

Pakistan



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Pakistan: Foreign Policy

Pakistan, a land of many splendors and opportunities, a repository of a unique blend of history and culture for both the East and West has been the cradle of one of the oldest civilizations. The Indus valley, is the ninth most populous Area in the world, with 134 million tough, conscientious, hard working people wishing and striving hard to enter into the 21st century as equal partners in the community of the different developed nations. During the last 20 years Pakistan's economy has been one of the fastest growing in the world-the seventh fastest in Asia ([www. forisb. org/fpolicy](http://www.forisb.org/fpolicy)).

Pakistan's economy has been becoming large on a worldwide scale, with the annual gross domestic product growing at more than six percent a year. It is now a member of the Economic Cooperation Organization, and the South Asian Association of Regional Cooperation ([www. forisb. org/fpolicy](http://www.forisb.org/fpolicy)). Pakistan is strategically located in close proximity to the affluent Middle East. It is in position geographically to be a gateway of trade for many land-locked countries, such as Afghanistan and those of central Asia. It is also in proximity to the enormous East Asian Markets. The trade relations of Pakistan have been very diverse, for trade has been opened between them and countries in the Middle East as well as the Far East. The trade policy in Pakistan has been dramatically changed over the last few years. One of the main policies for trade through Pakistan is in order to decrease manufacturing cost of the exporters, all imports by all direct and indirect exporters under various schemes including no duty, no draw back, manufacturing in bond and temporary import schemes, will be allowed without payment of custom duty, sales tax and with-holding income

tax (www3.jaring.my/pakistanhc/page19.html).

Pakistan now has a highly developed financial sector consisting of local as well as foreign commercial banks, investment banks, leasing companies, mutual funds and various other fund companies. Besides providing working capital and long-term financing to the investors, these banks offer a number of facilities such as remittance of profits/dividends and maintenance of foreign currency accounts (www.mofa.com). Now because of this, various cities in Pakistan have developed stock exchanges with major corporations in the U. S.

Security in Pakistan has been a major issue since the origins of the country and its controversial creation.

The overriding objective of Pakistan's foreign policy is the safe guarding of its sovereignty, security and territorial integrity. This is underpinned by its firm adherence to immutable principles of interstate relations.

The violence accompanying the partition leading to the emergence of the two independent states of Pakistan and India generated hostility, which continues to afflict relations between the two countries, mainly because of the unresolved issue of Jammu and Kashmir. The issue is the source of continuing tensions and conflict, and shaped the unstable and tense security environment in the region. The historical perspective of Pakistan's foreign policy falls in five broad phases. The first period covers the time when the UN enforced cease-fire during the 1949 to 1965 War over Kashmir. During this period Pakistan allied itself with the West by joining the Baghdad Pact and its successor, CENTO, and SEATO (www.mafo.com).

The second phase runs from 1965 to the 1971 crisis in East Pakistan. The 1965 war, which was sparked by the Jammu and Kashmir issue, had led to a <https://assignbuster.com/pakistan/>

drastic reduction in economic and military assistance of which Pakistan has just recently recovered from. The increase in defense needed added together with the decline in foreign assistance was probably the main reason for the economic difficulties and aggravated political problems. India played on this crisis and eventually imposed war on Pakistan.

During the third phase from 1971 to 1989 Pakistan remained engaged in rebuilding itself and facing the challenge of the Soviet military intervention in neighboring Afghanistan, which lasted for over a decade till 1979, and has spawned a conflict that continues to hurt Afghanistan now([www. mofa. com](http://www.mofa.com)).

The fourth phase covers the period from 1990 to the nuclear tests in 1998. Two important events from a security perspective took place around 1990. USA clamped economic and military sanctions on Pakistan under the Pressler Amendment (Mrs. Soczek 9th grade). That same year the intensification of the freedom movement in Kashmir led