

# ISAS Insights

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## Europe and Pakistan: A Partnership in Progress

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The European Union is increasingly seen in South Asia as the citadel of ‘soft power’. But the way the two regions relate tends to go far beyond. There is a burgeoning political and economic relationship. That is, in many ways, defining their interactions. Pakistan, a country strategically placed in South Asia, is of importance to Europe. This is increasingly becoming evident.

Unsurprisingly, the lead European country in terms of relations with Pakistan remains the United Kingdom (UK). These are historical and cover the broad spectrum of political, intellectual, emotional, and economic ties. Indeed till 1956, Pakistan remained a Dominion in the British Commonwealth, six years longer than India. Of the 2.2 million Pakistanis who comprise the diaspora in Europe, over half live in the UK. Many have been there through generations, and have begun to play an important role in different aspects of the host community.

In politics there are many persons of Pakistani origin who sit in both the Houses of Commons and Lords, as well as in the Scottish and European Parliaments. For instance Baroness

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Sayeeda Hussain Warsi was until recently a Senior Minister of State in the Foreign Office (from the Conservative Party) and earlier Shahid Malik, of the Labour Party, was a Minister for International Development in the Gordon Brown government. In the literary world Mohsin Hamid, Hanif Kureishi and Tariq Ali are well-known names, as Zia Moheyuddin in entertainment. In some ways they were returning the favours of the nineteenth century English literateur, Rudyard Kipling, who brought territories now comprising Pakistan to the mainstream of British social and literary consciousness through works such as *Kim* and others. In business, Sir Anwar Pervez, founder of the Bestway Group, is the wealthiest Muslim in Britain. Cricket, which provides an abiding link between Pakistan and Britain, has seen many of those of Pakistani origin play for England such as Aamer Khan, Usman Afzaal and Qasim Sheikh. On the somewhat unsavoury side this diaspora has also provided its share of Islamist militants, among them being Abu Bakr Mansha, Hasib Hussain and Shehzad Tanweer.

Originally, the Pakistanis in the rest of Europe were more indigent, but over time their situation improved, and they began to contribute to the welfare of friends and families in Pakistan, and to charities (albeit, mostly Islamic). They usually learn the language of their host communities, and have also begun to take part in the local intellectual life. For instance, Professor Emeritus Ishtiaq Ahmed in Sweden has written extensively on South Asian and global politics.

Time was when Pakistan was an effective strategic partner of some European countries, such as the UK (through Defence agreements such as the Baghdad Pact), but no longer. The relations are now mostly economic and political.

Politically, the European Security Strategy (ESS) in 2003 identified in Pakistan, a country with over 100 nuclear warheads and counting, as a ‘frightening scenario’, one in which a ‘terrorist group could acquire weapons of mass destruction’. In fact Pakistan is relevant to all the five key threats outlined in the ESS; terrorism, proliferation of WMD, regional conflicts, state failure and organised crime. Stability of Pakistan is also important as it continues to be a conduit for the supplies to European troops in Afghanistan representing 25 out of 27 EU member-states, but this importance will decline as the foreign forces withdraw from Afghanistan. The politicians at the European Union headquarters in Brussels worry about possibilities of the training of European terrorists in Pakistan, but not overly so, as indigenous terrorists in Europe itself are beginning to occupy their attention.

On strategic issues, the European Union is quite happy to play a second fiddle to the United States, and concentrate itself to effecting positive transformations in Pakistan through the use of what Joseph Nye has called ‘soft power’, or the capacity of more gentle suasion through the spread of values. For instance the Third Generation Agreement ratified in 2004, focuses on democracy and the protection of human rights in Pakistan. There is empathy and understanding in Europe of the key role Pakistan will be required to play in restoring calm in Afghanistan, in the future, and that a peaceful and prosperous Pakistan is good for the region and the world. The best way to do this, Brussels has assessed, is to support Pakistan’s economy and buttress its development efforts.

To those ends, the EU remains Pakistan’s largest export-destination and trading partner. EU imports well over 27% of Pakistan’s exports in goods, with Pakistan receiving more than 15% of European sales. The EU policy is to remain constructively engaged with Pakistan at all possible levels. These are mainly three: First, resumption and upgrading of political dialogue, second, the signing of the Third Generation cooperation agreement and third, additional development assistance.

The total assistance provided to Pakistan by EU member-states between 2009 and 2013 amounted to 2.458 billion euros, an increase by 50% year-to-year. The support is spread across the European Instrument for Democracy and Human Rights, Food Facility, Instrument for Stability, and loans from the European Investment Bank. There has been considerable humanitarian assistance as well. After the disastrous floods in Pakistan in 2010, the relief provided by the EU amounted to 423 million euros, totalling 30% of the total international flood-aid. The following year another 75 million euros were committed for the conflict-affected populations of the province of Khyber Pakhtunkhwa and of the Federally Administered Tribal Areas (FATA) in Pakistan.

In December 2013 the EU granted Pakistan the much-awaited duty-free market access under the Generalised Scheme of Preferences-Plus (GSP-Plus), which became effective as of 1 January 2014. Earlier Pakistan undertook to fully implement its commitments under 27 international conventions on human rights, good governance, labour and environmental standards. An extremely-pleased Pakistani Finance Minister, Ishaq Dar, said that the scheme would increase Pakistani exports to Europe by US \$ 2 billion a year. Prime Minister Nawaz Sharif of Pakistan also expressed his satisfaction by stating that gaining access to the European markets was the top-most priority of the government as part of the economic

development agenda. To complement this initiative the EU and Pakistan adopted in 2012 a five-year engagement plan that would run into 2017, launching a Strategic Dialogue. This would be expected to cover a wide range of issues, from security, including counter-terrorism, non-proliferation and regional cooperation, to human rights, migration and development cooperation.

Relations between Europe and Pakistan are civilisational – starting with those between Britain and the fringes of the South Asian subcontinent – to this day, when in most aspects they are on an even keel. These comprise more than the sum of their parts, for the computation of numbers of trade or aid figures, sales or purchases, can fully reflect the complexities of the numerous bonds of varied times that sew these two regions together. It can indeed be said to be a partnership in progress.

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