALLIANCE WITH THE WESTERN POWERS

Given the issues outlined above, and the risks that arise, how does Pakistan define its priorities and alignments? Mehrunnisa Ali, in his introduction to the book *Readings in Pakistan Foreign Policy*, points out certain constants that in his view mark half a century of foreign policy in Islamabad since independence (Mehrunnisa, 2001). The first aspect is the pre-eminence given to relations with the United States in ensuring national security against external threats, with the maintenance of special ties between the ruling elites of Pakistan and Washington through successive changes in the international framework, and despite of colder moments in bilateral relations (Khan, 2006). The second, the primacy accorded to the dispute with India over Kashmir, which led to the establishment of massive weapons schemes, both conventional and nuclear. A third aspect is the shift from the need for external economic assistance, Still as noted by Mehrunnisa Ali, with Pakistan nestling between powerful and hostile India and unfriendly (though not always) Afghanistan, Islamabad sought assurances in alliances with the United States. However, as an alliance between unequal partners with often diverging interests, it was inevitable that Pakistan would from time to time be faced with dilemmas and difficulties (Mehrunnisa, 2001). In particular, at the time of the Cold War, US policy towards Asia, as seen in initiatives and pacts such as the Center Treaty Organization (Cento) and the Southeast Asian Treaty Organization (Seato), aimed at The major influence was to contain Soviet influence, while Pakistan's was mainly to avoid pressure, if not attacks, from abroad. This would have to result in attitudes not coinciding with those of the United States, such as relations with China. It may be added that in 2001-2003 Pakistan saw this dichotomy taken to an extreme point, with the conflict in Afghanistan, the escalating tensions with India and the attack on Iraq. In addition, until 2002-2003, prior to the Iraqi crisis, Pakistan could make its calculations on the basis of a relatively unified strategy of the

Western powers, whereas it has since been confronted with a clearer international picture.

CONFLICTS AND NEGOTIATIONS UNDERPINNING THE SITUATION IN REGION

Some of the moments that contributed to shaping the situation in South Asia will be outlined below.

1947 - Independence of Pakistan and India. First conflict between the two new countries, with massive displacement of populations, in extreme conditions of violence. Kashmir's situation remained undefined.

1965 - New Indo-Pakistani conflict over Kashmir, which remained divided.

1971 - Third Indo-Pakistani war. India intervenes in East Pakistan, where the nationalist current gains independence from Bangladesh. Immense damage to Pakistan, which loses its place as the most populous Islamic country. India retains 93,000 prisoners of war from Pakistan.

1972 - Simla Agreement, which leads to the release of Pakistani prisoners of war and enshrines the negotiation of Indo-Pakistani litigation by peaceful means, bilaterally or by any other peaceful means indicated by the parties.

1998 - India conducted nuclear tests in May, followed a few days later by Pakistan. Western powers impose sanctions on both countries, which have a much more pronounced effect on Pakistan.

1999 - Earlier this year Prime Minister Nawaz Sharif and Prime Minister Vajpayee meet in the Pakistani city of Lahore, beginning what is expected to be overcoming bilateral hostility. To general surprise, as the warm season begins, which clears the high mountain passes between the two countries, mujahideen groups (according to Pakistan) or Pakistani forces (according to India) take strategic positions on the Indian side of the Control Line that divides Kashmir: it is Kargil's "near war". India threatens with wider retaliation. Prime Minister Nawaz Sharif attends Washington, where he meets with President Bill Clinton, and decides to exert pressure to remove anti-Indian fighters, ending the incident (Khan & Bhatti, 2012).

12.10.1999 - General Pervez Musharraf, Pakistani Army Chief of Staff, overthrows Prime Minister Nawaz Sharif. He assumes the title of Chief

Executive, with exceptional powers, including the power to make changes to the 1973 Constitution. This power is recognized by the Supreme Court of Pakistan, within limits, and with the proviso that general elections must be held by October 2002, for the return to the civil and parliamentary regime (Manchanda, 2010). General Musharraf eventually took over the Presidency of the Republic.

2001 - Summit meeting between President Musharraf and Prime Minister Vajapayee in Agra. The meeting ends acrimoniously, without any success. In December of the same year, the Indian Parliament was attacked. New Delhi accuses Islamabad, which returns the charges. India moves large numbers to the border area with Pakistan, which takes symmetrical measures; soon about one million troops will take up positions on both sides of the LoC and the common border in an escalation of tensions that cause serious concern to the western powers. Throughout 2002 these forces gradually returned to their peacetime positions.

2002 - President Musharraf holds plebiscite, obtaining extension of his mandate. Still with the functions of Chief Executive, it determines constitutional changes that strengthen the role of the Presidency and limit the faculties of Parliament and the Prime Minister, under the terms of the Legal Framework Order (LFO). In October general elections are held, giving a simple majority to the Muslim League of Pakistan (PML-Q), which is in favor of Musharraf. With its allies, PML-Q wins the Bureau of the National Assembly and ensures the selection of Prime Minister Zafarullah Jamali, who belongs to its staff (Lavoy & Lavoy, 2009).

2003 - Senate election, also with majority of PML-Q and its allies. In both houses of Parliament the opposition refuses to accept the incorporation of the LFO into the Constitution. Until April 2003 the impasse between the opposition and the ruling majority remained.

PAKISTANI POSITION IN INTERNATIONAL TRADE FRAMEWORK

The foregoing set of considerations suggests that: while there was Western unity, President Musharraf could maintain an alignment policy that implied major concessions to the United States and other powers, which in turn made concessions to Pakistan within a relatively stable framework, despite opposition and criticism from considerable internal sectors; the division of the great powers, especially between

the United States and the "hard" or more coherent core of Europe, has eliminated the obvious and secure character of the option in international relation. As seen by the Pakistani leadership, and is no longer general alignment possible, without dilemmas, not even at the cost of major concessions. The transition from the military regime to a new parliamentary and civil regime, precisely in the period between October 2002 and March 2003, when the crisis around Iraq created divisions that eliminated the possibility of undemocratic alignment of Pakistan. It made the choice of the type of alignment to be adopted even more difficult: it gained new strengthens opposition to the previous alignment with the United States, in the streets and in the press, not to mention expressive sectors of the state apparatus, inclined towards Islamic solidarity and resistance to all external controls inclination that coincides with the parties of Islamic or nationalist orientation, which are outside the government, but on the rise (Lenzen et al., 2013). However, this made the choice of the type of alignment even more difficult: opposition to the previous alignment with the United States, in the streets and in the press, not to mention expressive sectors of the state apparatus, inclined towards Islamic solidarity and resistance to all external dominations. The scope of these can be assessed by analyzing Pakistan's relations with different countries and centers of power. In this context, relations with Afghanistan, the United States, other Western powers, China and India should be highlighted.

RELATIONS WITH NEIGHBOURING COUNTRIES

Afghan-Pakistani relations underwent a radical change following the September 2001 attacks and the US decision to attack the Taliban regime. Until then, the Pakistani government had hoped to see the Taliban control the entire Afghan territory. After its rapid expansion from 1994, which led to the control of the cities of Kandahar, Herat, Kabul and Mazar-e-Sharif - that is, all major urban centres in Afghanistan - only a narrow strip remained outside Taliban control. With the Central Asian republics and the Panjshir Valley, where the main resistance force to the fundamentalists, the so-called Northern Alliance, with its Tajik military core, remained. Areas in the power of resistant Tajiks and Uzbeks, the latter, led by General Dustan, were the target of repeated Taliban offensives that, according to the Northern Alliance, had material support from Pakistan (Irshad & Xin,

2015). Successive Pakistani governments, in turn declared that they had no participation in the Afghan conflict and that their action in this regard was limited to the diplomatic sphere, with proposals for negotiation.

Pakistan basically proposed negotiations between the Taliban and the opposition led by the Northern Alliance (which constituted the military base of the regime run by President Rabbani, seen by the UN and most of the international community as the legitimate power in Afghanistan). Several unsuccessful attempts have been made to reach agreement between the Taliban and the Northern Alliance, including through a meeting in Islamabad. The group called Six Plus Two (United States, Russia, and Afghanistan's neighbors: Pakistan, Iran, Turkmenistan, Uzbekistan, Tajikistan, and China) were active, as were the UN and the Organization of the Islamic Conference. The general idea was to form a broad and representative conciliation government. That objective ran counter to the Taliban's lack of interest, which believed in its ability to complete control over all Afghan territory. While supporting the negotiations, Pakistan urged the international community to recognize the Taliban regime as a legitimate power in Afghanistan. Only three countries have even taken this step: Pakistan itself, Saudi Arabia and the United Arab Emirates. Islamabad soon became the Taliban's main diplomatic support internationally. Contrary to what Islamabad proposed, the UN imposed sanctions on the Taliban. Although Pakistan considered them unfair, unequal and counterproductive, it formally declared its willingness to apply them as a UN member (Hassan, T. (2002). The sanctions did not prohibit trade in civil products, and Pakistan continued to be Afghanistan's main foreign trade route. According to the Northern Alliance, it also continued to provide material support and tactical direction for Taliban offensives, which Islamabad has always denied.

The United States has obtained its most important forms of access through Pakistani territory and Uzbekistan, and the use of Iranian space is unthinkable. Pakistan has tried to avoid the dilemma between the abandonment of its Afghan ally and the hostility of the United States by sending missions to Kandahar, the de facto Taliban capital, even under the leadership of its Interior Minister. However, it failed to persuade the Taliban to surrender bin Laden. In view of this, General Musharraf, Chief Executive of the Pakistani military regime, opted for what he called the minor evil, namely alignment with the

United States. In this way, it avoided deadly risks to Pakistan, including a selective attack on its nuclear facilities.

Pakistan's security was maintained, a fact repeatedly reiterated by President Musharraf's government to challenge its nationalist critics and supporters of Islamic movements. Also on 12.04.2003 declared Marshal Kaleem Saadat, Chief of Staff of the Air Force that the far-reaching decisions then made by the Pakistan government emptied the manoeuvres of his enemies. For Saadat, the whole world today sees Pakistan as a peace-loving country, with an important role in the UN (Alam, 2004). In his words, during the tumultuous period after September 11, our opponents tried to exploit the situation in their favour, but because of our bold and far-reaching decisions, they failed to harm us or isolate us from nations. The price paid by Islamabad was the loss of his ally in Kabul and Kandahar and the end of his dream of being the most influential power in Afghanistan, projects that would give him strategic depth in the event of a new conflict with India. On the other hand, Hamid Karzai, the US-backed president who took power in Afghanistan, has had friendly relations with Islamabad, despite the first negative signs of Northern Alliance leaders joining the summit of the new Afghan government. . Pakistan can maintain its magnificent project to build pipeline between the Turkmen deposits and the Multan industrial centre on Pakistani territory through Afghanistan; the pipeline, if effectively constructed. It will provide low-cost energy to Pakistani industry and underline Islamabad's geopolitical importance as a channelling of Central Asian resources. At the same time, it prevented the excessive rise of Indian influence in Kabul, initially favoured by ministers from the Northern Alliance to the detriment of Islamabad. While seeing its drastically diminished influence on Afghanistan, the latter remains a major factor in Pakistan's foreign policy.

PAKISTAN RELATION WITH WESTERN COUNTRIES

The most important presence in Pakistani foreign policy considerations is the United States. It is not a matter of uniform or calm presence. On the contrary, advances and setbacks have marked it, by phases of little interest on the part of the United States, or subordination to other priorities, as well as periods of mutual distrust and even sanctions imposed by Washington. Pakistan responds by approaching other

powers in the withdrawal phases of the United States, or by intense collaboration with Washington when the latter proposes to strengthen bilateral ties. However, Pakistan does not give in, whatever the attitude of the US: in maintaining the core of its foreign policy. Relations between Pakistan and the United States thus describe a commuting movement, of considerable consequence for both Islamabad and the whole of South Asia, with repercussions on the rest of the world. Pakistan's attitude toward the United States tends to be constant, with a well-known willingness to maintain a wide range of collaboration and to meet a range of US requirements. The United States, however, is giving a pendulum movement to relations with Pakistan, in the light of its current policies. Between 1979 and 1989, in order to secure the departure of Soviet troops from Afghanistan as well as securing isolation from leftist governments in Kabul, the United States cultivated Islamabad, accepting General Zia-ul-Haq's dictatorial regime and tolerating Pakistan's nuclear policy (Khan, Saboor, & Mohsin, 2015). In 1990, following the departure of Soviet forces, the United States imposed sanctions on Islamabad on the basis of its nuclear program, which caused deep resentment in Pakistan. Despite the sanctions, the United States maintained as cordial relations as possible with Islamabad, even though it drastically restricted arms sales, which accentuated the Pakistan-India imbalance in conventional weapons. In 1999, with the overthrow of Prime Minister Nawaz Sharif by General Pervez Musharraf, who took over as head of government, the United States imposed new sanctions in retaliation for the fall of the democratic regime. However, after September-October 2001, when Islamabad broke with the Taliban and backed the US campaign in Afghanistan, Washington suspended sanctions and resumed economic assistance and sought to contain India in times of the most serious confrontation with Pakistan. Collaboration between Islamabad and Washington on Afghanistan, the Taliban and Al Qaida continues, but the Pakistani government, in the face of intense internal opposition, has had to distance itself from US policy towards Iraq (Irshad & Xin, 2015). The United States, in turn, in 2003, imposed sanctions on the Pakistani KRL (Khan Research Laboratories) laboratory. At the same time, however, they signed an agreement that gives Pakistan significant economic advantages. These questions will be examined below. Washington has suspended sanctions and resumed economic assistance and sought to curb India in times of the most serious

confrontation with Pakistan. Collaboration between Islamabad and Washington on Afghanistan, the Taliban and Al Qaida continues, but the Pakistani government, in the face of intense internal opposition, has had to distance itself from US policy towards Iraq. The United States, in turn, in 2003, imposed sanctions on the Pakistani KRL (Khan Research Laboratories) laboratory (Pandian, 2005). At the same time, however, they signed an agreement that gives Pakistan significant economic advantages. These questions will be examined below. Washington has suspended sanctions and resumed economic assistance and sought to curb India in times of the most serious confrontation with Pakistan. Collaboration between Islamabad and Washington on Afghanistan, the Taliban and Al Qaida continues, but the Pakistani government, in the face of intense internal opposition, has had to distance itself from US policy towards Iraq. The United States, in turn, in 2003, imposed sanctions on the Pakistani KRL (Khan Research Laboratories) laboratory. At the same time, however, they signed an agreement that gives Pakistan significant economic advantages. These questions will be examined below. Collaboration between Islamabad and Washington on Afghanistan, the Taliban and Al Qaida continues, but the Pakistani government, in the face of intense internal opposition, has had to distance itself from US policy towards Iraq. The United States, in turn, in 2003, imposed sanctions on the Pakistani KRL (Khan Research Laboratories) laboratory. At the same time, however, they signed an agreement that gives Pakistan significant economic advantages. These questions will be examined below. Collaboration between Islamabad and Washington on Afghanistan, the Taliban and Al Qaida continues, but the Pakistani government, in the face of intense internal opposition, has had to distance itself from US policy towards Iraq. The United States, in turn, in 2003, imposed sanctions on the Pakistani KRL (Khan Research Laboratories) laboratory. At the same time, however, they signed an agreement that gives Pakistan significant economic advantages. These questions will be examined below. Collaboration between Islamabad and Washington on Afghanistan, the Taliban and Al Qaida continues, but the Pakistani government, in the face of intense internal opposition, has had to distance itself from US policy towards Iraq. The United States, in turn, in 2003, imposed sanctions on the Pakistani KRL (Khan Research Laboratories) laboratory. At the same time, however, they signed an agreement that gives Pakistan significant economic advantages. These questions will be examined below.

CONCLUSION

This chapter of the report provides the insight to role of Pakistan in ECO and support for the trade development of in Pakistan. It has been found that organization's main purpose include the sustainable economic development of the member states; the progressive

elimination of barriers to trade and the promotion of intra-regional trade. This provide the useful information about Pakistan relation with different nation. In this regard, the United States government, the most active foreign power in South Asia, continues to express its concern about the political state of the region. Relations between Pakistan and the United States thus describe a commuting movement, of considerable consequence for both Islamabad and the whole of South Asia, with repercussions on the rest of the world. Pakistan's attitude toward the United States tends to be constant, with a well-known willingness to maintain a wide range of collaboration and to meet a range of US requirements. Pakistan, for its part, denies the existence of cross-border terrorism through the LoC and says whereas this accusation is an attempt by India to defame him in such a way as to upset him with the international community and to cover up the massive human rights violations in his view committed by Indian forces in Kashmir. Pakistan is the most populous Muslim country after Indonesia and constantly projects its role within the Organization of the Islamic Conference, which brings together fifty-six nations. Both Pakistan and India have nuclear weapons and develop new missile systems.

The international implications are also considerable. Pakistan is a neighbor of Afghanistan; their cooperation proved indispensable in the fight against the Taliban. Pakistani leadership, and is no longer general alignment possible, without dilemmas, not even at the cost of major concessions. The transition from the military regime to a new parliamentary and civil regime, precisely in the period However, this made the choice of the type of alignment even more difficult: opposition to the previous alignment with the United States, in the streets and in the press, not to mention expressive sectors of the state apparatus, inclined towards Islamic solidarity and resistance to all external dominations. Within Pakistan's armed forces and intelligence agencies have maintained connections with the Taliban, al-Qaida and other groups engaged in violent actions, some of them committed to undermining India's control over its portion of Kashmir (Schofield, 2010). Expressing the dilemmas of the situation, which exist not only for Pakistan but also for the United States. Pakistan wishes to open negotiations with India on Kashmir and other bilateral problems. It also wishes to implement the UN resolutions on the disputed territory, including its self-determination. India wants an end to the Kashmir

uprising, in its view a series of attacks orchestrated by movements backed by Pakistani territory. The Pakistani government underscores both its international credit and its capacity for self-defense. Neither will it be easy to remove Russian-Pakistani relations from the Cold War quagmire, but the possibility of a decisive breakthrough is visible in the face of goodwill on both sides. The hopes in Germany and France were evident, both in Pakistani press articles and editorials and in speeches by party leaders at protest rallies against the attack on Iraq. Even within Pakistan's ruling elite it was easy to see this attitude.

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