

Ambassador Richard Olson

America and Pakistan: A Partnership that Delivers

Remarks delivered to the English Speaking Union, Karachi

September 27, 2013

(as delivered)

Assalamu alaikum.

Good afternoon.

Thank you President Aziz for that kind introduction.

It is a great honor to be at the English Speaking Union. I am pleased to be here in Karachi, speaking to this prestigious group, to deliver my first major speech on the U.S.-Pakistan bilateral relationship since Secretary Kerry visited last month. The English Speaking Union has done so much to bridge cultures and promote relations between Pakistan and the people of so many countries, including the United States. I want to compliment President Aziz and Secretary General Mayjid – and all the leadership and members of the English Speaking Union Pakistan – for the close collaboration with the United States and with our Consul General here in Karachi, Mike Dodman. The work that you have been doing complements my message today – that we have many areas of shared interest. Today I will elaborate on our view that this important partnership is built on mutual respect and driven by mutual interests. It is future-focused. And it is a partnership that delivers for both Pakistan and the United States.

Karachi is the economic heart of Pakistan, and key to the partnership that our two countries are building. By connecting with U.S. businesses, working to create a welcome environment for investors, and ensuring that regulatory structures meet international standards, I am confident all of you can work with us to create new opportunities for trade and investment between our countries.

When Secretary Kerry visited Islamabad on August 1, he underscored the United States' commitment to Pakistan. He said, "The United States is committed to a long-term partnership with the people of Pakistan, and we remain fully engaged in building a relationship that is based on mutual interests and mutual respect."

As one of the authors of the Kerry-Lugar-Berman bill – formally known as the "Enhanced Partnership with Pakistan Act of 2009," which authorizes multi-billion dollar funding to help Pakistan build energy infrastructure, roads, schools, health facilities, and create jobs – Secretary

Kerry knows this commitment well. While in Islamabad, he said, “Our relationship is broad and comprehensive, based on shared interests and mutual respect.” And, I would add, it is squarely focused on the future.

The relationship between the United States and Pakistan has been strained at times. But the foundation is solid, built on a common long-term vision of peace, security, and a prosperous future for both countries. The key components are in place. Our government-to-government relations are enriched by the “U.S.-Pakistan Strategic Dialogue” that Secretary Kerry and Prime Minister Sharif revitalized during the summer. Just yesterday, in New York, Secretary Kerry and Prime Minister Sharif again met to cover a wide range of topics, and they announced an October 23 date for the Prime Minister’s visit to Washington.

As we move toward the meeting between the President of the United States and the Prime Minister of Pakistan, we have identified four areas of strength and potential in the relationship: 1) building trade and investment; 2) fostering prosperity; 3) promoting regional stability; and 4) connecting our communities. I would like to speak to you today about these topics.

We are partnering for trade and investment. I believe the business-to-business potential between our countries is substantial. The United States is already Pakistan’s largest export market and one of Pakistan’s top sources of foreign investment. Pakistan’s market – with the sixth largest population in the world – presents opportunities for investors and businesses alike. And we are fostering “B-to-B” connections. Let me give you a few examples:

The U.S. - Pakistan Business Opportunities Conference that we organized with the Pakistani government in Dubai took place in June and linked numerous American and Pakistani companies. It also provided a platform for the new government to explain its economic and investment agenda. We launched the “Pakistan Private Investment Initiative” in Dubai, which will provide much-needed capital to Pakistani small- and medium-sized enterprises, to fuel their growth, and harness matching private sector funds to contribute to the effort. A range of entrepreneurship programs that we are sponsoring are helping Pakistanis take their smart ideas to market. The “StartUp Cup” business plan competition that our Embassy in Islamabad and our Consulate here in Karachi rolled out last month helps aspiring entrepreneurs build business plans, secure financing, and run their operations. We look forward to announcing the winners of the first Pakistan “StartUp Cup” in November.

Our combined efforts can create a better business and investment climate in Pakistan, foster transparency, build private sector ties between our countries, and help unlock the economic potential I see in this country. This, along with the Pakistani government’s efforts to improve security, access to energy, and transparent governance, will provide space for the U.S. and

Pakistani private sectors to increase trade between our two countries and foreign direct investment in Pakistan, a goal that both of our governments share.

We are partnering for prosperity. To reach its full economic potential, Pakistan must be able to establish and maintain some basic requirements, such as a steady energy supply and a healthy, educated work force. The United States has partnered with the government of Pakistan to develop a comprehensive assistance program designed to improve the lives of Pakistani citizens and to ensure the conditions for economic growth are in place.

Our projects have supplied more than 1,000 megawatts of power to the national grid. Yesterday, I was in Jamshoro to mark the completion of an upgrade to that thermal power plant. Earlier this month, Minister for Water and Power Khawaja Asif and I inaugurated the Gomal Zam dam in South Waziristan. The U.S. government has also funded major upgrades to Mangla, Tarbela, and Satpara dams, and provided a \$95 million loan for a wind power project in Sindh through the U.S. Overseas Private Investment Corporation -- OPIC. Our investments in increasing electricity generating capacity have not only provided energy to roughly 16 million Pakistanis but they have powered countless businesses that desperately need energy to grow. In other words, we have provided new sources of energy for a population that would equal the number of people who live in Lahore, Islamabad, Rawalpindi, and Hyderabad combined.

Roads are fundamental for commerce, and the hundreds of kilometers of roads that we have built have created jobs and helped small entrepreneurs grow their businesses in communities throughout Pakistan. Roads linking Pakistan and Afghanistan also facilitate regional commerce, benefitting cities like Karachi as goods from across the country come to the coast for export. Indeed, we are currently working with the government of Pakistan to refurbish roads on the four main trade routes between Afghanistan and Pakistan.

To promote and nurture an educated work force, we have built or renovated 800 schools, provided 12,000 students with scholarships to local universities, invested in literacy programs, and allocated millions of dollars to teacher training programs. Trained teachers have the biggest impact on what students are able to learn in the classroom. And our internship programs give students concrete skills. For example, eleven interns that we sponsored helped upgrade the Jamshoro power plant. This year we will send more than seven hundred students to academic exchange programs in the United States and another five hundred professionals to the United States on shorter, work-related programs.

A healthy work force is also necessary to grow an economy, and we have invested heavily in health projects here in Karachi and throughout Sindh. In June, I launched a \$387 million Maternal Child Health program in Karachi that will run for five years. We broke ground earlier this year on the \$10 million dollar Jacobabad Institute of Medical Sciences, which will improve

basic health outcomes for residents of northern Sindh, southern Punjab, and eastern Balochistan. And last year, we funded an Obstetrics and Gynecology Complex and Training Facility at the Jinnah Postgraduate Medical Center. In the 1950s, we helped to establish the JPMC to serve the residents of Karachi and the surrounding area; we are proud to continue investing in that great institution.

The combined impact of these development programs sets Pakistan on a path for significantly higher future economic growth. The programs also meet immediate needs – like reducing load shedding – and help to transform the lives of individuals and the future of entire communities. Pakistan is now better prepared to advance the economic revival that the government has promoted and that both the United States and Pakistan strongly support.

We are also partnering for a stable region. Stability is a pre-requisite for economic growth, and I know no one wants stability and security more than the people of Pakistan, including the residents of Karachi. With tens of thousands of Pakistanis killed in terrorism-related incidents over the past decade, we recognize people are tired of what has become a status quo. People in Pakistan, like people anywhere, want the freedom to live their lives in peace and security, so we will continue to focus on building this element of our partnership. This includes lending our support to the democratically elected government and to Pakistani institutions to end extremism in the manner they deem appropriate. In Afghanistan, as the International Security Assistance Force prepares to draw down, it will be increasingly important for all countries in your neighborhood to help ensure peace and stability. As we have said repeatedly: we are not abandoning the region. We will continue to support the Afghan security forces through training, equipping, and mentoring programs, which generate stability in both Afghanistan and its neighboring countries.

Just as your city's security is vital to you personally, we know that security promotes stability in the region. Pakistan's support for Afghan-led reconciliation will be critical because what happens in Afghanistan can and does affect security and growth here. With a more stable western neighbor, the great potential for regional development and growth can be unlocked. This potential would benefit Karachi as the hub for an Afghanistan-Pakistan industrial corridor. But economic growth can only flourish if conditions are safe enough for businesses to function efficiently and profitably. Everyone wants a win-win scenario. So, in an effort to ensure this goal is met, we will continue to support Pakistan's efforts to defeat terrorism within its borders, though the choice of approach is for Pakistan alone to decide.

We are partnering our people. Finally, people-to-people connections form a foundation of understanding and respect that helps us weather political storms and work as friends to advance all of the goals I have just mentioned. Our partnership draws strength from the Pakistani diaspora in the United States, and many of you here may be part of that diaspora that

moves freely between our two cultures. We actively work to build friendship and understanding between our peoples. For example, Consul General Dodman hosted a cricket match for children during Ramadan, and the Consulate sponsored a football – we say soccer – clinic for girls ten days ago. The tens of thousands of Pakistanis who have participated in U.S.-sponsored exchange programs in the United States and returned to live and work in Pakistan are also key elements for building bridges between our peoples. Indeed, you know this, since many of our “alumni” are in this room. We are investing more in our Fulbright program in Pakistan than anywhere else in the world. We have established eleven “university linkages” between prestigious institutions in Pakistan and the United States; these build long-term collaboration and cooperation that spans across every industry and in every corner of Pakistan. They also help make our partnership more secure and forge economic ties that benefit both of our countries, fostering peace, security, and prosperity.

To conclude, the United States and Pakistan might employ different tactics for reaching the same objective. This is true for any partnership. But the United States and Pakistan share a number of fundamental goals. We are working together on 1) building trade and investment; 2) fostering prosperity; 3) promoting regional stability; and 4) connecting the people of the United States and Pakistan. The United States wants a strong Pakistan, which we believe is good for Pakistanis and good for Americans. These are our goals, and they are transparent, mutually beneficial, and future-oriented.

As I continue to meet Pakistanis here in Karachi, across Sindh, and across the country, I look forward to hearing about how we can work together even more closely. Working together as partners, we can deliver peace, stability, and prosperity for the people of Pakistan and the people of the United States of America.

I hope that each of you will join me in this effort, to build closer ties between these two great English Speaking nations. And I encourage you to continue sharing the richness and diversity of each of our cultures and to seek opportunities to increase our business relationships and improve mutual respect and understanding.

Thank you.