

Pakistan

The first in a series on the key Southern Asian state

INTERVIEW President Pervez Musharraf

▶▶▶ Pervez Musharraf was born in Delhi in 1943. His family settled in Karachi after the creation of Pakistan, and part of his childhood was spent in Turkey, where his father was a diplomat. In 1961, he joined the Pakistan Military Academy. He saw action in the Indo-Pakistan wars of 1965 and 1971 and rose to the rank of General in 1998, subsequently being appointed as Chief of Army Staff. In 1999, he took over the leadership of the country as Chief Executive following a bloodless coup. He assumed the office of President in 2001 and was elected to serve a further five years in a referendum the following year. His support for U.S. action against Al Qaeda has prompted George W. Bush to declare Pakistan a Major Non-NATO Ally.

'The economy has stabilized and we are moving forward'

RAWALPINDI, AUGUST 30, 2004

Mr. President, it is clear from Pakistan's 57-year history that it is not an easy country to govern. Since you took over in 1999 you have had to address two main issues: security and the state of the economy. How far do you believe conditions have improved in these areas during the time you have been in charge?

Well, governing any developing country is very difficult. The government has to satisfy the population and, since its resources are constrained, satisfying the population through economic growth and economic well being and prosperity is difficult to achieve.

In Pakistan, the situation has been more complicated because of all that has been happening in our neighborhood. In Afghanistan, to the west, for almost twenty-five years there was the fighting against the Soviets, then internecine warfare among themselves and the Taliban factor, then 9/11 and all that followed. Then there was the fallout to the east, in Kashmir. All this led to sectarian and religious extremism here.

We, in Pakistan, had to deal first of all with the economy. We had to rectify the economy, because that is the base from which you satisfy the people, and making the people more content will lead to better law and order. I am very glad to say that every macroeconomic indicator is positive. We have stabilized the economy and are moving forward.

However, the task remaining is to take the effects of these gains to the people, so that they feel the improvement. Our development strategy in Pakistan is entirely focused towards the double purpose of



improving the economy and the benefits going to the people at the grassroots. We are doing a lot, and I am very sure that we are going to alleviate poverty, that our econ-

omy will keep rising, and that the people will be more and more satisfied.

However, regarding the religious connotation here in Pakistan, we have to deal with sectarian and religious extremism, and terrorism, and I think we are dealing with it very successfully. Initially, as far as the extremists, the terrorists, Al Qaeda, are concerned they were all in Afghanistan. But after 9/11, because of all that happened there—all the bombing—they came into our cities.

We started rounding them up and we succeeded. We have rounded up about 570 Al Qaeda terrorists, including some very important individuals. Now Al Qaeda are on the run in the mountains and we are dealing with them there. We have smashed all their sanctuaries, they are on the run with whatever they can carry, so we have been successful there. We are also operating against members of the former Taliban regime. One of their deputy foreign ministers was caught very recently, and that led to a number of arrests.

So, I believe we are succeeding all the way, in ensuring good governance, with the economy rising, and with law and order. We are facing our problems head on, and I am very sure that we will succeed.

Pakistan is 97 per cent Muslim which, of course, is why it was partitioned from India in 1947. I've seen you quoted as saying that only 1 per cent, in your opinion, is really extremist. Do you still stand by that figure?

What I can say is that the vast majority of Pakistanis are religious but moderate. Then there are the fundamentalists, who are an-



President Musharraf says investors who visit Pakistan find a business-friendly environment and no law and order problem

chored in history as far as religion is concerned, and not prepared to convert their religion into the 21st century realities. A fringe of these fundamentalists are extremist—they want to impose their views on others—and this extremist band is the one from which the terrorists come. They are a very small minority and what I am trying to do is to arouse the vast, sleeping moderate majority.

What are you doing about banning extremist organizations? Are you, for example, looking at religious schools that might encourage militancy?

Yes, indeed we are doing both. We have already banned a number of extremist religious organizations. Their offices have been sealed and their funds have been frozen. So we have done a lot, we are acting against them very strongly.

Terrorism isn't, of course, just a problem for Pakistan. As we know, it is a global disease. What is it that makes a terrorist? In your opinion, has the

disease been correctly identified and is it being properly treated? Are we fighting it in the right way?

We are fighting it in the right way in its immediate short-term perspective. We are acting, using force, against any militant, against any terrorist, against any terrorist organization. But I am afraid we are missing the long-term strategic perspective of this whole issue. That means resolving political disputes.

Basically, it is the Palestinian dispute which gave rise to the suicide bombing phenomena and the car bomb phenomena, which has now spread all over the world. We must resolve the political disputes and, as the long-term objective, we must deal with the lack of education and poverty. Both of these combine, and there are instances where an uneducated, illiterate person who has been indoctrinated carries out a suicide mission because he has been told that this is the key to heaven. An illiterate, poor person will fall for this. So, education, poverty allevia-

tion, and settling political disputes—we must address these in an international, organized manner, which, at present, we are not doing.

Do you think the United States is doing enough to bring pressure to bear on Israel to help resolve the Palestine issue?

Frankly, I think not enough is being done. Failing to resolve the Palestinian dispute is no longer an option for us. We cannot fail, we have to succeed and, therefore, I would say that both sides, Israel and the Palestinians, ought even to be coerced—a harsh word maybe—to resolve this dispute with justice.

I suggested earlier that security and the economy were the two big issues you face. Of course, they're interconnected because if a country is perceived to be insecure investors are less likely to risk their money. You have succeeded in the economy de-

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COUNTRY PROFILE

FULL COUNTRY NAME: Islamic Republic of Pakistan

AREA: 310,403 sq miles

POPULATION: 159 million

RELIGION: Muslim 97%, Christian, Hindu, and other 3%

ETHNIC GROUPS: Punjabi, Sindhi, Pashtun (Pathan), Baloch, Muhajir (immigrants from India at the time of partition and descendants)

CAPITAL CITY: Islamabad

OTHER MAJOR CITIES: Karachi, Lahore, Faisalabad, Hyderabad

INDEPENDENCE: August 14, 1947

CURRENCY: Pakistani rupee (PKR)

GDP: purchasing power parity \$317.7 billion (2003 est.)

GDP GROWTH RATE: 5.4% (2003 est.)

GDP PER CAPITA: purchasing power parity \$2,100 (2003 est.)

NATURAL RESOURCES: land, natural gas reserves, petroleum, coal, iron ore, copper, salt, limestone



INDUSTRIES: textiles and apparel, food processing, pharmaceuticals, construction materials, paper products, fertilizer, shrimp

AGRICULTURAL PRODUCTS: cotton, wheat, rice, sugarcane, fruits, vegetables, milk, beef, mutton, eggs

EXPORT PRODUCTS: textiles, rice, leather goods, sports goods, chemicals, manufactures, carpets and rugs

TRADING PARTNERS: United States, United Arab Emirates, United Kingdom, Germany, Hong Kong, Saudi Arabia, China, Japan



The Presidential Palace at the end of Constitution Avenue in Pakistan's capital, Islamabad

Pakistan

'We need our own style of democracy'

The concept of democracy inevitably comes up in any discussion about Pakistan's future but, as a matter of fact, do you think Pakistan has ever been ruled democratically in the past?

The short answer is no. There has been martial law in Pakistan for half the time. This was because of poor governance and corruption. We had a so-called democracy in the 1970s under Zulfikar Ali Bhutto. I personally think he was the first civilian chief martial law administrator of Pakistan.

Then we had the period of 1988-99, in which Benazir Bhutto was twice democratically elected Prime Minister. However, the government was not at all democratic, they were very authoritarian. They amended the constitution to consolidate power and totally nullify politics, and, in any case, they were looting and plundering the economy. The economy went down to the extent that we were going to be declared a failed state.

So what kind of democracy is that? Isn't democracy supposed to take the nation forward? They were not running the government well, and it was certainly not democratic. What we need is democracy tailored to our own environment. We have to analyze why it is that democracy has not functioned here, and we need to tailor it to our needs.

Have you started that process?

Yes, indeed, we started four years back. We analyzed the problem: why is democracy not functioning, why does martial law come in every time? There were two main reasons, we concluded. Firstly, democracy has not been taken down to the level of the people of Pakistan. They vote, but voting is not all that there is to democracy. Power must be devolved to them. They must be allowed to be autonomous, to decide their own fate.

We have devolved power to the people and empowered them. We have empowered them financially, we have empowered them administratively and politically in that the people at the grassroots level have the resources and they decide what they want for themselves. We did that in the form of local government that we introduced.



Democracy Pakistani-style: almost 100 political parties stood for the national parliament in the last general election, in 2002. The electorate totals 72 million

The other thing that was required was a system of checks and balances. There were no checks and balances on those who had political authority or power in Pakistan: the President, the Prime Minister, and the army chief. So we have introduced measures to ensure checks and balances on all three of them. We believe

we have introduced sustainable democracy now in Pakistan.

Do you foresee more democratization of the central institutions?

The basis of democracy is freedom of speech and expression. Pakistan had only one tel-

evision channel, Pakistan Television, which was state controlled. Now it is totally open, with the private sector coming in. There are dozens of television channels, totally free and independent. They talk against me; they talk against my government; they enjoy free discussion. We also ensure the print media is totally independent.

We have empowered people at grassroots level. We have empowered women in Pakistan. We have empowered the minorities, the poor, peasants, and workers. This is the core of democracy. Institutional methods are used to resolve disputes and, as I said, there are checks and balances on the power brokers.

'I pray to God to help me make the right decisions'

It must have been strange for you to move in such a short time from being a military man—not very well known outside your own country—to appearing as a major public figure on the international stage. Has this experience been fulfilling, frustrating, terrifying, lonely or all of these things?

It's fulfilling, I would say. I am a humble man, and I really am very glad that whatever I have achieved is positive for Pakistan, for my country. That is what concerns me. As long as I can contribute to my country I am proud to do so.

Do you have a personal philosophy that helps you through the stresses and perils of this very difficult job you have?

My personal chemistry helps me. I have faced dangers a number of times. I don't get unnerved, I don't get into a flap, and I can absorb shocks. I pray to God to help me make the right decisions for this country, which is certainly a country that has a number of complications.

Do you hanker at times to return to private life, to playing golf, watching cricket, and seeing more of your family? Can we expect to see this happen sometime after December 2007?

Yes, I do. I am a very outgoing person. I love sports. I swam thirty lengths of my pool today, but I can't do it every day—that is a regret. Lack of time for my family is also a regret, but it was much worse when I was the Chief Executive and was governing the country.

Now I am no longer governing, so the situation has eased, and with the new Prime Minister, Shaukat Aziz, I feel that the governance will be very strong and the economy will be taken forward. The more he does, the easier it is for me.

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spite having a perceived security problem. How have you achieved that?

A misconception has been created in the world media about the law and order situation in Pakistan. It's not all that bad. When you see things on television, it's usually a bomb blast in a remote part of Pakistan. The main cities of Pakistan, which are the economic hubs—Lahore, Faisalabad—nothing has happened there. In Karachi, yes, there have been bomb blasts, but Karachi is a city of fourteen or fifteen million now. These incidents are because of a certain environment and for a temporary period. They were not there before, and I am sure they won't be in the future because of the crack-down that we've had on the militants.

Television reports create the perception that there are bullets flying and bombs exploding all over Pakistan. That is not the case.

People who visit us are surprised to find there is no problem at all, and they come and invest. They see a market here of more than 150 million people, and we have created an investor-friendly environment through modifications of our law and rules. There are seven hundred foreign firms here. Each one of them has made a profit of 20-60 per cent in Pakistan.

Pakistan's success has been recognized in a number of international arenas: in your new friendly status with the United States, your return to the British Commonwealth and your new cooperation agreement with European Union. How important is this recognition and what benefits will it bring to the Pakistani people?

Well, it does benefit us economically. With the European Union, we have been given special market access with reduced tariffs, and our textile export to Europe has increased substantially. That means more factories, more production, more exports, and more foreign exchange.

Because of this relationship, the Paris Club has rescheduled our foreign debt of \$12.5 billion, and this has had a snowball effect on the economy. Our debt services liability has been reduced. We were spending 64 per cent of our budget on debt servicing; now we are spending only 25 per cent. Our balance of payments, which was in deficit by about \$5 billion per annum, is now in surplus by about \$1 billion to \$2 billion. That money will now be available for development. We have turned the economy around.

'A process of confidence building has begun with India'

You recently had talks with the interim leader of Afghanistan, Hamid Karzai. What assurances could you give him that Taliban insurgents would not be able to use Pakistan as a base to disrupt the coming presidential elections?

Nobody can give a guarantee. Anyone who knows the border knows that we cannot check every inch of it; we lack the resources. The posts that we have manned with the frontier corps of Pakistan are distant from one another; there are large gaps and people can go across. Having said that, let me also say that not everything that happens in Afghanistan originates in Pakistan. It is an internal issue; the Taliban are there and whoever is operating is operating within Afghanistan. What we have to do on both sides—in Afghanistan and in Pakistan—is to take measures to ensure that we act against these people wherever they are, and we also should take measures on both sides to check their movement on the border. We will try our best to prevent any major activity from our side of the border.

It has been suggested that some of your military intelligence leaders were sympathetic to the Taliban and they have turned a blind eye, or even encouraged some of them within your borders. Do you think that was ever true and is it true now?

No, it has almost become a cliché to lay the blame on Pakistan. Pakistan was left high and dry after the Soviets left Afghanistan, with four million Afghan refugees coming here and nobody helping us. The Taliban emerged, controlling 90 per cent of Afghanistan. The Taliban were Paktoon, and we have a Paktoon population in the Baluchistan region and the frontier. We had to recognize them, otherwise it would have harmed Pakistan. It was a political path we had to follow. As I have said, the vast majority of Pakistanis are moderate and would hate to see the Talibanization of Pakistan—that kind of religious thought being introduced into Pakistan.

The intelligence organizations were involved in Afghanistan right from when



President Musharraf meets George W. Bush at the White House in February 2002. Pakistan's new status as a Major Non-NATO Ally reflects improved relations between the two countries

we were fighting the Soviets. But the entire set-up has been changed since then. The officers are new, it's all manned by the military and they do exactly whatever the government and I tell them to do. The responsibility for whatever they do or don't do rests with me.

We get conflicting reports in the West about relations between Pakistan and India. At one time you were playing cricket again, everybody thinks everything is fine, and then there are threats of nuclear war and new border disputes are breaking out. What is the current situation?

I would say the current situation is encouraging, in that we have started a dialogue process and confidence-building measures. Both sides have to move forward in harmony, but we cannot rush ahead without resolving our disputes. There are a number of disputes; Kashmir

is the most important because we have fought wars on that.

The confidence-building measures, the cricket and the hockey, can only be a temporary phase until the core disputes have been resolved. We feel very happy and laugh together when we play, but we are killing each other on the borders. The disputes have to be resolved to make the laughing permanent.

Turning to Iraq, you obviously did not give the United States the same support as you did over Afghanistan. Was that a matter of geography or because the U.S. and its allies failed to get a United Nations mandate? Or was it because you thought the whole adventure was politically misconceived?

I wouldn't like to comment on whether it was misconceived, but I would like to comment on the position of Pakistan. The domestic environment here does not allow

the participation of Pakistani troops in Iraq. There needs to be a certain kind of environment in Iraq for us to be able to send in our forces to bring peace and harmony, and maybe to assist in reconstruction.

If we are seen as an extension of the present U.S. or British forces, we will not be able to perform and it would be counterproductive to go there. We are looking for the people of Iraq to welcome participation by Pakistan. We are looking for the Islamic world, the Muslim world, to participate in Iraq. That will give us grounds to change public opinion here in Pakistan and is the only way to go forward. We cannot harm our internal environment for the sake of participating in Iraq.

You clearly have a very good relationship with the Bush White House—better, I believe, than you had with President Clinton. Are you praying for Pakistan's sake that Bush is re-elected in November?

President Bush is a friend, that is all I would like to say. I wish him well, certainly. My concern is how we deal internationally with the terrorist activity, the killings all over the world, how we resolve the political dispute which is the core of terrorism. I am interested to see which of the candidates would be stronger in delivering on this, and I would like to wish them success.

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