

LAURENTI: Good afternoon, good afternoon. I want to welcome you all to the Century Foundation, and to a very special luncheon, because this is, in a sense, for many of us who have been involved in or around the United Nations community over the years, a special homecoming, to welcome Shashi Tharoor back to New York, now with an entirely new set of credentials. No longer a long time career U.N. official, but instead, duly elected by – how many? Hundreds of thousands of votes?  
(laughter)

THAROOR: (inaudible)

LAURENTI: Right. From Kerala state, and instantly arriving as Minister of State for External Relations in India's Foreign Ministry. So it's a special privilege for us to welcome him here on his first visit in this new capacity back to New York. And we have asked him to talk with us about a subject that is, in some of its dimensions, ricocheting right now not only through the U.N. political community, but very much in the Washington community, and that is, South Asian security.

So, the title of his presentation is *Terrorism and South Asian Security*. For those of you who are among the tiny handful who may not already be among Shashi's thousand best friends, his bio is in the packets that you were given, along with the participants' list. And I would ask us all to direct our attention to Shashi right now, as he begins to open our discussion with some 20 minutes of well-composed thoughts and reflections, as they always are, from one of India's most famous authors and novelists – Shashi Tharoor.

THAROOR: Thank you very much. Thank you, Jeff, for that wonderful welcome. And really, it is a particular pleasure to see so many old friends here. I do feel, more so here, I think, than at the other events where I have been speaking in New York this week – really, I do feel it's been a homecoming. Not just because you, as a good friend, are presiding, but because so many old and dear and close friends of mine from my previous incarnations here are around the tables in this room. So, delightful to be here.

The topic that we sort of settled upon is *Terrorism and South Asian Security*, but it's a bit broader than I have time to do justice to, so I'm going to focus principally on terrorism in terms of India's recent experience of it, and therefore, will not be touching much in my remarks on broader aspects of South Asian security, although obviously, I'd be delighted, during the question and answer period, to address whatever is in your minds about those things.

Needless to say, the horrors that were inflicted on Mumbai at the end of November last year are uppermost in my mind when I come up with a – when I'm given a topic like this. They have left an abiding impact on all Indians.

Now, India has, of course, picked itself up, although it had to come with a cost in lives lost, property destroyed, and perhaps most of all, in the scarred psyche of a ravaged nation. Deep and sustained anger across the country at its demonstrated vulnerability to terror, and at the multiple institutional failures within India that allowed such loss of life, has given way to the resumption of normal political discourse in a lively democracy that's focused on the future.

But there are other consequences. Its impact could extend well beyond India's borders, with implications for the peace and security of the region and of the world.

Now, I grew up in Bombay, as it was then called, and I watched the unfolding horror there with profound empathy. There's a savage irony to the fact that the attacks in Mumbai began with terrorists docking near the gateway of India – that magnificent arch built in 1911 has stood as a symbol of the openness of the city. Crowds flock around it, made up of foreign tourists and local yokels. Touts hawk their wares, boats bob in the waters offering cruises out to the open sea.

The teeming throngs around it daily reflect India's diversity. You'll find Parsi gentlemen out for their evening constitutionals, Muslim women in burqas taking the sea air, Goan Catholic waiters enjoying a break from their duties at the stately Taj Mahal hotel, Hindus from every corner of the country chatting in a multitude of tongues.

And then last November, watching it on TV, barred, empty, ringed by police barricades, the gateway of India – in so many ways, the gateway to India and to India's soul – stood in my mind as a mute testimony to this assault on the country's pluralist democracy.

The terrorists who heaved their bags laden with weapons up the steps of the wharf to begin their assault on the Taj, like their cohorts at a dozen other locations around the city, knew exactly what they were doing. Theirs was an attack on India's financial nerve center and commercial capital – a city emblematic of the country's energetic thrust into the 21<sup>st</sup> century.

They struck at symbols of the prosperity that was making the Indian model so attractive to the globalizing world – luxury hotels, a café favored by foreigners, the city's Jewish center. The terrorists also sought to polarize Indian society by claiming to be acting to address the grievances, real and imagined, of India's Muslims. And by singling out Americans and Israelis for special attention, they demonstrated that their brand of religious fanaticism is anchored less in the absolutism of pure faith than in the geopolitics of hatred.

The attack on the [Chabad Lubavitch](#) Center, and the killing of its residents, was particularly sad, since India is justifiably proud of the fact that it's the only country in the world with a Jewish diaspora going back 2,500 years, where there has never

been a single instance of anti-Semitism. This is the first time that it's been unsafe to be Jewish in India – one more proof that the terrorists were not Indian, since Indian Muslims have never had any conflicts with Indian Jews, but that they were pursuing a foreign agenda. Indeed, this was clearly not just an attack on India. The terrorists were also taking on the quote/unquote, Jews and Crusaders of Al-Qaeda lore. With this tragedy, India became the theater for action that was really conceived for a global battle.

And we are, of course, grateful for the outpouring of support, sympathy and condemnation that followed these barbaric attacks, and it certainly served to convey to the terrorists in no uncertain terms, and their backers, that they stood isolated. Nevertheless, we should not forget that this has not been the only major terrorist incident in my country. Unfortunately, the tale of terrorism is long in South Asia.

In India, even the city of Mumbai itself has been hit earlier, through a series of train bombings, apart from the ferocious attack on our Parliament in Delhi in 2001, and numerous bombings all over the country, even last year.

In their mission to scar the Indian psyche, to show up the limitations of our security apparatus and to humiliate the government, they did cause death, pain, and destruction. I think they wanted to convey to the world that the image of India as an emerging economic giant, a success story of the era of globalization, and an increasing magnet for investors and tourists, was now shattered.

They did, in fact, want to show the world a vulnerable and insecure India – a soft stage besieged by enemies who could strike it at will. Instead, they found a resilient nation united against terrorism, rising above the attempts at sectarian divide, and at the same time, demonstrating in the aftermath of the attacks a firm desire to live in peace with its neighbors.

Now, Indians have been enduring the unspeakable horrors of terrorist violence for decades. It has been financed, equipped and guided from across the border. This horror is not homegrown. The history of this is well known, and needs no repetition.

The geopolitical reverberations of the Mumbai carnage are beginning to resonate. The interrogation of the one surviving terrorist, and evidence from satellite telephone intercepts and other intelligence has led to an international consensus that the attacks were masterminded by the Wahhabi-inspired Lashkar-e-Taiba, a terrorist group once patronized, protected and trained – some would even say created – by Pakistan's Inter-Services Intelligence, or ISI.

The newly elected civilian government in Islamabad had shown every sign of wanting to move away from this earlier narrative of hatred and hostility. The moot point now is whether the Pakistani government can ensure that different elements of

the state fall in line with their vision. Recent events, unfortunately, have not instilled confidence on this front. Credible action with visible results is required. I think our good friend the Ambassador would agree that Pakistan cannot be seen as shielding the perpetrators of violence and terror.

Unfortunately, extremism nurtured by a succession of military rulers has now come to haunt Pakistan's well-intentioned but lamentably weak elected civilian government. Attacks against the Pakistani state over the last few months, and indeed, the last few days, appear to indicate that Frankenstein's monster is now well and truly out of that government's control. There has never been a stronger case for firm action by Pakistan to cauterize the cancer in its midst. And we were very happy to work alongside the Pakistani government in this direction.

Now, this is not as implausible as it sounds. Rarely, I think, has a Pakistani government been more inclined to pursue peace with India. President Zardari had been pushing for greatly expanded trade and commercial links with India, and the liberalization of the restrictive visa regimes between the two countries. Indeed, his Foreign Minister was in India pursuing these very points when 26/11 happened.

But the Mumbai terror assault called into question whether the government that has been dealing with us on these issues actually calls the shots in that country. The Indian people cannot understand how the mastermind of that assault, the founder of both Lashkar and its mutated version, the Jama'at-ud-Da'awa, Hafiz Mohammed Saeed, remains free to preach vitriolic hatred against India in his sermons, and to serve at the very least as a catalyst for inciting murder and mayhem in our country.

Just this week, a Pakistani court dismissed a feeble attempt to bring him to book, by asserting that there was no proof of his complicity in the actions conducted by his own organizations.

We should not also forget the international dimensions of the Mumbai attack. It's regrettable that it's only with the loss of foreign lives that terrorism in India is now being regarded as an international concern. The meticulous and military style planning is also the portent for copycat attacks in other parts of the world.

This has made Pakistan suspect in the eyes of the international community. It's no longer seriously questioned by independent analysts that the massacre in Mumbai was planned in and directed from Pakistani territory, and the inability or unwillingness of the Pakistani government to prevent its soil from being used to mount attacks on another state seriously undermines its own sovereignty.

We have no wish to see President Zardari's civilian government undermined, but it's incumbent upon his government to take concrete action, and the international community must encourage this action in Pakistan while holding Pakistan accountable. The issue is not of allowing Pakistan the freedom to operate against

terrorists on its western border by keeping its eastern border quiet, as some in this country and elsewhere have suggested they believe. India does not covet any Pakistani territory. It remains committed to long-term peace for Pakistan. And I state it unequivocally, there is no Indian threat to Pakistan on any grounds whatsoever.

So that is not the issue. Fears that India/Pakistan tensions will make the situation in Afghanistan worse miss the central point, on the need for concerted action against terrorists, wherever they operate, whether in Afghanistan, in Pakistan, or in India.

That brings me to Afghanistan, a topic that I was told was of specific interest to your Foundation. India and Afghanistan, of course, share a strategic and development partnership, based on millennia-old historical, cultural and economic ties. We have an abiding interest in the stability of Afghanistan, in ensuring social and economic progress for its people, and getting them on the track of self-sustained growth, and enabling them to take their own decisions without outside interference.

The binding factor in this relationship is that, on these points, our interests and those of Afghanistan converge. But our focus, unlike NATO's, has not been military. It's entirely been on development.

We have an assistance program that's getting close to \$2 billion – modest from the standpoint of Afghan needs, but it's large for a non-traditional donor like India. We have been doing a great deal of work in the humanitarian infrastructure issues, social projects issues, skills and capacity development. We are currently the sixth largest bilateral donor, and we are climbing. And the reason we do this is to build indigenous Afghan capabilities for effective governance, because we know that the challenge of delivering goods and services to the Afghan people is the challenge that the Afghan government has found it most difficult to meet.

We have five medical missions providing treatment and free medicines to over 1,000 patients a day, most of them poor women and children. We support the Indira Gandhi Center for Child Health in Kabul. We've connected it through a telemedicine link with two super-specialty medical centers in India. We've pledged a million tons of food assistance, used to provide 100 grams of high protein biscuits to 2 million of the 6 million school going children in Afghanistan, a third of whom are girls.

We built a 130 mile, 218 kilometer highway from Zaranj to Delaram in southwest Afghanistan, near the Iranian border. We've set up a power transmission line from Pul-e-Khumri to Kabul. And indeed, we've lit up Kabul with that, because the first time that Kabul has had round the clock electricity since 1982 is thanks to Indian engineers.

We are currently engaged in the construction of the Salma Dam on the Hari Rud River in Herat, and we're building the Afghan Parliament building, a visible and evocative symbol of democracy. Work on these projects is moving briskly, and both these projects should be completed by the end of 2011.

We've simultaneously commissioned 100 small development projects – quick gestation, small scale social sector projects. We're providing 675 scholarships annually for students to come to India, and for Afghan public servants to train in Indian public training institutions. These are the largest such programs that India has for any country in the world, and it's the largest skill and capacity development program offered to Afghanistan by any country in the world.

We've committed further funds for education, health, power, telecommunications, and I mentioned food aid already. Two wells are being dug, sanitation projects, and bilateral trade has gone up to over \$350 million. And the focus is on the needs and priorities of the Afghan people. As I said, we have no military activities. Our focus is entirely on demonstrating our commitment to stability in Afghanistan as the best answer to terror and violence.

And yet, the threat of terrorism is never absent. India has faced it. Just a few days ago, a car bomb detonated outside the Indian embassy in Kabul. Last July, a suicide bomber got closer and killed a large number of people, both Afghans and Indians. And the Taliban have attacked and kidnapped a number of Indians in the country. Explosions and grenade attacks have happened at our consulates in Herat and [Jalalabad](#).

In January last year, two Indian and 11 Afghan security personnel were killed and several injured in an attack on the road we were building, the Zaranj-Delaram road. We've had a driver with our border roads organization abducted and killed while working on the road. An Indian national working for a construction company was killed, a telecommunications engineer abducted.

Now, given the turbulence of the past eight years and the dramatic decline in security in recent years, this is not perhaps surprising. But we feel there is a need for an intensified focus on security, governance and development by the Afghan government, and that the international community should do a great deal here to assist.

Failure in Afghanistan's stabilization will entail a heavy cost, both for the Afghan people and for the world at large. The past compacts reached in places like London and Paris in 2006 and 2008 place the responsibility for institution building and governance mainly on the shoulders of the Afghan people and government, without adequately resourcing that effort and eliminating the growing threat from terrorist groups destabilizing the country.

This is the last opportunity for the country to extricate itself from its endemic entanglement with violence and terror, and underdevelopment, and to settle on a track of stability and sustainable progress.

While the Afghan government should spell out its priorities, the international community should come forward to provide the resources for fulfilling them. The Afghan leadership has itself stressed the need for a strong and genuine effort to improve governance, remove corruption, and focus on development. And I think that we all want to see this happen – we want to see more Afghanization of the development process. The Afghan national security forces should be enlarged and developed in a professional manner, at a much faster pace. And that means they need resources, combat equipment, and training.

Given its geographic location, Afghanistan has an immense potential to develop as a hub of trade, energy and transport corridors, which would help the long-term sustainability of development efforts in Afghanistan. This is something that we'd like to see happening, along with other countries in south and central Asia, and that's why we were very happy to support the admission to the South Asian Association for Regional Cooperation, or SAARC, of Afghanistan. As its westernmost country, it's a key link for SAARC member states with Iran and central Asia. This economic interdependence could catalyze peace and prosperity in the region at large, and in Afghanistan in particular.

There's a lot more to talk about in the aftermath of the elections, but we could leave that, if you're interested, in the Q&A period. We obviously do worry about the fact that the increase in terrorist actions in Afghanistan is directly linked to the support and sanctuaries available in the contiguous areas. This is perhaps the reason why the U.S. unveiled an AFPAC strategy on the 27<sup>th</sup> of March, 2009. The challenges about how to put the strategy into effect – and we all accept that there is no quick fix. Clearly, the international community would want to see that Pakistan implements its stated commitment to deal with terrorist groups within its territory, including the members of Al-Qaeda, Taliban's Quetta Shura, the Hisbe Islami, Lashkar-e-Taiba, and so many other like-minded terrorist groups that have been proliferating on Pakistani soil.

Without this, the gains made in the last few years will be compromised, and they will become difficult to forestall the restoration of violence and terror, or indeed, even the situation that prevailed in Afghanistan before 9/11. The world has come to realize, at considerable cost, that terrorism cannot be compartmentalized – that any facile attempt to strike Faustian bargains with terrorists often result in such forces turning on the very powers that sustained them in the past.

A sense of defeatism has been pervading some sections of international opinion. We feel that needs to be guarded against, because it runs the risk of encouraging insurgent groups into thinking they might actually triumph. What we believe,

therefore, that Afghanistan needs is a long-term commitment, even while remaining mindful of the challenges.

The Afghan people have displayed great courage and resilience, and a survival instinct even against the greatest odds. We must do our utmost to support them.

There really are only two choices confronting the international community – to invest and endure, or to improve conditions to a point that we can exit. India has already made up its mind – invest and endure is the way forward, because we believe in the cause of peace, democracy and development in Afghanistan. We trust that the friends of Afghanistan will do likewise.

To return then to India/Pakistan and the need for peace in South Asia in the face of terror, there are not many takers in the Indian political space right now for continuing a peace process with a government that does not appear to control significant elements of its own military. Few in India are prepared to accept the notion that the world in general, and India in particular, is obliged to live with a state of affairs in Pakistan that incubates terror while the country's institutions remain either unable or unwilling to push back against the so-called non-state actors that are said to be out of the government's control.

Recent events in Pakistan, including the attack on its own military headquarters, may, we hope, have stiffened Pakistani resolve to confront these non-state actors. But it remains to be seen whether some in Islamabad are still seduced by the dangerous idea that terrorists who attack the Pakistani military are bad, but those who attack India are to be tacitly encouraged.

Our government is committed to peaceful relations with Pakistan. Indeed, our Prime Minister personally – the highest levels of our government has a vision of a subcontinent living in peace and prosperity, focusing on development, not distracted by hostility and violence. But we need to see evidence of good faith action from Islamabad before we can, in the words of our Prime Minister, meet them more than halfway.

India will be wary of being exhorted to talk with the government if it turns out to be, at best, ineffective, and at worst, duplicitous, about the real threats emanating from its territory and institutions to the rest of South Asia.

I'm going to try and bring this quickly to a close, because there's a, I think, greater value in an exchange between us. But I think one of the things that we do need to talk about is the way forward, and I'm delighted that there are so many people here who have firsthand involvement in the kinds of steps that need to be taken to move us forward. Obviously, the U.N. institutions and resolutions are extremely relevant as well in this regard, and the move in the U.N. to proscribe both Lashkar and Jama'at-ud-Da'awa, we consider to be a very positive step.

And there are binding requirements under Resolution 1373 on all member states, to take a number of very specific actions against suspected terror organizations. Pakistani compliance with Resolution 1373 is well worth insisting upon.

So let me conclude by returning to where I began, at the gateway of India. Inevitably, last November, the questions were asked abroad, is it all over for India, can the country ever recover from this? I think the last year has already provided the answer. It's striking that both the assaulted hotels, the Taj Mahal and the Trident in Mumbai, reopened their doors within a month of the terrorist attack.

We are a land of great resilience that has learned over arduous millennia to cope with tragedy. Within 24 hours of an earlier assault in Mumbai, the Stock Exchange bombing of '93, Bombay's traders were back on the floor, their burned out computers forgotten, doing by voice and paper what they used to do before technology had changed their trading styles. Bombs and bullets alone cannot destroy India, because Indians will pick their way through the rubble and carry on, as we have done throughout history.

But what can have a long-term adverse impact in India and in South Asia as a whole, would be a change in the spirit of its people, away from the pluralism and co-existence that has been our country's greatest strength – that our Prime Minister's call for calm and restraint in the face of the murderous rampage against us was so comprehensively heeded is a vital cause for celebration.

My big fear, as an independent, non-political private sort of commentator last November was that political opportunism in a charged election season could lead to some practicing the politics of hatred and division. Indeed, I wrote, while the attacks were still going on, and I quote myself here, that if these tragic events lead to the demonization of the Muslims of India, the terrorists will have won, unquote. I'm heartened that instead, Indians have stayed united in the face of this tragedy.

The victims included Indians of every faith, including 49 Muslims out of the 188 people killed. There is anger – some of it directed inward against our security and governance failures, but none of it against any specific community. That is as it should be. For India to be India, its gateway to the multiple Indias within and to the heaving seas without must always remain open. That is the only way that the terrorists will be unable to succeed in destabilizing the soul of my country, and the only way, perhaps, that we can meaningfully speak of South Asian security.

Thank you very much.

(applause)

LAURENTI: Well, Shashi, to get the discussion going, let me pose a few questions before we invite all the rest of our participants to join in. And the first one speaks a little bit more broadly on terrorist challenge. Across South Asia, we see violent political movements and terrorists, whether it have been the Tamil Tigers in Sri Lanka, rampaging Naxalites homegrown in various states in India, and of course, the current challenge that you addressed of the Pakistani Taliban to the authority and legitimacy of the Pakistani state.

Is the terrorist challenge posed by Islamic extremists, who often invoke Kashmir as the cause, just another variant on this pattern of political violence? Or is in, in a particular way, distinct, different and dangerous?

THAROOR: I'd say that if you look at the various kinds of terror that have been resorted to across the South Asian subcontinent, you have a common pattern, which is that there usually – as perhaps all terrorism – an asymmetrical response to the power of the state that they seek to undermine. So, terrorism in Sri Lanka was seen – was portrayed as in defense of the Tamil community, but was used, in fact, not only against the Sri Lankan state, but against the Tamil establishment that was seen as collaborating with the Sri Lankan state.

We also have –

(sound of cell phone ringing)

LAURENTI: By the way, I should have said at the beginning, please turn off your cell phones. (laughter)

THAROOR: I'm (inaudible). (laughter).

We've also had – we also have had, obviously, a number of cases of terrorist activity within the Indian state, usually involving homegrown ideological – ideologically motivated groups such as the Naxalites you mentioned, who are Maoist guerillas in some parts of our country. And we've had some secessionist movements that have attempted to use terror as a technique.

In most of these cases, they have been dealt with, and the Indian state over the years has evolved a very effective technique of combining pretty ruthless law and order tactics with completely open co-optation into the democratic space, so that yesterday's terrorists become today's political candidates, tomorrow's chief ministers, and the day after tomorrow's leaders of the opposition, those being the vagaries of democracy.

But when you are talking about terror coming from across the border, those options are not available. These are not people who are seeking – and actually, a ventilation of political grievance. These are not people who are coming because

they want to have their space in making decisions about the country, the community, the future, whatever.

These are people coming, unfortunately, with no objective other than destruction. The objective is to sow terror and fear. And that is very different from the other kinds of examples you mentioned.

When these 20 young men set sail from Pakistan to wreak the havoc they did in Mumbai, I don't know how many of them realistically thought they would ever get back. But clearly, they had no – they were not asking for the release of imprisoned terrorists. They were not asking for a change of government. They were not asking for anything other than to cause as much damage and death and destruction as possible.

For them to pretend to be standing up for the cause of Islam, when they killed, as I said, 49 Muslims, innocent Muslim civilians in the city of Mumbai, would be a travesty of anything that Islam stands for.

So, I tend to suggest that for this kind of terrorism, it is terrorism as an end in itself, not as a means to something larger. And because it is terrorism as an end in itself, it can only be confronted implacably. There isn't a co-optation formula available. You just have to nip it in the bud, ideally before it starts, and deal with it firmly if and when it actually occurs.

LAURENTI: In your remarks, you had indicated that, quote, U.N. institutions and resolutions are very relevant, end quote, with regard to the delivery of the – those who had been the conspirators in the Mumbai attacks. Do U.N. institutions and resolutions have any continued relevance with regard to what is at least notionally that sore point with so many across the border in Pakistan, the resolution of the dispute in Kashmir?

THAROOR: Well, we're talking about Chapter 7 resolutions on terrorism, which have certain obligations that are binding upon member states, whereas with Kashmir, you're talking about a resolution going back to 1950, which had very specific provisions that I'm afraid were not implemented in the sequence that the resolution called for. The very first provision was the withdrawal of Pakistani forces. The second was a reduction in Indian forces. The third was a plebiscite.

This is now massively out of date, because the conditions of 1950 have changed. But in 1950, had the Pakistanis withdrawn as the resolution called them upon to, no doubt, the other two provisions would have been fulfilled. It's a bit late in 2009 to ask about why a resolution wasn't fulfilled in 1950, but it is not too late in the aftermath of 9/11 to expect member states to fulfill their solemn obligations under Chapter 7 of the charter, when it comes to the specific requirements under, particularly, 1373, and the findings of the Sanctions Committees, which have, in

particular, proscribed the reinvented Lashkar-e-Taiba, which is now called the Jama'at-ud-Da'awa.

LAURENTI: Now, you had gratified us by devoting a fair amount of your prepared remarks to the situation in Afghanistan. And there's a good deal of concern in the American debate, certainly, about what kind of government in Kabul we are placing our bets on, and more than bets. How do you rate the impact of India's assistance that you detailed in your remarks, its durability of impact, with an embattled – and some would say, enfeebled government? And given particularly that India's participation has certainly set off alarm bells in that very same security establishment in Pakistan that is as paranoid, some would say, as ever, about India popping up on every front.

THAROOR: Well, we've had a long relationship with Afghanistan, and we are going to continue to be there. But we're there, as I said, just to do good work for the Afghan people. It's not a military or a political venture. And there is absolutely no reason for the security establishment worried that girls are getting an education, that little children are getting meals at school, that there is a hospital that cares for them when they're sick, that the people of Kabul get electricity 24 hours a day – if these things worry the Pakistani security establishment, I'd worry for the Pakistani security establishment.

LAURENTI: Do you worry for the durability of the current government in Kabul?

THAROOR: Well, look – I mean, obviously, we want to see a stable and peaceful government in Kabul, and we applaud the fact that the Afghan people went to elections, because in our own country, we believe profoundly in the right of people to determine their own political destiny. So to that degree, we applaud this.

But the truth is, the things we are doing would help the Afghan people whoever was in power. I mean, a road's a road. Power transmission is power transmission. Hospitals, clinics, schools, trained officials – all of those help the state and civil society in Afghanistan. It's not specifically aimed at shoring up a particular government.

LAURENTI: What do you see as the stakes of Afghanistan's other neighbors in blocking a Taliban reconquest of Kabul? Iran, for instance? China, central Asian republics. And what might they be doing constructive, more positively, that maybe hasn't been able to be fitted into the puzzle so far?

THAROOR: Well, one thing I should have said more explicitly is, we obviously applaud the current efforts of the Pakistani military to deal with the Taliban within its own borders, and the actions in Swat, the impending action in South Waziristan – these are all things that in turn will help ease the pressure on what you described as a

possible Taliban reconquest of Kabul, which of course, is a horrific prospect. That there is an entire NATO deployment there to prevent.

India does not have a military role there, so it would be presumptuous of us to talk about military actions to prevent such a reconquest. But clearly, it's something that – it's not an outcome that we would at all be happy with. We would like to see, very firmly, measures taken to prevent any such action. We believe that a democratically elected government, however flawed the election may have been, and those flaws are being addressed right now as we speak, that an elected government deserves all the support that the international community can give it, in order, precisely, to prevent such a horrific alternative from people who would not be interested in any election, flawed or otherwise, to keep themselves in power.

LAURENTI: Well, let us take that question of that NATO military presence. You are a nearby observer, and with the U.N., you had many years of opportunity to observe efforts of military solutions in seemingly difficult places. There is this urgent debate in Washington right now whether an American troop increase will, indeed, make any difference.

What do you think a larger Western military presence can accomplish there, and is this something that can possibly put an end to the Taliban's seeming resurgence?

THAROOR: I'm not going to get into that debate, Jeff, because it really isn't my business.

LAURENTI: Well, I had to try.

THAROOR: It really isn't my business. That's between General McChrystal and President Obama and his advisors, looking forward with interest to the decisions of the U.S. administration when it comes to American soldiers.

LAURENTI: Well, if we may take just for a moment as true, even though the government concerned has adamantly denied the report in the *Times* of London, that the Italians had paid off the Taliban just to lie low in the area where they were, are they perhaps more in tune with the psychology of the country than General McChrystal, in terms of how you are able to quiet it?

THAROOR: I don't know if you really want an answer to that question. But I think, since, as you said, you're making a hypothetical suggestion that I can't possibly endorse, all I can say is, there are various ways of tackling militancy and terrorism, and certainly – I hope that all those who are attempting to promote security in Afghanistan will use every means available to them, including some creative ones.

LAURENTI: And a final question on my end, not so creative. Many have noticed over recent years a rapprochement between India and Israel, as both countries that have

suffered a particular lash of dealing with Muslim extremism. What have been the tangible fruits of this new cooperation? And in that regard, one notes that in Geneva this morning, that India did vote with the majority on the Human Rights Council, to refer the Goldstone Report on Gaza to the Security Council. Where do you think that takes us?

THAROOR: Well, I mean, we've had good relations, of course, with the Israelis now for some years, and that includes a certain level of defense cooperation and other kinds of consultation. But on the issue of the situation of the Palestinian people, our track record is very long and very consistent. We have been a friend of the Palestinian people. Way back, we were the first non-Arab country to recognize Palestine as a state. We have continued to work for, and to advocate publicly and privately, a two-state solution in the region, with both countries living side by side in peace and security behind defensible borders.

Our friendship with Israel doesn't mean that we agree with everything Israel does, and we have made it clear to Israel when we disagree with them, and we do disagree with them about settlement activity. And we did go along with the vote. Indeed, it was co-sponsored by the Non-Aligned Movement, of which Egypt is chairman, and all the non-aligned countries on the Human Rights Council voted in the same way on that resolution.

So, we do have a number of positions historically, and in common with other non-aligned countries which are reflected there, but that doesn't mean that all these countries have no shade of nuance between them in their positions. There are countries that voted for that resolution who do not, in fact, have relations with Israel. And there are countries that voted for that resolution like us who value our relations with Israel, and would like to keep lines of communication open on such issues. And we will talk to the Israelis about moving forward on these matters.

We – as with Egypt, we maintain diplomatic relations with Israel, and we would not want to see a situation in which Israel was isolated out of the international community, but we would like to see progress towards the kind of peace that is – that offers the Palestinians the justice they have been waiting for, for a very long time.

LAURENTI: Thank you, Shashi. Now we turn to our participants, take three comments, questions, come back to Shashi, and then another three. Anyone wish to – yes? Let's start with Jehangir Khan. And if you could, nonetheless, introduce yourself again when the microphone enters your hand.

KHAN: I'm Jehangir Khan. I'm with the United Nations Department of Political Affairs, and I'm also from Pakistan. Shashi is an old friend and colleague, and welcome, Shashi, back to New York, and we're delighted to see you flourishing.

If I may say, just – I'd be speaking not as, I think, we're under Chatham House rules – I am from –

LAURENTI: No, we're not.

KHAN: We're not? All right, well, I am from Pakistan. I should be speaking more in my personal capacity, and more, really, just by way of a question.

You have said, Shashi, you have pointed to the recent Mumbai attacks, which of course, in Pakistan, the government of Pakistan, I would say, nearly all Pakistanis wholeheartedly condemned. And today, Pakistan, as you rightly noted, is in the front line of the fight against terrorism, and you've also rightly noted that the government of Pakistan, President Zardari, have shown any suggestions indeed on the day of the attack, Foreign Minister Qureshi was in New Delhi discussing the furthering of cooperation. And of course, the people to people relationship – I know, even with my own family, how much they appreciate now being able to visit India, and how easier – how much easier it has become.

On the other hand, there are – there is a history of relations between India and Pakistan. There have been three wars. And of course, terrorism in some ways now is affecting, bedeviling, both countries. And indeed, as you rightly pointed out just in the last few days, Pakistan and the people of Pakistan are paying perhaps the highest price in South Asia.

Indeed, just a few months ago in Swat, there were almost 2.7 million people that have been displaced. And so, in terms of the commitment that the people of Pakistan have to that fight, I think there should be no doubt.

Now, having mentioned that, I think one should also ask – and you know, personally, I'm very interested to know, now that you are in a government position, now that – and you've served in such, had such a distinguished career at the U.N., and have a broad knowledge of international affairs, how do you see – you have said, quote/unquote, that India is prepared to work along with Pakistan to deal with the problem of terrorism.

But may I ask you, but beyond – or including the issue of terrorism, what is it that India and your government is prepared to do to settle all outstanding issues between India and Pakistan, which no doubt would contribute to both countries' efforts to fight terrorism? You have mentioned the 1950 resolution, but beyond that, there are a whole host of issues that still affect India and Pakistan.

And so, I'm curious to know what, precisely, you see India doing in working alongside Pakistan in addressing, not just the challenge of terrorism, but all the issues that exist between them?

LAURENTI: Thank you, Jehangir. Warren Hoge.

HOGE: Thank you, Jeffrey. Shashi, I wanted to ask you about relations between the United States and India. Is there any feeling in Delhi that the bilateral relationship is being neglected as Washington spends so much energy and time on your neighbors? Or, is there a feeling that India's concerns are being listened to, taken into account by policymakers in Washington? Or is there some third account of that relationship?

LAURENTI: And, Craig Charney.

CHARNEY: Shashi, my name is Craig Charney. We've crossed paths many times at the Carnegie Council.

I'd like to follow a little bit with a question parallel to Jehangir's, which is this. It's certainly true that India did not overreact to the Mumbai attacks, as may have been hoped by the terrorists, and might have been done by at least one superpower that I'm familiar with that had a similar instance in the past. However, at the same time, what your talk underlines is, that you have given them one important victory, which is that you have allowed them to bring the process of normalization to a halt.

Now, you stated fairly clearly what the policy of your government is, namely, that Pakistan must act before you can move forward. The fact of the matter is, that hasn't gotten you very far.

There is an alternative policy, cited, actually, by one of those Israelis you were talking about, namely, Yitzhak Rabin, who said, we will fight terror as if there is no peace process, and proceed with the peace process as if there is no terror.

Would not this be a wiser option for India, and could you not imagine moving forward in this direction, it would actually strengthen the Pakistani government's resolve to act?

THAROOR: Thanks. Great questions, all of them, and I'm delighted to address all three.

First of all, Jehangir, thank you for your question and your comment. I assure you that we feel a great deal of solidarity with the Pakistani people right now in their fight against terror, and you will note that India has – no one in any official position in India has, in any way, implied that it's a case of Pakistani chickens coming home to roost, and all of those schadenfreude type things that some people might otherwise have been tempted to indulge in.

But the fact is, and this is the unpalatable fact, that what Pakistan is suffering from today is the direct result of a deliberate policy of inciting, financing, training, equipping militants and jihadis over 20 years as an instrument of state policy. So

this is what Dr. Frankenstein discovered when he built his monster, that you can't control the monster once it's built.

And that is where, unfortunately, the fundamental difference lies. Pakistanis are not suffering death and destruction from terrorists trained in India. Indians have suffered death and destruction from terrorists trained in Pakistan with the complicity – and some might argue, more – of elements of the Pakistani security forces and establishment, at least in the past, if not now.

And this is something that marks the fundamental difference between the two situations. Obviously, we wish Pakistan well in its attempts to deal with these people. It gives us absolutely no joy to see them having the slightest success – a bomb going off at a military headquarters, at a hotel in Islamabad, at somewhere else, is for us, a body blow, and I can assure you that we feel tremendous empathy, and not just sympathy, for Pakistan and its current ordeal.

But the fact remains that there is that fundamental difference that we can't afford to forget. Pakistan has to cauterize a cancer in its own midst, but a cancer that was implanted by itself and its own institutions. And that is the big challenge facing Pakistan.

What can India do to help? I mean, I – I'm going to link this to Craig Charney's question, about the way in which the normalization process has come to a halt. Let me preface this by saying as a democracy, there is – there are always limits as to how far a government can go in ahead of it – in advance of its own public opinion.

We actually were engaged in a very far reaching dialogue between the government of Prime Minister [Manmohan Singh](#) – not the present government, the previous one, 2004 to 2009 – and the government of Pakistan and its leadership under President Musharraf. And it's while this peace process was on that we had the attack on the Indian embassy in Kabul in July, 2008.

And when that happened, and I'm not quoting any classified information, I'm quoting the *New York Times*. The *New York Times* had two articles in which American intelligence sources were quoted as telling *New York Times* correspondents, not only did this attack bear all the hallmarks of an ISI operation, but what struck us was that the ISI had taken no trouble to conceal its fingerprints. They were clearly trying to send a signal. Quote/unquote – you can Google it.

So, despite that, India persisted with the peace process, and it was not an easy decision for the Prime Minister to take. Four months later, we get the Mumbai massacre.

At that point, the pressure was indeed on military retaliation, and you're quite right – having done that would have played into the hands of the terrorists. That's what

they wanted us to do. We managed – I must say, the Prime Minister's superhuman restraint in not conducting any sort of military retaliation gave us a fitful attempt at cooperation by Pakistan.

It started off, unfortunately, with Pakistani denials. Even the government of President Zardari claimed that these people were not Pakistanis. To their misfortune, one of the terrorists survived, and all the evidence – the DNA evidence, the detailed elements of the confession, were then joined by satellite intercepts and telephone intercepts, not just by Indian sources, but by U.S. intelligence sources, and it became impossible to deny.

But those first weeks of denial rankled, because many of us in India thought, having heard the positive noises from the civilian government, that when 26/11 happened, it would be a golden opportunity for Pakistan, for the civilian government to rise up and say, we're in this fight together. The people who did this to you are going to do the same thing to us, and we want to work alongside with you. Our intelligence agencies will join you in the investigation. Instead of which, we got denial, obfuscation, delay, and that still rankles, as you can well imagine.

Now, having said all of this, yes, do we want peace? We do. The Prime Minister has made it crystal clear. He went to [Sharm el-Sheikh](#) in Egypt and had a meeting with the Pakistani Prime Minister, which got him into a huge amount of political hot water back home, because he was perceived as offering the hand of peace at a time when Pakistan had done nothing to merit it.

But what's dismaying is that all India has asked for is two very simple things. The first is, take action to bring the perpetrators of 26/11 to book. Bring them to justice. And the second is, take action to dismantle the infrastructure of terror built up over the last 20 years, from which so many attacks have been launched on our country. Close down the training camps, ban these organizations really, and not just let them reinvent themselves under other labels. Really close bank accounts – don't let them just be reopened under other names. Arrest people like Hafiz Mohammed Saeed.

Do this seriously. Dismantle the infrastructure, take action against the perpetrators, and as the Prime Minister said in Parliament – which, as you know, in a Parliamentary system is really a sacred oath – we will meet them more than halfway. But that first step has not been forthcoming, and that's been the cause of the great dismay in India about all of this.

We would like nothing more. I mean, our Prime Minister is the most peace-minded Prime Minister in India that Pakistan could ever hope for. And they haven't given him enough for him to be able to move forward, and march in the direction of peace. As I said, India has absolutely no desire to see hostility on the subcontinent.

Jehangir asked about what can India do beyond the fight against terror? Well, India has given Pakistan most favored nation trading status, and Pakistan has still not reciprocated. It's the only example on the entire planet, of a country refusing to reciprocate most favored nation trading status.

I mean, what more can India do? India is showing its good faith time after time, persisting in the peace talks after the Kabul bombing, trying in all sorts of ways with people to people contact and so on, to be helpful.

This summer, when the country was still in a boil over the Prime Minister's visit to [Sharm el-Sheikh](#), we had the Indian team and the Pakistani team playing cricket in England, with the proceeds going to the relief of the displaced people from Swat in Pakistan – every penny was going to Pakistan.

So the goodwill and the heart of India should not and cannot be doubted. It is unfortunately not being matched from the other side.

Warren, the U.S.-Indian bilateral relationship. It's in very good shape, and for all sorts of reasons, including the fact that we have a President who seems to have a genuine interest in and knowledge of India. We have an administration which has been very open in all sorts of ways. Indeed, the first ever state visit to the United States – to the Obama administration, I beg your pardon – the first ever state visit by any foreign country is going to be that by Prime Minister [Manmohan Singh](#) on the 24<sup>th</sup> of November, the first state dinner at the White House.

So we're looking at a relationship that both countries attach a lot of importance to, and that as far as we're concerned, is bolstered not just by the very high trade figures – once you include the IT and IT-enabled services, the U.S. is far and away our largest single trading partner, though if you discount IT, then China becomes our largest single trading partner, so we have relationships on that side as well.

But as far as the overall figures are concerned, the U.S. is right up there. We have an Indian community of people – Americans of Indian descent and Indian passport holders living here collectively amount to almost 3 million people. That's 1% of your entire population. And they've been a huge force for cementing good relations between our two countries, and their political clout helps explain the strength and the numbers of the India caucuses in the Senate and the House.

So there's a tremendous amount of goodwill that goes beyond just government to government contact, and we're very happy with the state of the relationship. We had a very good visit from Secretary of State Clinton earlier this year to Delhi, and we're looking forward to Prime Minister [Manmohan Singh](#)'s visit to the U.S. next month.

LAURENTI: So, contrary to some suggestions from Fox News commentators, you don't think the Nobel Prize Committee was smoking some illicit Indian substance?

THAROOR: No, we – remember, we come from the country of Mahatma Gandhi, who never won the Nobel Prize. We kind of think there is such a thing as waiting too long to give it. (laughter)

LAURENTI: OK. Ambassador Haroon.

HAROON: Thank you. A pleasure being here with you once again. It's a pleasure to see Shashi.

And I'm not going into this repudiation task. First of all, let me say that I, for one, have pushed very hard to get India and Pakistan closer. I think Shashi is aware that our family half created Pakistan. But we've spent a long time saying, we should not have got this far apart. We had to keep much closer. And perhaps the reason for that is why we lost so much property. We never sold it, we kept it on, thinking we'd keep coming and going.

But the point. Very quickly, let me just say that as far as this is concerned, it is not a problem of Pakistan alone. Regrettably, at some stage in life, like you have had various rogue elements at various times in all parts of the world that come into government and do things, well, the Afghanistan imbroglio – it's not just Pakistan – we were pushed, literally. And of course, you know as well as we do, the United States of America was instrumental for us to get involved in that imbroglio.

And the very first Madrasa that opened, why Bin Laden was in a plane flown with cash, and I don't want to mention who else was there. There are many books that give the details of these various aspects, and Pakistan was stake and struggling into that.

Until today, we were stuck, 35, 30 years of war had stripped us. Look at five years in Iraq, what it's done to the American economy. And you can imagine, and whereas India, I would say, is always eager to play a good role, Pakistan has had over 3 million refugees even up to date – it's gone up to 5 million at times. And the total cost of this has been over \$300 billion over the last 30 years.

And we have also been doing what we can, in every way. Don't forget, the Indians in Pakistan is not as bad as Shashi made them out to be. One family, there's a wall between two brothers today in that house. We had the same thing. I had Jewish friends living in the adjacent house. Zachariah and – Zachariah Daniels and his brother, Oriel, (sp?) and they were great friends of mine. And there was a synagogue in Karachi practically as old as the one in Bombay, etc., etc. And then they left – OK.

But what I am trying to say is, this has been one spirit, one soul. Where did Gandhi learn his non-violence? From my province of Sindh, which had the greatest republic even before anyone had it in Athens. And at one stage, they say there were people who traveled from there into the Mediterranean and they're listed in history as having brought these strains with them. And for over a thousand years, they had no weapons in that part of the world. And it's over a 5,000 year old Harrapan civilization, when there were empires in Babylon and Egypt, we had a republic with city- states, like Athens.

So all this is integrated. What he claims as his heritage is mine as well, because I'm a Muslim, it can't be taken away from me, because – you know, it's integrated. And most people, both sides of the border, do not condone violence. Nobody condoned Mumbai. In fact, I found out about it here in New York, because my mother called me in the middle of the night and was weeping on the phone, and I wondered, God, God knows who's died. And she said, open the television and see that. And I said, yes, what's happening? She said, the suite I've stayed in for the last 30 years of the Taj is burning. Where will I go next year? And Shashi knows she visits regularly with my brother, when he comes to Mumbai.

There are relationships, and I think the most important thing – I mean, for me to stand here and say, all right, Shashi, I'm sorry Mumbai happened. But East Pakistan should never have happened – things like that. Albeit I can turn around and say to Shashi, I agree that Kashmir is 50 years old – let's you and I take an initiative. Let's have a referendum for independence in Kashmir. Let's give them the right of self – deciding for themselves what they want. Why should you and I think of it as a piece of real estate? Let the people of Kashmir decide what is best for them.

But these are not the things we are here for. What I would say to Shashi, and I say this with all of you here. This fight is not a fight that is regional. It is a world war. It is a people who are preparing to take over the world. It sounds a bit like that comic strip on television, about the chap who, every night, trying to take over the world. I don't know the name – Dex – I forget the name, I've just seen it once on the television.

But the question here is, these are people who want to hit, and they expect to hit. Russia, China, India, the parts of the Arab states – anywhere where there is wherewithal and money, they want to hit out at these people, and they want to take over the world. It's not Pakistan. Pakistan would be a convenience for them, or something they could use as something to convey.

What I say is, we have to get together. What I say is, while we say we shouldn't talk to these people, the ISAF forces say openly they are talking to these people. And the Taliban, whether in Afghanistan or Pakistan is one. Don't make the mistake in thinking they're two, they're absolutely into that thing together.

What we have to decide is, how do we fight them? The reason a lot of things haven't happened – and I'd love to sit down with you on this – is that we have a real shortage of resources. We are fighting on many fronts. It's not the question of the eastern front. You are well aware that India has made to the right sources and the right authorities a sort of guarantees, to carry on. We're not interested – we know that. I think that's good – that's why we are free, to having put 80% of our entire military capacity on the western border.

Now, the problem really is not that the problem is – Wazirisatn, for example. There was a promise of a certain amount of ordinance that has not matured. I was there in Washington when – before SWAT, they said, helicopters, night vision, communication equipment, and ordinance. None of it came. The army went in and cleaned the place up.

This time, they're into a viper's nest. This time, they are getting hit from every direction. But we have to fight. And the only problem for the other names you can name have not been tackled is because you can see, we do not have the wherewithal. We are short of all sorts of things.

I think, Shashi, it's time – and I say this to a lot of my Indian friends, and I've said to NDTV and CNN India – offer to help with the wherewithal. And this would be a great – I'm not saying this as a government person. I stand here as an individual from my country. And I say, why don't you offer – you have the wherewithal. You know? If you can give Afghanistan your largest, whatever, drollop, the same thing is here with Afghanistan.

By the way, this morning, they say that unlike China, there has gone 50 million people above the poverty line. India is down 30 million more under the poverty line. So of course, while you're doing this for Afghanistan, there's a lot of poverty – all of us. And the worst thing that's going to face us, Shashi, and I end with this, is maybe 30 years from now, when the glaciers melt in the Himalayas, we are told that the Indian subcontinent crisis will be 25% of the population transmigrating for water. That's close to 450 million people, who will be rushing around. They won't see the boundaries. They'll knock down the fences. They'll want to keep alive by drinking water.

We've got to talk, Shashi, and in that, we've all got to get together. And I say to you, it's something that two great leaders in India – I say two great, because Indira Gandhi was one, and one was Zulfikar Bhutto. They said, let's keep these issues bilateral. That is why we must keep talking.

Don't pull away from the talks. The moment you pull away from the talks, you are hurting that lobby in Pakistan that wants to talk to you, whereas others are saying,

don't talk to them. Must keep talking, must keep putting things together, must be able to be friendly countries on the subcontinent.

Thank you.

LAURENTI: Thank you, Ambassador Haroon. Steve?

SCHLESINGER: Shashi, you – Steve Schlesinger, Century Foundation. You have been talking about Afghanistan and Pakistan, but what about India's relationship with China? I notice you've had some border tensions in recent weeks, and I'm curious what that might presage, and what is your overall relationship with China these days?

LAURENTI: Let me ask if any of the women in this room, since we've had so far a run of a certain kind of plumbing in terms of asking questions –

M: You're discouraging the men, though.

LAURENTI: Right. Well –

NOSSEL: I was going to, but now that you've said that, I don't want to. (laughter)

LAURENTI: (laughter) Give Suzanne the microphone please, Zaina. Suzanne?

NOSSEL: I was just going to pick up on a topic that Jeff raised on the Goldstone Report, on a different subject, because I was interested in your comments on that. And it's something that the U.S., we've been focused on, and it kind of came right on the heels of our rejoining the Human Rights Council, and trying to sort of set a new tone, and build some new partnerships. We worked with Egypt on a new resolution on freedom of expression.

And the report poses a challenge. I think we can all understand, is that there's passionate equities on both sides that are heartfelt, and very genuine fears and responses.

And I'm just – I'd be interested in your thoughts. I think you're uniquely situated to say how you think the U.N. and the membership can deal most constructively with the report going forward. So I'd be curious on your comments.

THAROOR: Thank you. Well, first of all, really, a hear, hear to Ambassador Haroon for his eloquent statement. And obviously, that's music to my ears, and I think to many people in this room, when we hear a Permanent Representative of Pakistan speaking so warmly about a brother nation across the border, and wishing to resume dialogue.

And as I said in responding to Jehangir and Craig earlier, we want to talk. It's just that you have to give us something to enable us politically, domestically, at home, to explain why we are doing the talking. The truth is, is that it doesn't take much wherewithal, to quote your own word, to put Hafiz Mohammed Saeed behind bars. Pakistan has shown an amazing reluctance to do that. It doesn't take much wherewithal to shut down these rather rudimentary but nonetheless irritating training camps. And so on, and so forth. We can give example after example – bank accounts, other facilities.

Part of the problem, we worry, is will – political will within your system to take firm action. And obviously, one possible explanation is the sinister one, that people are happy to allow these people to run free and wild, because they're only threatening India. And the other explanation is that they don't feel up to being able to challenge some of these characters, for fear that the political price to be paid domestically would be too high.

And those are things that worry us. We would love to see a Pakistani government that is determined to translate into concrete action, the sentiments you expressed. And believe me, we have no difficulty in being able to talk to people like you, as you can well imagine. Dialogue would flow very easily and very clearly and constructively. I think it's widely known that the two countries came extremely close to a definitive conclusion on a number of pending issues, including Kashmir, just a couple of years ago. It's not impossible to pick up the threads, but very difficult to pick up the threads in the current atmosphere of violence, intimidation, and – you know, no government worth its salt, and certainly no democratic government, will negotiate with a gun pointed at its head.

And if there's the slightest suggestion that we are intimidated by terrorist action, into rushing into some sort of peace process, forget it. It's not going to happen. We would much rather see the terrorists dealt with firmly, and then talk unencumbered by the notion of a gun pointed at our temples.

Steve, on China. I have to say that it's a pleasure to see my friend, the Deputy Perm Rep of China, sitting here. We have a large and complex relationship that, to be quite honest, has been caricatured a bit in the media, particularly the Indian media of late. And I would say it's important to see it in all its dimensions.

I mentioned, in talking to Warren earlier, that the trade relationship with China, in terms of manufactured goods, if we discount the IT and IT-enabled services that puts the U.S. number one, then China is number one. So it's a hugely important trading partner for us.

If you look at other aspects of our relationship, Indian companies like Infosys and Wipro and so on, have all opened branches in Shanghai, run by Chinese citizens working for them, trained by the Indian engineers, but performing services in

China. China's Huawei has opened a big office in Chennai in south India. It's hired 600 Indians. Infosys, in Bangalore, hired nine Chinese citizens this year for their regular staff in Bangalore, from China.

I mean, there's a level of interpenetration. The iPod was invented by an India company in Hyderabad and manufactured in China to be sold to you here in America. So there's levels of cooperation amongst the two countries that simply shouldn't be underestimated.

I mean, who knew there were 7,000 Indian students in China? There are. There are tourists going from India to China regularly every year. We have a pilgrimage – some of Hindus' holiest sites are in Tibet, Kailash, and Mount Kailash, and Lake Manasarovar. And we have pilgrims going there regularly.

But equally, of course, the fact that we issued 58,500 business visas to Chinese citizens last year is not well known.

So there are all of these things. Are there irritants in our relationship? Yes. We do have the world's longest unresolved border. When a border is not agreed, it can be the subject of dispute. And since China has one perception of the border, and we have another perception of the border, occasionally there will be patrols going from one side towards what the other thinks of as its territory, and from the other side, towards what we think of as our territory.

And in a free democracy, with more all-news television channels than every other country of the world put together – I mean it. We have over 100 television channels in India that have 24/7 news all the time. They need news, so they go and find it on the Chinese border. They have to. (laughter)

So this is the problem, and we have a misperception that things are worse than they really are, and I think our Chinese friends will fully subscribe to my argument that in fact, the substance of the relationship is actually quite sound. And these irritants can be dealt with. They've actually had border talks as recently as August. The Indian National Security Advisor and the Chinese Special Representative met in Delhi for what was, I think, the 13<sup>th</sup> session of talks on the border. So it's not as if the problem is being ignored.

But we do have to find common ground on that, and once that's out of the way, I think other problems will not arise. It's too important of a relationship on other levels, particularly economic, to be ignored.

I would agree that we could also do with much more, sort of contact with each other. Other than professional diplomats meeting in international settings, we don't have enough contact amongst our political classes. We don't have enough contact amongst our academics and intellectuals, no track two process. We need more of

that, to ensure that these irritants don't get blown out of all proportion. But otherwise, the basics are there.

Suzanne, Human Rights Council. Good to see you in that new role, by the way, and looking forward to other friends taking on similar roles in the administration.

But let me say that it wasn't an easy vote for us, and I explained earlier why we went the way we did, in response to Jeff's question. And it's a very complicated matter to judge.

If you – the best statement of India's position would actually be if you read my Permanent Representative's speech yesterday, which was mirrored in his explanation of vote today. We do think there were both procedural and legal infirmities in the Goldstone Report, even though we admire Goldstone personally and don't doubt his integrity or his intellectual heft. The report suffers from certain deficiencies.

And equally, in the statement by the Perm Rep, there was a very even-handed condemnation of violence by all sides, and a specific condemnation of violence by certain non-state actors, and I think the allusion is very clear.

So it's not as if we have just gone along with a one-sided condemnation of Israel. We do believe there is a great deal of room forward. We felt that some of Israel's responses were disproportionate, and that a number of civilian – I don't think it's healthy for the Israelis to say that if this resolution passes, then you can forget about peace talks, for much the same reason that I've been exhorted not to suggest that. A resolution is a long way short of the Mumbai massacre, and there should be peace talks.

But equally important, I think that we do need to – we need to confront, once again, the fact that a sterile exercise in finger pointing, and there have been so many of those over the last four decades, will not lead us anywhere, at a time when facts on the ground are changing daily. And we really need to grapple with the substance of the issue.

And I think the U.S. and India have been talking to each other on this. We will continue doing so. I had a good conversation with Susan Rice this morning. We want to play a constructive role. As a non-aligned member, we have certain commitments. As a friend of Palestine, we have certain commitments. But we're also a friend of Israel, and we want to see that we come out of this process in a constructive direction that will help the peace process, and not again end up in – you know, people mired in distrust and the blame game.

LAURENTI: Our last round, which will have to be fairly brief, because we have seven minutes left – Ambassador Liu?

LIU: Thank you, Jeff, for hosting this event, and (inaudible) all of you in welcoming our old friend Shashi back to New York, and congratulating him for the new appointment.

First, I'd like to show him, to subscribe myself to what he – he said on the bilateral relationship between India and China. I think in addition to the cultural exchanges, booming trade, actually, our cultural exchanges that could date back to centuries ago – actually, you know, Buddhism originated in India, but gradually, replaced by Hinduism in India. But introduced to China, and it developed in China, and introduced it to other parts of Asia. So we have a very long history of common exchanges.

On the topic we are focused today, I think Shashi mentioned in his presentation three countries – India, Pakistan, Afghanistan. I think all the three countries are victims of terrorism. My comment or question is that, how to look forward, and how to enhance the cooperation addressing terrorism, and to addressing this common challenge.

Because you know, another region, very close to the – that's southwestern Asia, where they are not focused on the presentation, in central Asia, and together with China and Russia, we have a Shanghai Cooperation Organization. In this organization, we have developed both kind of multilateral and bilateral mechanisms in combating terrorisms. The two commissions have been concluded, and there's a number of bilateral agreements have been reached, bilateral arrangements. First, to be successful and efficient, more efficient than these new mechanisms.

So, my question to Shashi, that you see, in view of the challenges, how our South Asian countries could improve their cooperation, both bilaterally, and from subregional perspective? Because they also need the cooperation between the southeast – South Asia subregion and the central Asian states, because terrorism (inaudible).

So this is just a very brief question to our friend Shashi. Thank you.

LAURENTI: Thank you, Ambassador Liu. And let me just pose as a closing one then, for you. The longest running show in New York is not on Broadway – it's on First Avenue, and it's the battle of the interior designers over rearranging furniture in the Security Council chamber.

With recent elections, Japan, Germany perhaps creating different political constellations among those who have been pursuing a certain formula, where do you see that headed?

THAROOR: OK. Ambassador, thank you very much for those good words, and in fact, I'm very glad you mentioned India/China relations and the role of Buddhism, because of course, I should have mentioned that one cultural project in which we are jointly engaged together with other countries is the revival of the old Nalanda University, which is the world's oldest university. Happen to be located in India, it was destroyed by invaders in about 700 A.D. But in its heyday, it was a university to which Chinese students and teachers came, as did Koreans, Japanese, Thais. It was a leading – in fact, the world's leading university at the time, and the leading university for Buddhist studies.

And China, India, Singapore, and a few other Asian countries have collectively come together under the leadership of the Nobel Prize winning professor Amartya Sen to revive this university as a center for international Asian educational cooperation. And China is very much a part of this venture, and I should mention it as an example of the kind of cultural contact we need to see more of.

Shanghai Cooperation Organization, you're right, is absolutely a good model for working forward, and I don't disagree at all with your assumption that subregional progress needs to be made. And as far as we're concerned, we're very happy to participate in these subregional efforts.

But we have a – for example, a subcontinental organization, SAARC. It has not been of any concrete use when it comes to combating terror.

We even had a bilateral agreement with Pakistan, a joint working group on terror, which is meant to be a device, a mechanism for information sharing. Not one useful piece of information has come our way on that joint working group. The terrorists came from the other side, but not the information.

So, I do feel that we do – I mean, the mechanisms are fine. Where there is goodwill, where there is no mistrust, where there is a basic understanding and cooperation, you will find that mechanisms will work. Where that will is missing, I fear you will get the kind of things we've had with Pakistan.

So I do feel it's, at the moment, no substitute for exacting compliance with the existing international resolutions. 1373 is a very good example – it says very specific things. It will freeze financial transfers, intercept arms flows, report on the movements of suspected terrorists. How can we say that some countries will get a free pass on these obligations, and then be taken seriously?

It's extreme, and India has been very proud of the fact that we've been in full compliance. We've submitted reports to the Counterterrorism Committee. I'd like to see what Pakistan thinks it's doing about this, and certainly, there are very specific organizations on its soil, that it could act against.

We've now had the extraordinary acquittal of Hafiz Mohammed Saeed, and as a result of a very feeble case in the court in Pakistan, with the judge saying that the U.N. Security Council banning of Jama'at-ud-Da'awa has no validity in Pakistan, and therefore, the gentleman is free, because the organization is not banned.

Now, the Council bans an organization, or proscribes an organization that is guilty of terrorist actions, and the Pakistani legal system, apparently with no particular pressure from the civilian government, says, no, we don't really take this very seriously. It doesn't matter. This man is free. Let him go off and preach some more hatred.

So these are problems, and this is where I was saying to Ambassador Haroon that his heart is in the right place, but it's not just a question of wherewithal. Concrete willpower, political will to act, is also important.

I might add, on that particular instance, that we would really appreciate China's help on pursuing that issue in the Sanctions Committee, but that may not be a matter to discuss on an open microphone. (laughter)

Jeff, Security Council reform. The moment you asked that question, ten people left the room. (laughter) We've been hearing this for so long, and after 17 years of the establishment of the open-ended working group, it began to be referred to as the never-ending working group. And of course, now we have the consultations in the General Assembly.

Look, we feel very, very strongly that Security Council reform is overdue. It cannot make sense in the 21<sup>st</sup> century that we have an institution reflecting the geopolitical realities of 1945 – that five countries have permanent seats on the Security Council because they won a war 62 years ago. Now, how does that make sense in 2009? How do we recognize the extraordinary contributions of a number of countries that have, indeed, risen in the world since then, and have contributed to the international community, including through devices like U.N. peacekeeping?

And the big worry I have as a convinced and die-hard U.N. hand and multilateralist all my life, is precisely that if we don't reform the Security Council, I have no doubt nature and geopolitics – both abhor a vacuum – you will find other things rising to take their place. The G20 is already emerging, a self-appointed group of countries that are very happy to be on that high table together. Today they are going to deal in economics and finance – what's preventing them tomorrow – they have no charter, they are not bound by the stipulations of international law. What's preventing them tomorrow from getting into other areas?

And there are – what's preventing countries from saying, well, if we won't be seated at the high table at the Security Council in New York, let's use another forum to advance our geostrategic interests?

I think that's a very dangerous way for the world to go, and I think those countries, which for short-sighted and petty reasons, are forcing Security Council reform, are in danger of really shooting themselves in the foot by risking undermining the very organization that gives them the clout they're now exercising against reform.

So, I would strongly urge all countries to take a deep, hard look at the future of the U.N., and ask whether a U.N. that is – that becomes increasingly short on credibility in its premier organ would be as effective as we all want it to be. We all want a strong and effective organization. And for that, you must have, effectively, a reformed Security Council.

I mean, this is the kind of problem like, say, like a malady, where all the doctors gather around the patient. Everyone agrees on the diagnosis, but they can't agree on the prescription. The diagnosis, there is no argument about. It's how do we get from here to there?

And I think – unless some leading powers decide to say it's time to fish or cut bait, we're not going to be able I think to move off this stalemate. Certainly India is determined to continue pushing this issue, but we will need some help and understanding in other quarters.

LAURENTI: Well, very good. Thank you very much, Shashi. (applause) And you remind us what we have been missing for the past several years, and what I'm sure most of us in New York hope that we will see again for longer stays.

Thank you all for coming, and we hope this has been a welcome conversation for you.

THAROOR: Thank you.

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