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**PAKISTAN-JAPAN RELATIONS: SECURITY,
ECONOMIC AND POLITICAL DIMENSIONS**

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Abstract

Pakistan is a major strategic partner of Japan in South Asia. Pakistan-Japan relations possess wide prospects particularly in economic, trade, commerce, security, political and strategic areas. These relations are not linked with Tokyo's relations with New Delhi as both Japan and Pakistan share common perceptions on sustaining the Indo-Pak peace process. There is also a need on the part of Pakistan to learn lessons from the Japanese model of development, particularly in the spheres of education, infrastructure, science and technology. Pakistan can learn a lot from Japan but in order to seek more assistance from Tokyo, Islamabad needs to dispel Japan's concerns as far as the issue of nuclear proliferation is concerned. Stable Pakistan-Japan relations may help the process of Indo-Pak normalization of relations on the one hand and Tokyo's meaningful role in SAARC, on the other.

Introduction

Pakistan is a major strategic partner of Japan in South Asia. The world after September 11, 2001 witnessed the formulation of a kind of convergence of perceptions and interests between Tokyo and Islamabad on issues that remain considerably responsible for the

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insecurity and instability in the contemporary international order. Issues like terrorism, religious extremism, proliferation of nuclear weapons and other weapons of mass destruction form the basis of Pakistan-Japan strategic and security dialogue being held by the two countries over the last two years.

An analytical study of Pakistan-Japan relations in contemporary era will bring into light not only smoothness and stability in their bilateral ties established since April 28, 1952, but the widening of their interaction particularly in the areas of disarmament, nuclear non-proliferation, security and combating terrorism. With Japan granted an observer status in the South Asian Association for Regional Cooperation (SAARC) and Tokyo's close economic and trade relations with all the SAARC countries, the dynamics of relations between Pakistan and Japan have underwent a qualitative change. Pakistan's unique geo-political location provides a compelling rationale for growing Japanese interest in Pakistan. In this regard, Pakistan's position in South Asia at the crossroads of Central and West Asia as well as within the close proximity of oil producing Persian Gulf region is of considerable importance to Japan.

This paper attempts to examine the dynamics of Pakistan-Japan relations particularly in the context of post-9/11 scenario. Japan is an important trading partner of Pakistan and is also a major source of aid and investments since the formative phase of Pakistan-Japan relations. After the nuclear tests by Pakistan in May 1998, Japan expressed its displeasure by suspending economic aid but a qualitative change in Tokyo's perception and stance vis-à-vis Islamabad occurred after the terrorist attacks of September 11, 2001 on New York and Washington DC. Recognizing Pakistan's pivotal role in war against terrorism, Japan provided substantial economic relief to Pakistan including rescheduling of 4.5 billions dollars of debt. Japan also helped Pakistan through the World Bank (WB) and the Asian Development Bank (ADB) in providing loans and other forms of assistance.

There is a history of cordial relations between Japan and Pakistan amidst brief phases of displeasure. On several critical international issues, the two countries share common perceptions and both are also involved in the UN peacekeeping operations. Apart from economic ties, which Pakistan and Japan possess since long, the relations

between the two countries need to be analyzed in six important areas. These are:

1. *Nuclear non-proliferation*
2. *Terrorism and extremism*
3. *Democracy and human rights*
4. *Regional and international security*
5. *Indo-Pak peace process*
6. *Reforms in the United Nations*

In April 2005, former Prime Minister of Japan, Junichiro Koizumi, visited Islamabad and held fruitful talks with Pakistani leaders including President General Pervez Musharraf and Prime Minister Shaukat Aziz on issues ranging from disarmament and nuclear non-proliferation, alleged role of Pakistan in nuclear collaboration with North Korea, war against terrorism, including security measures to liquidate terrorist organizations, Indo-Pak peace process, including Kashmir and Japan's interest to seek Islamabad's support for a permanent membership in the UN Security Council. It was on the occasion of his visit to Pakistan, that the Japanese Prime Minister announced the resumption of yen loan facility to Pakistan, which was discontinued after the nuclear tests of May 1998.

Japan's role in developing the industrial, agricultural and urban infrastructure of Pakistan is substantial. On the question of supporting Afghan refugees in Pakistan, Japan has been very forthcoming by providing generous material and logistical assistance for the Afghan nationals who were rendered homeless first as a result of the Soviet military intervention and then because of deadly civil war in their country. Japan is also very much active in the process of rebuilding Afghanistan by providing enormous economic assistance to that war torn country.

The purpose of this paper is two fold: first, to briefly examine the background of Pakistan-Japan relations and second, to ponder the prospects of relations between the two countries in the light of their interactions in six areas mentioned above. For Pakistan, learning from the Japanese experience of progress and development is essential. The manner in which the people of Japan follow the principles of work ethics in theory and in practice should also be a source of inspiration,

admiration and learning for Pakistan. As it seems, Japan's involvement will grow in South Asia on account of changing geopolitical setting of the region. With the emergence of China as a major economic power, Japan's interest in South Asia is to encourage regional cooperation, particularly stable relations between India and Pakistan and to de-escalate tension as far as the Kashmir dispute is concerned. In late 2001 and during 2002 when India and Pakistan were on the brink of a war, Japan along with the United States and European Union played a major role in war avoidance between the two nuclear states of South Asia. Japan also encouraged Pakistan to resume the normalization process under the framework of composite dialogue and seek a plausible resolution of Kashmir and other contentious issues between the two countries.

Historical background

The first interaction between Pakistan and Japan occurred when Japan's trade delegation made a visit to Pakistan in September 1948. Japan's first overseas liaison agency was established in Karachi, which looked after its diplomatic activities in Pakistan. Pakistan was one of the first countries that ratified the Peace Treaty even without waiting for American ratification and established formal diplomatic relations with Japan within ten days of the ratification of the treaty. Japan's first post-war trade agreement was also signed with Pakistan in May 1948. It needs to be noted that since 1954 Japan has been providing technical and financial assistance to Pakistan. For instance, Pakistan received around 18 percent of accumulated Japanese Official Development Assistant (ODA) offered to Asian countries during 1961-70. Japan also provided assistance for the completion of 18 mega projects for the development of natural resources and setting up of industrial plants in Pakistan.¹

In the formative phase of Pakistan-Japan relations, around sixty Japanese transnational companies (Zaibatsu) established their branch office in Karachi in the 1950s. Bank of Tokyo (earlier called as

¹ For further information see, Dr. Ahmad Rashid Malik, *Pakistan's Vision East Asia: Pursuing Economic Diplomacy in the age of Globalization in East Asia and Beyond*, IPRI Paper 11, (Islamabad), July 2006, p.18.

Yokohama Special Bank) set up its fourth overseas branch in Karachi in 1953 after New York, London and Calcutta. During the 1950s Pakistan became a vast market for Japanese products mainly textiles marked 'Made in Occupied Japan'. Pakistan became one of the largest suppliers of raw cotton and jute to Japan. Moreover, Karachi became the most favorite destination and hub for Japanese business activities in Asia.²

Yet, the smooth and stable history of Pakistan-Japan relations should not be termed as 'ideal' because on several occasions frictions occurred between the two countries on account of political reasons. For instance, Japan cut off its economic assistance to Pakistan during the 1965 and 1971 Indo-Pak wars. Japan also expressed its displeasure over the nuclear tests conducted by Pakistan in May 1998 by cutting off economic aid to Islamabad.³ Barring from brief spells of friction in Pakistan-Japan relations as indicated, the relations between the two countries witnessed a process wherein the scope of bilateral ties has been ever-widening. More importantly, the process of co-operation between the two countries also has been deepening constantly. Japan since the early days of its diplomatic relations with Pakistan has been a source of substantial aid and assistance in various projects. Tokyo has funded projects like Indus Highway project, various power projects, rural road completion project, Kohat tunnel project and Ghazi Barotha dam project. Japan was also forthcoming to provide assistance to the October 8, 2005 earthquake victims in Pakistan by providing US\$200 million for the reconstruction of affected areas.

After the terrorist attacks of September 11, 2001 in the United States and Pakistan's critical role in the war against terrorism, Japan announced to provide US\$ 300 million grant assistance to Islamabad and also rescheduled Pakistan's debt amounting to US\$4.5 billion. Japan also urged various international lending agencies like the World Bank and the Asian Development Bank to provide aid and assistance to Pakistan. Change in Japan's policy vis-à-vis Pakistan was an

² *Pakistan's Growing Interaction with East Asia*, IPRI Fact File (Islamabad), Vol.VIII, No.7, July 2006, p.1.

³ Dr. Ahmad Rashid Malik, "Koizumi's visit to Pakistan" *The Nation* (Lahore), May 1, 2005.

indication of its readiness to resume its normal relations with Islamabad, particularly in the realm of economic aid and assistance.

During his meeting with Pakistan's Prime Minister Shaukat Aziz in April 2005, visiting Japanese Prime Minister Koizumi stated that his country would continue to provide assistance to Pakistan and that it would resume the provision of yen loans as a part of such efforts. Prime Minister Aziz stated that the people and government of Pakistan greatly appreciated the technical and financial cooperation provided by Japan. Prime Minister Koizumi also presented Prime Minister Aziz with a stamp issued by the government of Pakistan commemorating the 50th anniversary of Japanese Overseas Development Assistant (ODA) to Pakistan. Prime Minister Aziz also requested the expansion of technical cooperation provided by Japan.⁴

President Musharraf's four-day visit to Japan during March 12-15, 2002 focused on security issues and cooperation in other areas of mutual interest. During his visit, Pakistan and Japan agreed on the establishment of security dialogue on regional situation, besides policy dialogue on economic cooperation.⁵ During his talks with President General Pervez Musharraf and Prime Minister Shaukat Aziz, the Japanese Prime Minister also announced the resumption of yen package loans to Islamabad. These loans were suspended by Japan following the nuclear tests of May 1998. In a press conference in Karachi on September 14, 2005, the Japanese Ambassador to Pakistan Nobuaki Tanaka said that, "his country had restored its economic assistance program to Pakistan, including the yen loans".⁶ In essence, Pakistan-Japan relations are indicative of a process of fruitful and mutually beneficial cooperation. Economic, trade and commercial ties, along with investments form the core of Pakistan-Japan relations followed by their interaction in security, strategic and political areas.

⁴ See, URL: www.mofa.go.jp/region/asia-pacific/india

⁵ Dr. Ahmad Rashid Malik, "Pakistan-Japan Economic Relations during and after the Sanctions: 1998-2005," *IPRI Journal* (Islamabad), Vol.VI, No.1, Winter 2006, p.64.

⁶ "Pakistan-Japan trade below potential," *Dawn*, September 15, 2005.

Disarmament and nuclear non-proliferation

Disarmament and nuclear non-proliferation are key elements of Japanese foreign policy. Japan, which is the only country to experience an atomic holocaust, is genuinely worried about proliferation not only at the horizontal but also at the vertical level. At various international forums, Japan has been campaigning for nuclear arms control and disarmament. As mentioned in, *Japan's Disarmament and Non-Proliferation Policy*, Japan's mission, as the only nation that has suffered the atomic bombs, is to strongly appeal to the world that the devastation of the nuclear weapons should not be repeated and nuclear weapons should be completely eliminated. Japan exerts strenuous efforts to promote disarmament and non-proliferation, which is one of the important pillars of its foreign policy, because Japan aspires to bring about peace and stability in the world.

At the same time, there is also an aspect of dissemination of the Japanese model in the area of disarmament and non-proliferation to the rest of the world.⁷ Furthermore, Japan ratified the Nuclear Non-Proliferation Treaty (NPT) in June 1976. Upon depositing the instrument of ratification, Japan explicitly stated, "Japan, as the only nation to have suffered atomic bombs, declares anew to the world its fundamental policy of forsaking nuclear armament." At the same time, Japan hoped, "as many states as possible will become parties to this Treaty in order to make it truly effective."⁸ Situated in North East Asia, which is the most militarized region of Asia, Japan is quite sensitive to the threat of nuclear proliferation and other means of mass destruction. North Korea's nuclear test of May 10, 2006 has resulted into the imposition of tough sanctions by Tokyo on Pyongyang.

As far as Pakistan-Japan relations are concerned, the two concepts i.e. disarmament and nuclear non-proliferation are also essential features. Since long, Japan was urging Pakistan to sign the NPT so as

⁷ *Japan's Disarmament and Non-Proliferation Policy*, edited by Directorate General, Arms Control and Scientific Affairs, Ministry of Foreign Affairs, Japan in collaboration with the Center for Promotion of Disarmament and Non-Proliferation, Japan Institute of International Affairs, Tokyo, April 2005, p. 24.

⁸ *Ibid.*, pp.34-35.

to express its commitment to the cause of nuclear non-proliferation. But when Pakistan refused to adhere to Tokyo's insistence because of security reasons, Japan refused to consider providing a loan package of US\$465 million. Only in February 1993, when Pakistan made clear its stance of not signing the NPT without India also adhering to that document, the Japanese assistance was resumed. When Pakistan conducted nuclear tests in May 1998 in response to the Indian nuclear tests, Japan immediately took steps to punish Pakistan. According to Dr. Ahmad Rashid Malik, a Pakistani expert on East Asia, "The decision of Pakistan to detonate nuclear devices led Japan and other donors to cut off economic assistance to Pakistan at once. This also ultimately resulted in the deterioration of bilateral trade, and the declining of much needed foreign investment in the country. Nevertheless, the event of 11 September 2001 and global war on terrorism, once again brought Pakistan and Japan into a common platform to combat common menace of global terrorism with the norms and values set forth by leading security players such as the U.S. and its Western allies and others. This in turn helped the promotion of economic relations between Pakistan and Japan after 9/11".⁹

Japan was mindful of serious implications of suspending its economic assistance to Pakistan because such a step aggravated Islamabad's economic crisis, but Tokyo seemed helpless because of its consistent policy of discouraging nuclear proliferation. At a news conference in Islamabad, the Japanese Ambassador Tanaka said, "Nuclear non-proliferation was an important issue which could not be ignored by the Japanese government and its people. We hope to have more information about A. Q. Khan and his alleged cooperation with North Korea. We have good reasons to get worried about alleged Pakistan-North Korean cooperation. North Korea had been involved in

⁹ Dr. Ahmad Rashid Malik, *op. cit.* p.47. Japanese reaction to Pakistan's nuclear explosion came in the form of economic sanctions that badly affected the flow of trade between the two countries, suspension of economic assistance to Pakistan, lessening of investment, and an overall downfall in bilateral economic and diplomatic relations. Japan also suspended grant aid for new projects, except emergency and humanitarian assistance, new yen loan was also shelved." See, *Ibid.*, pp.47-48.

kidnapping of Japanese citizens and it continued to be a threat for the existence of Japan.”¹⁰

However, despite persistent disagreement on the nuclear issue, a channel of communication between the two countries on the issue was maintained. Similarly, Pakistan and Japan continued to hold regular talks on disarmament and arms control issues. Both countries are in agreement to work as partners in struggle against nuclear proliferation and to augment cooperation in this area. It was during the visit of Japanese Prime Minister to Pakistan in April 2005 that both sides had agreed to hold regular bilateral consultations on disarmament and non-proliferation areas in the context of Japan-Pakistan security dialogue. These talks are divided into two senior level expert meeting groups: first, on counter terrorism and the other on disarmament, non-proliferation, dual use of nuclear energy, nuclear safety and space technology.

On September 14, 2006, second round of Pakistan-Japan security dialogue was held in Islamabad in which exchange of ideas on recent bilateral relations as well as a host of issues of mutual concern took place. The list of issues included, security environment and security policies of the two countries, counter-terrorism, disarmament, non-proliferation issues, regional cooperation in the context of ASEAN regional forum and SAARC.¹¹

In course of the talks at the highest level, the President of Pakistan explained to the Japanese Prime Minister that the proliferation incident involving Dr. Abdul Qadeer Khan was an individual act in which neither the army nor the government of Pakistan was involved. He also emphasized that Pakistan would continue its efforts aimed at developing a system to prevent similar incidents.¹²

¹⁰ For further information see, “Japan to raise N-issue, says envoy,” *Dawn*, April 28, 2005. However, the Japanese Ambassador expressed his satisfaction with Pakistan’s nuclear export control regime, came up for discussion with the team of Japanese experts in Islamabad.

¹¹ “Pak-Japan security dialogue” *The News International*, September 15, 2006.

¹² URL: www.mofa.go.jp/region/asia-pacific/india

A leap forward in Pakistan-Japan understanding on nuclear non-proliferation took place in a joint declaration issued after the visit of Japanese Prime Minister to Pakistan in April 2005. The declaration was titled as, “Japan-Pakistan at a New Frontier: Towards a Renewed, Enhanced and Robust Relationship”. According to that declaration, “the two governments share the serious concerns regarding international black market networks for the proliferation of technologies and equipment related to weapons of mass destruction and underscored the need for all countries to identify and dismantle such networks through cooperative efforts. The two countries reaffirmed their commitment to strengthen international disarmament and non-proliferation framework.

In this context, Japan reiterated its position regarding NPT and CTBT, and took note of Pakistan’s position in this regard as well as Pakistan’s decision to observe unilateral moratorium on nuclear testing.¹³ The Government of Japan reiterated its position on North Korea, which attaches overarching importance to bringing about comprehensive solution to the issues relating to North Korea including the issue of nuclear programs, missile development and abduction. The Government of Pakistan supports the six-party talks on the issues of North Korea’s nuclear program and other issues and hopes all issues will be resolved through peaceful means. The Government of Pakistan supports a nuclear weapon’s free Korean Peninsula.¹⁴ The two countries also agreed to continue their consultation and to expand practical cooperation in areas such as export controls.¹⁵

In an interview given to an English-language newspaper of Pakistan, the Japanese Ambassador Tanaka discussed in detail about his country’s commitment regarding the issue of nuclear proliferation. In that interview, he clearly stated that, “in recent times, non-proliferation has been the most sensitive issue, which Pakistan has significantly marginalized. Pakistan’s decision to introduce the export control regime also seems to be doing well. The better handling of the nuclear issue by President Musharraf has given Japan a lot of

¹³ “Pakistan-Japan robust ties,” *Dawn*, May 2, 2005.

¹⁴ URL: www.mofa.go.jp/region/asia-pacific/india, Pakistan advocated the concept of Nuclear Free Korean Peninsula.

¹⁵ “Pakistan-Japan see robust ties,” *Dawn*, May 2, 2005.

assurances and it is a major feat that Pakistan has achieved. The war against terrorism is the second important issue on the political agenda, and here too, Pakistan is doing a sound job.”¹⁶

Japan’s sensitivity to missile and nuclear proliferation in South Asia could be gauged from the fact that each time, when India or Pakistan tests their missiles, an expression of concern is addressed by Tokyo. On the issue of Comprehensive Test Ban Treaty (CTBT), Japan urged on India and Pakistan to sign that document. However, the failure of the United States’ Senate to ratify CTBT caused a setback to Japan’s drive for that treaty and the moral basis on the part of Tokyo urging New Delhi and Islamabad to sign CTBT became less convincing. Although Japan, like other major powers, has reconciled to the reality of nuclear India and Pakistan, it is consistently urging both the countries to express nuclear restraint and pursue nuclear confidence-building measures so as to avoid the threats of nuclear accidents and ensure the safety of their nuclear arsenal.

Terrorism

Terrorism is an issue, which has been crucial and critical to Japan’s foreign policy and a fundamental component in Pakistan-Japan relations. Since September 11, 2001, global changes including the involvement of non-state actors in a series of terrorist acts, impacted on state policies and terrorism emerged as a high priority area in Japanese foreign policy. For instance, in his meeting with President General Pervez Musharraf and Prime Minister Shaukat Aziz, the visiting Japanese Prime Minister Koizumi stated unequivocally, “Japan would continue to provide assistance to Pakistan, which is striving to establish a moderate and modern Islamic State while playing a vital role in the fight against terrorism.” He also expressed his support for President Musharraf’s resolute stance in fight against terrorism. President Musharraf stated his readiness to continue his efforts in fight against terrorism. He also emphasized the need to deal with the root causes of terrorism through such means as poverty reduction and expressed his expectations from Japan to provide assistance in areas such as promotion of employment and

¹⁶ Ihtasham ul Haque, “In aid of friendship,” *Dawn*, February 27, 2005.

expansion of investments.¹⁷ Likewise, when in February 2005, Pakistan’s Foreign Minister Khurshid Mahmud Kasuri visited Tokyo and held talks with the Japanese Foreign Minister and Prime Minister, he briefed them of his country’s indispensability to global war on terrorism.¹⁸

Following Pakistan’s critical role in the war against terror in the post 9/11 scenario, Japan announced various concessions to Pakistan. These are:

1. Lifting of economic sanctions
2. Debt reduction (later changed into debt rescheduling).
3. Resumption of budgetary support to Pakistan
4. Access of Pakistani goods to Japanese market.¹⁹

Pakistan’s critical role in the war against terrorism, particularly its efforts against the *Al-Qaeda* elements along the Pak-Afghan border, is of significant interest to Japan. In this regard, Pakistan’s capacity-building to deal with the challenge of terrorism has been a major Japanese concern. As a matter of fact, Japan rendered remarkable assistance in strengthening Pakistan’s counter-terrorism capability. Apart from the exchange of information on terrorism, Japan’s Maritime Self-Defense Force is helping Pakistan’s naval vessels participating in the Operation Enduring Freedom Maritime Interdiction Operation (OEF-MIO) in the Indian Ocean.

Other issues

In addition to the issues already discussed, a host of other issues as well influence Pakistan-Japan relations. These include democracy, human rights, regional and international security, Indo-Pak peace process and UN reforms. On all these issues, there is a certain degree of convergence of interests and views. In a joint declaration issued on

¹⁷ URL: www.mofa.go.jp/region/asia-pacific/india

¹⁸ “Pakistan backs Japan bid for UN Security Council seat,” *The Frontier Post* (Peshawar), February 23, 2005. Also see, “President assures non-proliferation,” *The Frontier Post* (Peshawar), May 1, 2005.

¹⁹ Dr. Ahmad Rashid Malik, *op. cit.* p.63.

the occasion of the visit of Japanese Prime Minister to Pakistan, it was clearly stated that the two countries share certain common perceptions regarding the future of Asia with special focus on economic cooperation, propagation of democratic values, human rights, rule of law and market economy.²⁰ Like the United States, Japan also has pursued a policy of supporting the political process, political pluralism and the strengthening of democratic institutions in Pakistan.

Regional and international security concerns figure high in Japanese foreign policy particularly if viewed in the context of disarmament, arms control and war against terrorism unleashed after the events of September 11, 2001. As stated by the Japanese ambassador in his press conference in Pakistan that, Japan desires democracy flourishing all over the world. Pakistan does not stand exempted from this.²¹ The issue of UN reforms and Japan's quest for a permanent seat in the UN Security Council also figured during talks between the officials of the two countries.²²

In a joint declaration issued on the occasion of Japan's Prime Minister Junichiro Koizumi's visit to Pakistan in April 2005, the two countries underlined the importance of reforms in the UN. The declaration stated that, "the Government of Pakistan and Japan underline the need for comprehensive reform of the UN to enable it to effectively respond to the challenges of the 21st century. Since reform of the Security Council is an important component of the overall reform agenda and is of vital importance to the entire UN membership, the Security Council must be made more effective, credible and representative. The two governments further noted the importance of promoting the reform of the UN with the aims of strengthening multilateralism, reinforcing the role of the UN in maintaining and promoting international peace, security and sustainable development, as well as ensuring greater participation for all member states including the Asian countries in its decision-making process. The

²⁰ URL: www.mofa.go.jp/region/asia-pacific/india

²¹ "Japan offers incentives on non-proliferation issues," *The Nation* (Lahore), January 5, 2006.

²² See "Pakistan backs Japan's bid for UN Security Council seat," *The Frontier Post* (Peshawar), February 23, 2005.

Government of Japan expresses its view that the Security Council should be made more effective, credible and representative through the expansion of its membership in both permanent and non-permanent categories.²³ Japan supported Pakistan's membership on the ASEAN-Regional Forum, which eventually helped Pakistan to join that vital regional forum.

Moreover, on the occasion of Japanese Prime Minister Koizumi's visit to Islamabad, a Pakistani official said in Islamabad that, Koizumi's talks with Pakistani leadership would be on UN reforms and he would seek Pakistan's support for Japan's bid to get the permanent UN Security Council seat. The official said that Pakistan was unlikely to announce its support for Tokyo's permanent seat in UN Security Council in response to the Japanese request because Islamabad is against the increase in permanent UN Security Council members as it does not want more centers of privileges in the UN.²⁴ Yet, in principle, Pakistan is not opposed to Japan's claim to have a permanent seat at the UN Security Council but is only advocating a fair handling of that matter so that more imbalances in the structure of Security Council is not created.

On the issue of Indo-Pak peace process, Tokyo fully supports de-escalation of tension between New Delhi and Islamabad and sustaining dialogue for peace and stability in South Asia. In a joint declaration issued on the occasion of Japan's Prime Minister Junichiro Koizumi's visit to Pakistan in April 2005, Japan welcomed Composite Dialogue process, which includes Confidence-Building Measures, Jammu and Kashmir, and other bilateral issues between Pakistan and India aimed at peacefully resolving Pakistan-India differences, and hoped for its success. In that joint declaration, the Governments of Pakistan and Japan reiterated their acknowledgement of the potential of SAARC in bringing stability and prosperity to the South Asian

²³ *The Pakistan Times*, April 30, 2005, cited in *Pakistan's Growing Interaction with East Asia*, IPRI Fact File (Islamabad), Vol.VIII, No.7, July 2006, p.48.

²⁴ "Japan to seek Pak support for UN Security Council seat," *The Nation* (Lahore), April 30, 2005.

region, and earnestly hoped that the situation surrounding SAARC would be normalized.²⁵

Pakistan's Prime Minister Shaukat Aziz during his visit to Japan in August 2005 addressed the Japan Institute of International Affairs, Tokyo in which he stated that, "progress on other issues was not possible without resolving the core issue of Kashmir. Pakistan, India and Kashmiris, the three stakeholders had to sit across the table to arrive at a solution".²⁶ Japan views strategic stability in South Asia essential for an effective arms control in the region. In this regard, India and Pakistan, the two nuclear states of the region, are required not only to continue the process of peace but also undertake effective steps towards nuclear arms control.

Conclusion

In its essence, Pakistan-Japan relations possess wide prospects particularly in economic, trade, commerce, security, political and strategic areas. These relations are not linked with Tokyo's relations with New Delhi as both Japan and Pakistan share common perceptions on sustaining the Indo-Pak peace process. Yet, there is a need on the part of Pakistan to learn lessons from the Japanese model of development, particularly in the spheres of education, infrastructure, science and technology. Pakistan can learn a lot from Japan but in order to seek more assistance from Tokyo, Islamabad needs to dispel Japan's concerns as far as the issue of nuclear proliferation is concerned.

Aside from critical issues which shape Pakistan-Japan relations, there are also areas like tourism, environment, science and technology, education and culture where a lot of activities have been going on so as to bring the two countries closer. Prime Minister Koizumi, during his last visit to Pakistan rightly said that "the advancement of science and technology was vital in striking a balance between economic

²⁵ *Pakistan Times* (Islamabad), April 30, 2005, cited in *Pakistan's Growing Interaction with East Asia*, IPRI Fact File, *op. cit.*, p.46.

²⁶ Editorial, *The Nation* (Lahore), August 11, 2005 cited in, *Pakistan's Growing Interaction with East Asia*, IPRI Fact File, p. 89.

development and environmental issues."²⁷ The northern areas of Pakistan are a source of enormous attraction for Japanese tourists who not only visit Bhuddist archeological sites but also famous mountain peaks. However, for ensuring smooth investment of Japan in Pakistan, the prime concern is the law and order situation and security.

Not only law and order problem but poor governance, including corruption in Pakistan tends to discourage proper investments from Japan and other countries. In an interview Mr. Masahiro Sawauchi, Director General of Japan External Trade Organization responding to a question on these issues said that, "in Pakistan, the investment environment is quite uncertain and probably that is why the foreign investors are hesitant to come here. The problems like security, inconsistent economic policies and infrastructure make it difficult for the foreigners to reside in Pakistan."²⁸ In a nutshell, investments, aid and technical assistance, which Pakistan gets from Japan, are a major stabilizing factor in relations between the two Asian countries.

For a bright future of Pakistan-Japan relations, not only security consultations should continue between the two countries but institutional arrangements like cooperation between the educational and research centers of Pakistan and Japan, linkages for trade, investments, travel, tourism and sharing of expertise to deal with the issues of environment and disaster management must be given a preference. Nevertheless, the future direction of Pakistan's relations with Japan largely depends on viable trade ties with Tokyo.

Stable Pakistan-Japan relations may help the process of Indo-Pak normalization of relations on the one hand and Tokyo's meaningful role in SAARC. Although, Japan has not formally offered mediation to resolve Indo-Pak conflict, Tokyo has been supportive to back channel negotiations between India and Pakistan and also other processes like Track II and Track III level interaction between India and Pakistan.

²⁷ URL: www.mofa.go.jp/region/asia-pacific/india Japan has also extended cooperation to Pakistan for the international natural gas pipeline so that Islamabad can meet its energy needs.

²⁸ See, Sheher Bano and Gul Nasreen's interview with Masahiro Sawauchi in "Japan: A Nation With Strong Cultural Integrity", Special Report on Japan, *The News International* (Karachi), December 28, 1998.

Japan remains aware of the fact that peace and stability in South Asia can help foster a more meaningful trade, commercial and economic involvement of Japan in the region.