

DOCUMENTS

(1 January - 30 June 2004)

Document No. 1

PRIME MINISTER MIR ZAFARULLAH KHAN JAMALI'S STATEMENT AT THE 12TH SAARC SUMMIT IN ISLAMABAD ON JANUARY 4, 2004

"Your Excellencies the Heads of state and Government of SAARC Members,
Mr. Secretary General,
Excellencies,
Ladies and Gentlemen

It is indeed an honour and a special privilege for me to welcome you all to Islamabad for the 12th SAARC Summit.

The presence of a galaxy of eminent leaders from the sister states of South Asia is a source of great joy for the people of Pakistan.

We hope you will have a comfortable stay in Islamabad and carry with you pleasant memories of a fruitful stay.

May I at the outset pay a tribute to Prime Minister His Excellency Surya Bahadur Thapa for the outstanding manner in which Nepal has guided SAARC during the past two years.

I would also like to thank our Secretary General, His Excellency Mr. Q.A.M.A. Rahim and his dedicated staff for their important contribution to the preparatory work of the Summit.

Excellencies, we are gathered here to review the progress in SAARC and the prospects for further intensifying regional cooperation in South Asia.

I am confident that our deliberations would be productive and provide a fresh impetus to invigorating SAARC.

Regional cooperation is a function of growing interdependence in a fast globalising world.

Eighteen years ago the states of South Asia embarked on an enterprise for peace and development by founding SAARC.

The enlightened vision of the Charter exalted the high ideals of peace, stability, amity, good neighbourly relations and mutually beneficial cooperation in South Asia.

The Charter also committed sovereign and equal nations of South Asia to base this regional enterprise on respect for the recognized principles of inter-state conduct as contained in the UN Charter.

The objectives set forth in the SAARC Charter centered on the welfare of the peoples of South Asia; improvement of their quality of life; accelerated economic growth, social progress and cultural development.

It is in this context, that we must assess SAARC's accomplishments. SAARC undoubtedly has to its credit some notable achievement. However, the potential and promise of SAARC is nowhere near realization.

South Asia, which is home to one fifth of the humanity, is out of step with other regions of the world, which were able to transcend their differences and disputes and embark on a steady course to economic growth and development.

Excellencies, our region has immense resources. Geographical affinities, historical ties, rich cultural heritage, a large pool of talented and hard working people. These indeed are, our great assets. By building the right synergy in our national endeavours and regional plans, we could put our region on the path to economic development.

Excellencies, as Pakistan assumes the Chairmanship of SAARC after an interval of almost sixteen years, we would like this Summit to clearly delineate a road map for taking SAARC forward.

Excellencies, globalization presents us with challenges and opportunities. On the one end is the danger of marginalisation, whereas on the other is the prospect of joining the developed regions that are already on the fast track to progress and prosperity.

It is imperative that we develop positive links with the globalized world, as we depend on a broader cooperation in South Asia.

This calls for an equal emphasis on strengthening of SAARC; raising its international profile; and building its external interface of trans-regional cooperation.

In fact, several of our members are building strong linkages with other regional enterprises. SAARC must be receptive to these considerations and in fact be enabled to leverage the economic complementarities of the region of South, central and East Asia.

Excellencies, Pakistan favours greater regional economic cooperation. A good beginning has been made in this direction through the exchanges of tariff concessions in the four rounds of trade negotiations under SAPTA. Finalization of the Framework Agreement on South Asian Free Trade Area (SAFTA) is a welcome development.

To enable these arrangements to deliver real dividends and to create a win-win for all, a number of complementary steps are required.

Strengthening of the existing transportation and communication links across the region, institution of trade facilitation measures, including harmonization of customs rules and procedures, elimination of non-tariff barriers are a few steps that need our immediate attention.

Greater economic integration is inextricably linked to the creation of requisite political climate of peace and stability.

The ideas of establishing a South Asia Economic Union or a monetary union or of Schengen repeat in South Asia, would remain distant dreams, unless we are able to address the political environment in our region in a just and realistic manner.

It is the stark reality of political differences and disputes that has held back prospects of real economic cooperation in South Asia.

Excellencies, we subscribe to the vision of robust multidimensional cooperation in South Asia. But, we must realize that this vision could only be transformed into reality, if we are able to overcome our differences and disputes and create a climate of mutual trust and confidence.

Closer cooperation in the area of finance and banking is essential to consolidate and further promote economic and commercial cooperation in the region. The mechanism of SAARCFINANCE consisting of the Governors of the Central Banks of the Member States provides a useful avenue to improve macro-economic policy coordination. This is certainly an area that requires close attention.

SAARC must move forward expeditiously towards the establishment of a South Asia Development Bank, which could underwrite important region-oriented mega-projects of mutual benefit to SAARC members.

It is important to find ways and means to augment the capacity of SAARC to enable it to serve as catalyst in the economic and social development of our region.

SAARC's developmental arm, the South Asian Development Funds has been hamstrung by paucity of resources. It must be able to lead a region wide developmental effort.

We must also explore cooperation with international development institutions. We must also encourage a move towards project cooperation under SAARC.

Closer public-private sector collaboration is a critical element and an essential tool for achieving our developing objectives.

Excellencies, the economic development of South Asia is contingent upon assured and inexpensive availability of energy.

Harnessing region's indigenous energy production potential and meeting the energy demand through trans-regional oil and gas pipelines should become the subject of close consideration of SAARC member states.

Pakistan favours the commissioning of a study on creating a South Asian Energy Ring, encompassing hydro and thermal capacities as well as trans-regional oil and gas pipelines.

Pakistan for its part, as South Asia's window to Central and West Asia, is ready to extend its fullest cooperation, in this regard.

Excellencies, developing greater regional cooperation to alleviate poverty remains a common challenge. It is indeed an urgent imperative for all governments.

We applaud the considerable work done by the SAARC three- tier mechanism on Poverty alleviation. This mechanism provides a useful forum to national governments for in-depth consultations and sharing of regional experiences.

Poverty is a multi-dimensional problem requiring multi- pronged strategies and solutions at the national as well as regional level.

We also appreciate the considerable work on poverty alleviation undertaken by the Independent Commission on this subject.

The SAARC Secretariat has also done commendable work in compiling SAARC Regional Poverty Profiles in collaboration with the United Nations.

A major contribution of this Summit would be the approval of the Poverty Alleviation Plan of Action prepared by the Ministers of finance of the SAARC member states.

Excellencies, the focus of SAARC endeavours should be the welfare of the peoples.

Dividends of SAARC must enrich the daily lives of our peoples.

The finalization of the SAARC Social Charter is a major landmark in our endeavours to give content and meaning to a people centered approach to economic growth and development.

It would go a long way in assuring respect for human dignity and towards protecting the interests of vulnerable groups particularly women and children.

We must set SAARC Development goals for poverty alleviation, health, education and environment.

Excellencies, the SAARC functional mechanisms and structures need to be further strengthened. We must enable these mechanisms to play an important role in further broadening of cooperation in specialized fields.

We must make SAARC a truly multi-dimensional enterprise. In setting our priorities we must give special attention to rural development, expanding our agricultural resource base, develop action plans to combat communicable diseases; promoting greater collaboration in the health sector; eliminating illiteracy; building our scientific and technological capacities and further development of information and communication technologies.

We must endeavour to develop knowledge-based societies in South Asia.

SAARC must facilitate Networking of Centres of higher learning and Skill Development Institutes (SDIs) across South Asia.

We welcome the finalization of the Additional Protocol to the SAARC Regional Convention on Combating Terrorism. It is a further manifestation of our determination to remove the scourge of terrorism from our region.

Excellencies, I am confident that this Summit would provide a fresh impetus to reinvigorating regional cooperation in South Asia.

We can together utilize the immense resources of our region to make it a veritable centre of economic growth in Asia. Pakistan for its part will spare no effort to translate the vision of the SAARC Charter into a reality. In conclusion, I would again like to extend to you a hearty welcome. I wish you a comfortable and pleasant stay. I wish the Conference every success. Thank You"■

Source: *Daily Times* (Lahore), 5 January 2004

Document No. 2

PAKISTAN –INDIA JOINT PRESS STATEMENT

Islamabad, January 6: The President of Pakistan and the Prime Minister of India met during the SAARC Summit in Islamabad.

The Indian Prime Minister while expressing satisfaction over the successful conclusion of the SAARC Summit, appreciated the excellent arrangements made by the host country.

Both leaders welcomed the recent steps towards normalization of relations between the two countries and expressed the hope that the positive trends set by the confidence building measures would be consolidated.

Prime Minister Vajpayee said that in order to take forward and sustain the dialogue process, violence, hostility and terrorism must be prevented. President Musharraf reassured Prime Minister Vajpayee that he will not permit any territory under Pakistan's control to be used to support terrorism in any manner. President Musharraf emphasized that a sustained and productive dialogue addressing all issues would lead to positive results.

To carry the process of normalization forward the President of Pakistan and the Prime Minister of India agreed to commence the process of the composite dialogue in February 2004. The two leaders are confident that the resumption of the composite dialogue will lead to peaceful settlement of all bilateral issues, including Jammu & Kashmir, to the satisfaction of both sides.

The two leaders agreed that constructive dialogue would promote progress towards the common objective of peace, security and economic development for our peoples and for future generations.■

6 January 2004

<<http://www.un.int/pakistan/140104>>

Document No. 3

FULL TEXT: BUSH'S SPEECH ON WMD

February 12, 2004

Full speech by President Bush on Weapons of Mass Destruction Proliferation delivered at Fort Lesley J. McNair National Defense University Washington, DC.

THE PRESIDENT: Thanks for the warm welcome. I'm honored to visit the National Defense University. For nearly a century, the scholars and students here have helped to prepare America for the changing threats to our national security. Today, the men and women of our National Defense University are helping to frame the strategies through which we are fighting and winning the war on terror. Your Center for Counter proliferation Research and your other institutes and colleges are providing vital insight into the dangers of a new era. I want to thank each one of you for devoting your talents and your energy to the service of our great nation.

I want to thank General Michael Dunn for inviting me here. I used to jog by this facility on a regular basis. Then my age kicked in. (Laughter.) I appreciate Ambassador Wolfgang Ischinger, from Germany. Mr. Ambassador, thank you for being here today. I see my friend, George Shultz, a distinguished public servant and true patriot, with us. George, thank you for coming; and Charlotte, it's good to see you. I'm so honored that Dick Lugar is here with us today. Senator, I appreciate you taking time and thanks for bringing Senator Saxby Chambliss with you, as well. I appreciate the veterans who are here and those on active duty. Thanks for letting me come by.

On September the 11th, 2001, America and the world witnessed a new kind of war. We saw the great harm that a stateless network could inflict upon our country, killers armed with box cutters, mace, and 19 airline tickets. Those attacks also raised the prospect of even worse dangers -- of other weapons in the hands of other men. The greatest threat before humanity today is the possibility of secret and sudden attack with chemical or biological or radiological or nuclear weapons.

In the past, enemies of America required massed armies, and great navies, powerful air forces to put our nation, our people, our friends and allies at risk. In the Cold War, Americans lived under the threat of weapons of mass destruction, but believed that deterrents made those weapons a last resort. What has changed in the 21st century is that, in the hands of terrorists, weapons of mass destruction would be a first resort -- the preferred means to further their ideology of suicide and random murder. These terrible weapons are becoming easier to acquire, build, hide, and transport. Armed with a single vial of a biological agent or a single nuclear weapon, small groups of fanatics, or failing states, could gain the power to threaten great nations, threaten the world peace.

America, and the entire civilized world, will face this threat for decades to come. We must confront the danger with open eyes, and unbending purpose. I have made clear to all the policy of this nation: America will not permit terrorists and dangerous regimes to threaten us with the world's most deadly weapons. (Applause.)

Meeting this duty has required changes in thinking and strategy. Doctrines designed to contain empires, deter aggressive states, and defeat massed armies cannot fully protect us from this new threat. America faces the possibility of catastrophic attack

from ballistic missiles armed with weapons of mass destruction. So that is why we are developing and deploying missile defenses to guard our people. The best intelligence is necessary to win the war on terror and to stop proliferation. So that is why I have established a commission that will examine our intelligence capabilities and recommend ways to improve and adapt them to detect new and emerging threats.

We're determined to confront those threats at the source. We will stop these weapons from being acquired or built. We'll block them from being transferred. We'll prevent them from ever being used. One source of these weapons is dangerous and secretive regimes that build weapons of mass destruction to intimidate their neighbors and force their influence upon the world. These nations pose different challenges; they require different strategies.

The former dictator of Iraq possessed and used weapons of mass destruction against his own people. For 12 years, he defied the will of the international community. He refused to disarm or account for his illegal weapons and programs. He doubted our resolve to enforce our word -- and now he sits in a prison cell, while his country moves toward a democratic future. (Applause.)

To Iraq's east, the government of Iran is unwilling to abandon a uranium enrichment program capable of producing material for nuclear weapons. The United States is working with our allies and the International Atomic Energy Agency to ensure that Iran meets its commitments and does not develop nuclear weapons. (Applause.)

In the Pacific, North Korea has defied the world, has tested long-range ballistic missiles, admitted its possession of nuclear weapons, and now threatens to build more. Together with our partners in Asia, America is insisting that North Korea completely, verifiably, and irreversibly dismantle its nuclear programs.

America has consistently brought these threats to the attention of international organizations. We're using every means of diplomacy to answer them. As for my part, I will continue to speak clearly on these threats. I will continue to call upon the world to confront these dangers, and to end them. (Applause.)

In recent years, another path of proliferation has become clear, as well. America and other nations are learning more about black-market operatives who deal in equipment and expertise related to weapons of mass destruction. These dealers are motivated by greed, or fanaticism, or both. They find eager customers in outlaw regimes, which pay millions for the parts and plans they need to speed up their weapons programs. And with deadly technology and expertise going on the market, there's the terrible possibility that terrorists groups could obtain the ultimate weapons they desire most.

The extent and sophistication of such networks can be seen in the case of a man named Abdul Qadeer Khan. This is the story as we know it so far.

A. Q. Khan is known throughout the world as the father of Pakistan's nuclear weapons program. What was not publicly known, until recently, is that he also led an extensive international network for the proliferation of nuclear technology and know-how.

For decades, Mr. Khan remained on the Pakistani government payroll, earning a modest salary. Yet, he and his associates financed lavish lifestyles through the sale of nuclear technologies and equipment to outlaw regimes stretching from North Africa to the Korean Peninsula.

A. Q. Khan, himself, operated mostly out of Pakistan. He served as director of the network, its leading scientific mind, as well as its primary salesman. Over the past decade, he made frequent trips to consult with his clients and to sell his expertise. He and his associates sold the blueprints for centrifuges to enrich uranium, as well as a nuclear design stolen from the Pakistani government. The network sold uranium hexafluoride, the gas that the centrifuge process can transform into enriched uranium for nuclear bombs. Khan and his associates provided Iran and Libya and North Korea with designs for Pakistan's older centrifuges, as well as designs for more advanced and efficient models. The network also provided these countries with components, and in some cases, with complete centrifuges.

To increase their profits, Khan and his associates used a factory in Malaysia to manufacture key parts for centrifuges. Other necessary parts were purchased through network operatives based in Europe, the Middle East, and Africa. These procurement agents saw the trade in nuclear technologies as a shortcut to personal wealth, and they set up front companies to deceive legitimate firms into selling them tightly controlled materials.

Khan's deputy -- a man named B.S.A. Tahir -- ran SMB computers, a business in Dubai. Tahir used that computer company as a front for the proliferation activities of the A. Q. Khan network. Tahir acted as both the network's chief financial officer and money launderer. He was also its shipping agent, using his computer firm as cover for the movement of centrifuge parts to various clients. Tahir directed the Malaysia facility to produce these parts based on Pakistani designs, and then ordered the facility to ship the components to Dubai. Tahir also arranged for parts acquired by other European procurement agents to transit through Dubai for shipment to other customers.

This picture of the Khan network was pieced together over several years by American and British intelligence officers. Our intelligence services gradually uncovered this network's reach, and identified its key experts and agents and money men. Operatives followed its transactions, mapped the extent of its operations. They monitored the travel of A. Q. Khan and senior associates. They shadowed members of the network around the world, they recorded their conversations, they penetrated their operations, we've uncovered their secrets. This work involved high risk, and all Americans can be grateful for the hard work and the dedication of our fine intelligence professionals. (Applause.)

Governments around the world worked closely with us to unravel the Khan network, and to put an end to his criminal enterprise. A. Q. Khan has confessed his crimes, and his top associates are out of business. The government of Pakistan is interrogating the network's members, learning critical details that will help them prevent it from ever operating again. President Musharraf has promised to share all the information he learns about the Khan network, and has assured us that his country will never again be a source of proliferation.

Mr. Tahir is in Malaysia, where authorities are investigating his activities. Malaysian authorities have assured us that the factory the network used is no longer producing centrifuge parts. Other members of the network remain at large. One by one, they will be found, and their careers in the weapons trade will be ended.

As a result of our penetration of the network, American and the British intelligence identified a shipment of advanced centrifuge parts manufactured at the Malaysia facility. We followed the shipment of these parts to Dubai, and watched as

they were transferred to the BBC China, a German-owned ship. After the ship passed through the Suez Canal, bound for Libya, German and Italian authorities stopped it. They found several containers, each forty feet in length, listed on the ship's manifest as full of "used machine parts." In fact, these containers were filled with parts of sophisticated centrifuges.

The interception of the BBC China came as Libyan and British and American officials were discussing the possibility of Libya ending its WMD programs. The United States and Britain confronted Libyan officials with this evidence of an active and illegal nuclear program. About two months ago, Libya's leader voluntarily agreed to end his nuclear and chemical weapons programs, not to pursue biological weapons, and to permit thorough inspections by the International Atomic Energy Agency and the Organization for the Prohibition of Chemical Weapons. We're now working in partnership with these organizations and with the United Kingdom to help the government of Libya dismantle those programs and eliminate all dangerous materials.

Colonel Ghadafi made the right decision, and the world will be safer once his commitment is fulfilled. We expect other regimes to follow his example. Abandoning the pursuit of illegal weapons can lead to better relations with the United States, and other free nations. Continuing to seek those weapons will not bring security or international prestige, but only political isolation, economic hardship, and other unwelcome consequences. (Applause.)

We know that Libya was not the only customer of the Khan network. Other countries expressed great interest in their services. These regimes and other proliferators like Khan should know: We and our friends are determined to protect our people and the world from proliferation. (Applause.)

Breaking this network is one major success in a broad-based effort to stop the spread of terrible weapons. We're adjusting our strategies to the threats of a new era. America and the nations of Australia, France and Germany, Italy and Japan, the Netherlands, Poland, Portugal, Spain and the United Kingdom have launched the Proliferation Security Initiative to interdict lethal materials in transit. Our nations are sharing intelligence information, tracking suspect international cargo, conducting joint military exercises. We're prepared to search planes and ships, to seize weapons and missiles and equipment that raise proliferation concerns, just as we did in stopping the dangerous cargo on the BBC China before it reached Libya. Three more governments -- Canada and Singapore and Norway -- will be participating in this initiative. We'll continue to expand the core group of PSI countries. And as PSI grows, proliferators will find it harder than ever to trade in illicit weapons.

There is a consensus among nations that proliferation cannot be tolerated. Yet this consensus means little unless it is translated into action. Every civilized nation has a stake in preventing the spread of weapons of mass destruction. These materials and technologies, and the people who traffic in them, cross many borders. To stop this trade, the nations of the world must be strong and determined. We must work together, we must act effectively. Today, I announce seven proposals to strengthen the world's efforts to stop the spread of deadly weapons.

First, I propose that the work of the Proliferation Security Initiative be expanded to address more than shipments and transfers. Building on the tools we've developed to fight terrorists, we can take direct action against proliferation networks. We need greater cooperation not just among intelligence and military services, but in

law enforcement, as well. PSI participants and other willing nations should use the Interpol and all other means to bring to justice those who traffic in deadly weapons, to shut down their labs, to seize their materials, to freeze their assets. We must act on every lead. We will find the middlemen, the suppliers and the buyers. Our message to proliferators must be consistent and it must be clear: We will find you, and we're not going to rest until you are stopped. (Applause.)

Second, I call on all nations to strengthen the laws and international controls that govern proliferation. At the U.N. last fall, I proposed a new Security Council resolution requiring all states to criminalize proliferation, enact strict export controls, and secure all sensitive materials within their borders. The Security Council should pass this proposal quickly. And when they do, America stands ready to help other governments to draft and enforce the new laws that will help us deal with proliferation.

Third, I propose to expand our efforts to keep weapons from the Cold War and other dangerous materials out of the wrong hands. In 1991, Congress passed the Nunn-Lugar legislation. Senator Lugar had a clear vision, along with Senator Nunn, about what to do with the old Soviet Union. Under this program, we're helping former Soviet states find productive employment for former weapons scientists. We're dismantling, destroying and securing weapons and materials left over from the Soviet WMD arsenal. We have more work to do there.

And as a result of the G-8 Summit in 2002, we agreed to provide \$20 billion over 10 years -- half of it from the United States -- to support such programs. We should expand this cooperation elsewhere in the world. We will retain (sic) WMD scientists and technicians in countries like Iraq and Libya. We will help nations end the use of weapons-grade uranium in research reactors. I urge more nations to contribute to these efforts. The nations of the world must do all we can to secure and eliminate nuclear and chemical and biological and radiological materials.

As we track and destroy these networks, we must also prevent governments from developing nuclear weapons under false pretenses. The Nuclear Non-Proliferation Treaty was designed more than 30 years ago to prevent the spread of nuclear weapons beyond those states which already possessed them. Under this treaty, nuclear states agreed to help non-nuclear states develop peaceful atomic energy if they renounced the pursuit of nuclear weapons. But the treaty has a loophole which has been exploited by nations such as North Korea and Iran. These regimes are allowed to produce nuclear material that can be used to build bombs under the cover of civilian nuclear programs.

So today, as a fourth step, I propose a way to close the loophole. The world must create a safe, orderly system to field civilian nuclear plants without adding to the danger of weapons proliferation. The world's leading nuclear exporters should ensure that states have reliable access at reasonable cost to fuel for civilian reactors, so long as those states renounce enrichment and reprocessing. Enrichment and reprocessing are not necessary for nations seeking to harness nuclear energy for peaceful purposes.

The 40 nations of the Nuclear Suppliers Group should refuse to sell enrichment and reprocessing equipment and technologies to any state that does not already possess full-scale, functioning enrichment and reprocessing plants. (Applause.) This step will prevent new states from developing the means to produce fissile material for nuclear bombs. Proliferators must not be allowed to cynically manipulate the NPT to acquire the material and infrastructure necessary for manufacturing illegal weapons.

For international norms to be effective, they must be enforced. It is the charge of the International Atomic Energy Agency to uncover banned nuclear activity around the world and report those violations to the U.N. Security Council. We must ensure that the IAEA has all the tools it needs to fulfill its essential mandate. America and other nations support what is called the Additional Protocol, which requires states to declare a broad range of nuclear activities and facilities, and allow the IAEA to inspect those facilities.

As a fifth step, I propose that by next year, only states that have signed the Additional Protocol be allowed to import equipment for their civilian nuclear programs. Nations that are serious about fighting proliferation will approve and implement the Additional Protocol. I've submitted the Additional Protocol to the Senate. I urge the Senate to consent immediately to its ratification.

We must also ensure that IAEA is organized to take action when action is required. So, a sixth step, I propose the creation of a special committee of the IAEA Board which will focus intensively on safeguards and verification. This committee, made up of governments in good standing with the IAEA, will strengthen the capability of the IAEA to ensure that nations comply with their international obligations.

And, finally, countries under investigation for violating nuclear non-proliferation obligations are currently allowed to serve on the IAEA Board of Governors. For instance, Iran -- a country suspected of maintaining an extensive nuclear weapons program -- recently completed a two-year term on the Board. Allowing potential violators to serve on the Board creates an unacceptable barrier to effective action. No state under investigation for proliferation violations should be allowed to serve on the IAEA Board of Governors -- or on the new special committee. And any state currently on the Board that comes under investigation should be suspended from the Board. The integrity and mission of the IAEA depends on this simple principle: Those actively breaking the rules should not be entrusted with enforcing the rules. (Applause.)

As we move forward to address these challenges we will consult with our friends and allies on all these new measures. We will listen to their ideas. Together we will defend the safety of all nations and preserve the peace of the world.

Over the last two years, a great coalition has come together to defeat terrorism and to oppose the spread of weapons of mass destruction -- the inseparable commitments of the war on terror. We've shown that proliferators can be discovered and can be stopped. We've shown that for regimes that choose defiance, there are serious consequences. The way ahead is not easy, but it is clear. We will proceed as if the lives of our citizens depend on our vigilance, because they do. Terrorists and terror states are in a race for weapons of mass murder, a race they must lose. (Applause.) Terrorists are resourceful; we're more resourceful. They're determined; we must be more determined. We will never lose focus or resolve. We'll be unrelenting in the defense of free nations, and rise to the hard demands of dangerous times.

May God bless you all. ■

<http://www.theaustralian.news.com.au/common/story_page/0,5744,8661592%25E28737,00.html>

Document No. 4

PRESIDENT MUSHARRAF ADDRESSED JOINT SESSION OF PARLIAMENT

New York, January 19: The President, General Pervez Musharraf addressed the Joint Session of the Parliament on Saturday, January 17, 2004.

Following is the text of his address: -

"Chairman Senate Mr Muhammad Mian Soomro,
Speaker National Assembly Chaudhry Amir Hussain,
Honourable Members of the Parliament,
Assalaam-o-Alaykum!

First of all, I thank Allah Almighty that all pledges made to the nation including the establishment of real democracy have been fulfilled. It is a matter of pride for me that I am addressing today the elected representatives. I am thankful to the elected representatives and the entire nation for the trust they have reposed in me on behalf of the people.

On this occasion, I am thankful to all members of the Senate, the National Assembly and the provincial assemblies for their condemnation of the Dec 25 suicide attack on me. I would like to make a mention here, of two dreams of Allama Iqbal:

His first dream was the establishment of a separate and independent state for the Muslims of South Asia. His second dream was to turn this state into a model real Islamic welfare state for the world.

The first dream of Allama Iqbal was translated into reality by Quaid-e-Azam in the form of establishment of Pakistan. But, regrettably, on the one hand we could not recognize the real spirit of Islam and on the other hand, our history of more than fifty years and our performance has not been such that could vindicate us before the Quaid-e-Azam.

What blessing has not been showered on our country by Allah? What are the requisites for progress of a country and prosperity of its people? First of all a country should be self-sufficient in meeting its food requirements. Thankfully, we have a fertile land and an irrigation system that render us self-sufficient in food.

The second requirement is water. By the Grace of Allah, we have been blessed with six large rivers and countless small water courses. The third factor is self-sufficiency in energy. Thanks to Allah Almighty we have water, coal, gas and nuclear energy, which can produce most inexpensive energy that can be far more than our requirements. Besides, we need natural resources. Thankfully, our country has been blessed with abundant natural resources, most of which are yet to be explored.

In addition to all these factors, we have hardworking and intelligent people. Just think as to how many countries of the world have been endowed with so many blessings. I think such countries can be counted on fingertips.

The question arises as to what shortcoming has held us back from making full use of our resources and abilities for the progress of our country and prosperity of our people? In my view the biggest reasons have been corruption and nepotism. These are eating us up like termite. The governments in the past have failed due to these. No government organization or corporation could deliver sufficiently. If national

institutions do not perform, the government cannot function. How can the country progress then? Let all of us pledge collectively that we shall serve Pakistan and its people honestly and with good intentions so that Pakistan enjoys prosperity and its people may enjoy real welfare and well being.

Now, let's review the current scenario facing the country. Today, Pakistan is at crossroads, where, if we take right decisions, we will move forward on the path of progress and if wrong decisions are made, the country will have to, God forbid, face critical consequences.

Today, Pakistan faces four dangerous perceptions:

Firstly, we are being held responsible for perpetrating terrorism in Afghanistan from our tribal areas.

Secondly, we are being blamed for terrorism across the Line of Control in Kashmir.

Thirdly, we are also being alleged for proliferation of nuclear weapons.

Fourthly, our society is being perceived as an extremist and intolerant one.

Apart from these negative perceptions, the Muslim Ummah, of which Pakistan is an important member, is faced with difficulties and chaos and Islam is being misperceived as pro-extremism.

Now the question is how to save the country and the Muslim Ummah of this chaos and difficult situation? and what role can Pakistan play in this regard?

We will have to take far reaching and important decisions for a bright future of Pakistan, otherwise the coming generations will pay a very heavy price for our indifference and Allah Almighty will never forgive us. We will have to pull Pakistan out of this negative image and direct the country on to the path of progress and prosperity. Apart from this, we will also have to play our role for the welfare of the Muslim Ummah.

First of all, how can we get rid of this negative image? We will have to launch a massive operation against those foreign elements in our border areas, who can be a source of terrorism in our country and Afghanistan.

The only way to tackle the allegations against us with reference to Kashmir is a peaceful solution of Kashmir and to find its just solution. The progress in this regard has to be carried forward with sincerity and in fulfillment of the aspirations of Kashmiri people towards a solution.

Our nuclear and missile power is for Pakistan's defence and to strengthen it is in our interest. We have to assure the world that we are a responsible nation and will not allow proliferation of nuclear weapons.

The curse of extremism, by a handful of persons, is damaging the country internally. It is in two forms. On the one hand there are ultra modern westernised people who wish to end the religious system in the country. The others are those hardliners who interpret Islam in a wrong way and want to impose their narrow-minded views on all. The reality is that there is majority of moderate people who totally reject extremism.

I appeal to you and the people of Pakistan to wage a 'jihad' against extremism, so that Pakistan can be turned into a proper Islamic welfare and moderate state in accordance with the spirit of Islam, and the wishes of Quaid-e-Azam and Allama Iqbal. We all have to ensure that those individuals or groups who were involved in sectarianism and terrorism are completely eliminated from Pakistan.

I have presented before you a concept of how to cope with the threats and crisis facing Pakistan, but I believe that it all will depend on the strength of Pakistan's defence and economy.

Here I would like to state that by the Grace of Allah our defence is strong. We are a nuclear and a missile power. We, not only have to preserve this capability, but also have to strengthen it. For Pakistan's stability and survival we cannot overlook this important asset.

We are proud of our armed forces, because they have played an important role in country's defence, growth and progress and will continue to do so. Some elements try to bring a bad name to the army to achieve their nefarious designs. But they do not understand that maligning of national institutions is in fact maligning of the country.

Economic progress is the basis of prosperity. With Allah's blessings our economy has strengthened. In the economic field all macro economic indicators are positive and to further improve these we will have to keep the budget deficit in control (to less than 4 percent).

The Balance of Payments Surplus has to be maintained. Foreign borrowing has to be further reduced so that the rate of return of the loans also declines. Exports, foreign exchange reserves, remittances from Pakistanis abroad and revenue will have to be further increased.

I am specially conscious of effecting the benefit of these indicators to the common man, so that poverty is further reduced. The question is where is poverty affecting us and how to alleviate it?

Poverty is most of all in our rural areas and to reduce it we have to improve agriculture, system of irrigation, canals and dams. Apart from that we have to undertake projects of new roads, railways and sea ports so as to bring about a change in the lives of poor people.

To fight poverty in the urban areas and to end unemployment, we have to bring in more investment so as to open new avenues of employment. In the years to come, we have to reduce the price of electricity so that the people and the industry may benefit from it. We have to concentrate on alternate energy sources, such as coal, hydel, natural gas and nuclear energy to lessen cost of electricity and bring prosperity to our country.

Improvement in our human resources is essential for economic development in future. No country can make progress unless its people are healthy and educated. As such, we will have to utilise more of our resources in the sectors of education and health.

A country also cannot develop in the true spirit unless it affords opportunities on equal footing to women, which constitute 50 % of its population, and focuses its attention on ameliorating their lot. We will have to provide more opportunities to women in the fields of health, education and participation in the country's political process, otherwise the future of our coming generations will not improve.

The minorities also constitute an important segment of our country. They are as patriotic as any other Pakistani and they have rendered distinguished services for our country. They should enjoy the same rights in Pakistan as granted to any other citizen. We should deal with them graciously and should take them along.

A durable democratic polity is inevitable for the continuity of progress and stability of Pakistan. The question arises as to why in the past the democratic process

failed time and again?. The steps taken to establish genuine democracy in the country and to make it durable should be continued.

The devolution of powers to the lower level has made people the master of their own destiny and resolution of their problems at local level has commenced. This is an important step forward for their prosperity and progress and the process must be maintained.

A system of check and balance has been instituted at the national level with the 17th constitutional amendment, so that Martial Law is not clamped in future and assemblies complete their terms. The establishment of National Security Council is necessary to further stabilize this system. I am sure that the members of Parliament would exhibit the same sense of responsibility in the matter of National Security Council which they demonstrated in connection with the 17th constitutional amendment.

Here, I am specially thankful to Pakistan Muslim League, its allied parties and Mutahidda Majlis-e-Amal, for amicably resolving the LFO issue in the greater interest of the country and the nation.

On this occasion, we should seek guidance from the adage of the Quaid-e-Azam: "I assure you that there is nothing more precious in the world than your conscience. When you present yourself before God Almighty, you should be able to say with confidence that whatever duties had been entrusted to you, you had discharged them with full honesty, sincerity and loyalty".

Let us pledge to the nation, as their representatives, that we will acquit our responsibilities dutifully and with honesty so that we could make Pakistan a strong and prosperous country.

All our strategies should be geared towards achieving and promoting national interests and objectives. We should make Pakistan a moderate, developed, enlightened and welfare Islamic state - a country fully in consonance with the visions of Allama Iqbal and guiding principles of the Quaid-e-Azam, a country every Pakistani must be proud of.

Respected Members:

Today, the whole world, particularly, the people of this country, are looking up to you. You should prove with your responsible attitude that you are fit to take up these responsibilities.

May Allah Almighty protect Pakistan and bless its people with progress and prosperity. Ameen!■

<<http://www.un.int/pakistan/1404a04>>

Document No. 5

FULL TEXT OF MUSHARRAF'S INTERVIEW TO CNN

January 23, 2004

LONDON, England (CNN) -- Pakistani President Pervez Musharraf spoke about terrorism, Kashmir, and the controversy over nuclear secrets in an exclusive interview

with CNN's Chief International Correspondent Christiane Amanpour on Friday. The following is a transcript of the interview:

Amanpour: There are a lot of issues Pakistan is involved in right now. I would like to start with nuclear proliferation. Your government has announced this week it is conducting an inquiry into the issue and it is banning all nuclear scientists from leaving the country. what does that mean in terms of the inquiry?

Musharraf: There are some accusations against some individual scientists in Pakistan for having proliferated for their personal financial gain, but may I say there are equal accusations against a number of personalities internationally -- some Europeans -- so it is not Pakistan alone. But what we are doing is investigating against all names we have got, and more than that trying to ensure there is no such leakage in the future, so we are putting everyone into some kind of investigation, and finally based on the result of investigation we will move against violators because they are enemies of the state.

Amanpour: How long will this process take to complete?

Musharraf: I think it will be completed very shortly. We have gone a long way, it should be in a few weeks in fact.

Amanpour: One of the people questioned has said that the nuclear transfer that took place in the 80s was approved by the then head of the army.

Musharraf: These are absolutely wrong aspersions, throwing the blame away from the individual himself maybe? This is not the case at all, however I wouldn't be able to say anything definite as we are inquiring. But this I know: There is no official of the state or government involved at all. These are individuals we are investigating and we will hold them responsible and move against them. There is no such evidence that any government or military personality was involved in this at all.

Amanpour: The transfer in question is to Iran, and both Iranians have the IAEA that they did receive knowledge and technology and nuclear help from Pakistan, perhaps in the 80s.

Musharraf: Yes, these are the accusations which originated from Iran and they are naming individuals and that list includes Pakistanis and Europeans as well, but as far as Pakistanis are concerned, it is clear it was done by individuals for their own personal financial gain and as I said there is no official involvement yet.

Amanpour: Critics will say how can something so sensitive and secret be transferred without knowledge of government?

Musharraf: This is very much a possibility. Our nuclear program was totally covert in the past. A lot of authority and autonomy had to be given to individuals and scientific organizations to move forward and if some of the irresponsible got involved and misused capabilities that is really a pity and that is what happened. So now that it is overt, there is total custodial control and checks and balances introduced. It is not a possibility any more.

Amanpour: Why has Pakistan changed its tone in the last few months? Previously Pakistan had furiously denied any kind of transfer at any point to any nation.

Musharraf: Obviously facts and figures. It is intelligence. No government in past proliferated. There are individuals we did not know about. Now that someone accused them, we started investigation them. It is not a question of changing stance ... it is just that names have been revealed and we have information and we have investigated and we are coming to certain conclusions now.

Amanpour: Do you know what kind of a conclusion you are going to come to?

Musharraf: I would not like to predict but it appears some individuals were involved for personal financial gain.

Amanpour: The U.S. believes that Pakistan has been involved in the transfer of nuclear technology not only to Iran, which you have mentioned, but also to North Korea and Libya. And specifically to Libya the design technology of the centrifuges that were required for enriching uranium.

Musharraf: I wouldn't like to go into details -- we are investigating. But let the world not imagine that it is Pakistan alone which has done that. There is an underworld which is getting uncovered. An underworld of individuals and maybe some organizations and factories involved in the manufacture of refined items. It is a whole list of underworld elements involved. I would like to say there are European countries and individuals involved so let it not be said that there were only Pakistanis involved.

Amanpour: I do not hear you denying the possibility that nuclear transfer, of design technology, could have taken place between Pakistan and Libya.

Musharraf: I am not denying anything because we are investigating. We have sent teams to Libya and Iran, and we are in contact with the IAEA. We are collecting all the data. The investigation within our own organization is taking place. There is nothing that we want to hide. We want to be very clear about it that we will move against anyone who has proliferated. Any individual we will take very stern action against him. What I get concerned about is there is apparently in the media a perception being created that Pakistan is the only culprit around the world and that is not the case.

Amanpour: In your speech to parliament, which was quite spirited perhaps we could say, on Saturday, you said Pakistan has to do a lot to persuade the world of many things -- including the fact that Pakistan is a responsible nuclear power.

Musharraf: The media plays a very important role. They must understand they must be clear that it is not the government it is individuals who will be taken to task. The IAEA should know that there are great custodial controls and everything is under great check and supervision. There are a number of rings of organizations ensuring the safety and security of all the organizations and all the assets that we own. Let me assure you that in Pakistan even the army gets involved. Even a bullet in a rifle cannot be lost and a person will be court martialed if that happens, leave aside any proliferation of strategic assets. I am very sure our strategic assets are under great control and we need to convince the world of it. The Pakistan government is doing its maximum and everything is in safe hands.

Amanpour: You say even a bolt of a rifle cannot go missing without the highest levels of command knowing about it. So how can nuclear technology transfer take place without the highest levels of government or military command knowing about it?

Musharraf: Nuclear technology is in computers, on paper and in the minds of people. The other thing I said earlier is that individuals who are responsible for developing things themselves are involved and there was a covert plan or covert development going on. This possibility did exist in the past, but now they do not, certainly.

Amanpour: How are you going to deal with the fall-out and opposition resulting from this?

Musharraf: There won't be any problem. They understand I have interacted with most of them myself. But there are some vested quarters who have made it a fashion to say everything happens under U.S. pressure. It is nothing of the sort. There is no U.S. pressure. We are cognizant of everything that has happened. There are vested interests

who want to undermine my authority, my position, the government's position and cast us in a bad light -- that we are some kind of rubber stamp of the U.S.. This is not the reality. This is a small group who try to do this.

Amanpour: I want to ask you about India which is a great worry and concern to the region and to the rest of the world. Peace negotiations have basically broken down, and yet you have just had a meeting with the PM of India in which you both pledged to restart peace negotiations, particularly over Kashmir. Can you tell us when these meetings will start and at what level of representation?

Musharraf: We have still to take a decision -- negotiations are going on, talks are going on between the two foreign offices. A decision will be taken at that level. The talks have to take place in February because that is what we decided in our joint statement.

Amanpour: Do you think it will be a very high level representation? Leaders such as yourself, or foreign ministers?

Musharraf: I do not think it will be at a summit level, it has to start at a lower level. I do not really know the level but we are talking about it -- it cannot be at the summit level.

Amanpour: Do you have any idea by which you might resolve the Kashmir issue?

Musharraf: It is such a contentious issue ... we need to have a step-wise approach. I envisage four steps, and two steps have already been taken. The first step is to start negotiating. The second step is to accept the reality of Kashmir to be resolved. The third is then through a process of elimination to eliminate anything not acceptable to India, Pakistan and the people of Kashmir. The fourth step is then go on out of the remaining solutions and select the one that is acceptable to all three -- India, Pakistan and Kashmir. We are not really discussing the solution yet, we have taken the first two steps.

Amanpour: You know the accusations, certainly from the Indian side, is that Pakistan supports the Indian insurgency in Kashmir. Recently you have said that you have to take massive steps to prove to the world that Pakistan is a country that doesn't support extremism. Does this translate to your actions in Kashmir?

Musharraf: There have been accusations and counter accusations. We have been accused of cross-border terrorism -- we call that a freedom struggle. We accuse India of human rights violations and atrocities against civilians. Let us not talk about these. Let us be looking forward and in looking forward we have reached an agreement, a written statement has been issued, we need to move forward in a composite dialogue which will also address the Kashmir issue. I do not want to look back on accusation and counter accusation.

Amanpour: Let me ask you now about Afghanistan, your other big border issue. There have been many accusations, and those of us who have traveled in Afghanistan recently have seen a very alarming resurgence of the Taliban in areas towards the Pakistan border. Not just the president of Afghanistan but leaders in the U.S. are saying your country is not doing enough still to deny those insurgents access from Pakistan into Afghanistan. Has this reached a serious enough level yet for you to really stamp it out as you have pledged to in the past?

Musharraf: These are unfortunate statements by any leader. I don't think any other leader has said that we are not doing enough and we need to do more. It is unfortunate that these statements come from the Afghan leadership. Let me tell you that we analyzed the number of actions that have taken place in the 50-mile belt in Afghanistan

from Pakistan, and beyond 50 miles, let me tell you for the record that only 44 percent of the action that takes place in Afghanistan takes place in the 50-mile belt, and 56 percent takes place beyond 50 miles. So if all the operations within the 50-mile belt are taking place from Pakistan, only 44 percent is taking place. This is a terrible thing to be accusing each other. We are fighting the same enemy. We are fighting al Qaeda, the Taliban and the rebels. If we start throwing blame on each other, we weaken our positions ... These al Qaeda operatives are operating on both sides of the border, less in Pakistan, more in Afghanistan. Let there be no Afghan leader to repeat this accusation that everything is happening from Pakistan, that is not the case. Let everyone to stop bad-mouthing Pakistan ... we are one country that has done the maximum against al Qaeda, the world knows it and everyone should know it.

Amanpour: You have just sent your highest representative to Afghanistan -- your prime minister. What is your solution for what is most definitely a resurgence of Taliban activity there?

Musharraf: I do not think there is a resurgence frankly. This is what is being said by the media. But if you go into the detail and maybe ask the Centcom leader, he will tell you something different altogether. There is a misperception in the media which is not the reality ... The operations on our side of the border, our intelligence network is in place and it is improving by the day. A quick reaction force is in place on the ground and is improving by the day in capability. We have moved against a number of targets and have archived a number of successes. Al Qaeda is on the run and they are hiding. They are leaving the area, let me repeat they are leaving that area, because of our operations and this is known by those who are operating on the Afghan side of the border. let the media know the reality on the ground ... the story is different to what is being told by the media. Attacks are on the wane and they are tactical in nature, they are not strategic in nature, there is no strategic threat.

Amanpour: Do you know who was responsible for the two attacks on your life, and what are your prospects for political survival?

Musharraf: Well on the threat to my life, no political party is involved ... but our investigations, and we have rounded up all the people directly involved, but the people who are behind that, yes we are reasonably sure it is al Qaeda or some al Qaeda operatives. We haven't yet got to the top and identified the person who issued the orders, but we know there are linkages that may be the idea came from al Qaeda, but on the other side, who has executed it or whether there is an organization behind that executors or some individual extremists are involved, that is still to be clarified. But I think we have made a lot of success in unearthing them in the process we have unearthed people who are involved in the other terrorist activities within Pakistan so there has been an optimistic outcome to this unfortunate attack.

Amanpour: I want to ask you one final question, on a humanitarian level, and perhaps in journalistic solidarity, it would mean a lot to the management of CNN if you might perhaps make investigations what is happening to a Pakistani journalist who was accompanying to French journalists who were arrested in the Pakistan-Afghan border area, and the family and colleagues of the Pakistani journalist have not heard from him even though the French journalists were released more than a week ago. I wonder if you know anything about it and if you might ask your people to investigate that?

Musharraf: I will certainly do that but I hold him in the poorest of opinion -- a man contriving with the French journalists and trying to concoct a movie showing Pakistan

in a bad light, he's a most unpatriotic man and doesn't deserve any sympathy whatsoever because he is trying to bring harm to my country, and he's the most unpatriotic man. They are trying to fabricate a story within Pakistan and purporting it to be Taliban activity from Pakistan in Afghanistan. I have no sympathy for him whatsoever. However, now you have said he, I don't know where he is, I would like to find out where the hell he is. ■

<<http://www.cnn.com/2004/WORLD/asiapcf/01/23/musharraf.transcript.cnn/>>

Document No. 6

PRESIDENT'S VISIT TO TURKEY/DAVOS (SWITZERLAND)

Address at the Seminar on Promoting Inter-civilization

23 January 2004

Ladies and gentlemen,

It is really my honour and privilege to be talking to all of you. I have been a bit of conscious of the time factor, there is so much to say, so I will be going, I will say less and I will say it very fast. But I will be open to any kind of question later on whatever I missed talk.

Remark so by you that Islam is certainly not primitive but Muslims may be living in backwardness, that has to be differentiated. The Islam and the condition of the Muslims has to be differentiated, of course.

I was obviously going to talk about promotion of inter-civilizational dialogue. But before going into the methods or actions required to promote dialogue, I would firstly like to touch on what factors impede dialogue really. Because they only will be clear on how to promote dialogue.

Let me say without any doubt that it is misperceptions, negative mindsets and attitudinal problems and rigidity at both ends, on the end of the Muslims as well as on the end of the West.

I will take on the West first of all. What is the West's perception of Muslims and Islam? First of all perception that Islam is a religion of extremism, terrorism, fundamentalism, intolerance. Secondly, that Islam is in conflict with democracy, modernism, secularism. And thirdly, that Muslims refuse to assimilate into the global family.

These are the perceptions but I call them the misperceptions because each one of them is wrong. And I would like to say few words. First of all no religion can ever teach, preach militancy and extremism. And so does Islam not preach militancy and extremism. Islam is a religion of peace and of moderation. We must not be misled by the action of the few extremists and also that the basis of extremism, I would like to say, is really political dispute. It is not the religion which is preaching extremism or intolerance. So, therefore, coming to the next point of misperception that Islam is in conflict with democracy, secularism and modernism. Again I would like to say, Islam is most democratic in concept. It believes in human rights, it believes in freedom of speech and expression. It also believes in reaching decisions through system of consensus. Ijmah and Ijtihad are words in our religion that we develop to go to decisions through consensus, so it is most democratic.

When we are talking about modernism, Islam believes in continuous process of reviewing thought, in accordance with time and environment. Therefore, Islam is modern, it remains current, it can never be anchored in the past.

And thirdly, as far as secularism is concerned, Islam believes in equal rights to minorities. So, therefore, without going into details, when a country like Pakistan is known as Islamic Republic of Pakistan it inherently implies that we ought to be democratic, we ought to be secular, and that we ought to be modern in concept.

Now, two elements of modernism and assimilation in Iqbal family, this needs a little elaboration, I would like to do this.

Ladies and gentlemen,

If you see it from a very narrow point of view in the context of the dresses or social customs and habits, then, yes indeed there are differences between the West and the Islamic world.

But I call this a narrow context, very narrow minded and a short sighted context which should not be and which is not really the real modernism.

Muslim would like to modernise in thinking and thought process, in the acquisition of knowledge for development and progress. So, therefore, one has to differentiate between modernism, modernisation and westernisation. While Muslims may not want to westernise, they certainly want to modernise.

And modernisation need to be taken in its broader context, in its real context of modernisation, of progressive thought, of progressive vision, of knowledge for development and progress of humanity. And therefore, Muslims believe in modernisation.

Now I said this is the misperception of the West. Let me come to the misperceptions of the Muslims. I would like to say that there are mindsets on the Muslims side also.

As far as educated class is concerned, there is no problem. They adjust wherever they are living in. But the problem is with the unenlightened, those who hold bigoted views among the Muslims. The problem is with them. Because really they tend to shun every thing, whether it is acquisition of modern knowledge or even learning of English language or even for that matter showing interest in music, all these are taken as anti-Islamic. So, therefore, the problem of this mindset, negative mindset is with a minority of the bigoted Muslims. It is a minority. It is not the vast majority. Now as I said both of them are wrong and we need to correct these misperceptions.

Now, how do we do? What actions do we take to promote this dialogue?

First of all, I would like to say that there is a requirement of an attitudinal change. A change in mindset, moderation, tolerance, accommodation of each other, this is what is required to promote dialogue. And within this context, I have been talking of a strategy of Enlightened Moderation. What this strategy really is? It is a two pronged strategy that I propose, one of the prong of the strategy is to be delivered by the Muslim world. In that we need to reject extremism and militancy and go for socio-economic development. And other prong of the strategy simultaneously has to be delivered by the Western world.

In that all political disputes involving Muslims must be resolved with justice. And also the Western world or the developed world must assist in the socio-economic development of the Muslims. So this is what I called strategy of Enlightened Moderation. We have to develop a correct economic asymmetry. That is very very

important. We must share wealth equitably and bring, distribute the fruits of globalisation equally or evenly, more towards have-nots. And to close, I would like to say if we go to analyses why communism failed, it may be an issue of harmonising equity with wealth.

Communism failed may be, as I understand, they focused a lot on equity, equitable distribution of wealth or advantages or resources, but they did not develop wealth itself.

But when we look at capitalism, there is tremendous amount of wealth, but I am afraid there is no equity in that. Islam really, in its broadest context, broad economic theory that propounded in Islam, believes in harmony of wealth and equity. And this needs to be analysed because otherwise we know that capitalism can be extremely ruthless with the poor.

With this I would like to end and that is as I said is the reason. I gave out the reasons for no dialogue taking place and the way forward.

Thank you very much.■

<http://www.infopak.gov.pk/President_Addresses/presidential_addresses_index.htm>

Document No. 7

PRESS CONFERENCE IN DAVOS

President General Pervez Musharraf Friday ruled out deployment of any foreign troops on Pakistan's soil to carry out operations against al-Qaeda and Taliban remnants, saying country's army was fully capable to do the job. "No sir, there is no possibility at all," he said, when asked about Pakistan allowing foreign troops on its soil on the Pak- Afghan border to prevent infiltration of terrorist elements.

President General Pervez Musharraf turned out to be the most sought after man at the World Economic Forum 2004, with an unending list of requests for engagements. Starting from a long line up of media organisations, businessmen and prominent leaders, the requests for a meeting continued to pile up with the President's staff. Even President's departure scheduled for Saturday is likely to be delayed owing to the requests for meetings. Prince Karim Aga Khan will also be meeting the President on Saturday. The President, described as the "Star of the WEF-2004", began his day much earlier and despite freezing cold had a jam packed breakfast meeting. With his hectic schedule a number of media requests could not be accommodated. President Musharraf also won widespread appreciation by the over 2000 business leaders and statesmen attending the World Economic Forum for his economic reforms, peace moves in South Asia and timely initiative to bridge the widening gap between the Muslim world and the West. During a preliminary session on promoting inter-civilization dialogue and his interaction with key business leaders, he was praised for bringing stability to the Pakistan's economy and taking courageous stand against the menace of terrorism and extremism.

Addressing a crowded press conference here the president said Pakistan has a very large and experienced army that has seen operations. "There is no dearth of talent, bravery or enterprise in our army and there is no room for any army coming in and assisting us," he categorically stated. President Musharraf said on Pakistani side of the

Pak-Afghan border there was an efficient intelligence network in place and a very strong Quick Reaction force to react whenever any al-Qaeda or Taliban suspects are spotted. "Everyone is very satisfied over what we have done," he said in an obvious reference to the arrest of over 600 al-Qaeda and Taliban suspects in Pakistan. He said Pakistani troops were operating on its side of the border while ISAF and US forces were operating on the Afghan side. He said there was total coordination between the two. Replying to a question about any change in Pakistan's policy viz a viz Israel in the wake of recent thaw in Pakistan India relations he replied that if the Middle East peace process progressed satisfactorily, allowing for the peaceful co-existence of both Palestine and Israel, Pakistan could consider reviewing its policy at that point of time. However the president ruled out the possibility of any change in Pakistan's stance at the moment. Asked in view of threat to his life and what would be the alternative for the continuation of his policies, the president said, no individual in the world was indispensable. He expressed satisfaction that his government had put in place democratic institutions that were fully capable to carry out country's economic and foreign policy objectives. The president said, there was an elected government in place and political restructuring was introduced aimed at having a sustainable democracy in the country.

President Musharraf while responding to a question said that talks between Pakistan and India will be held next month. However, he said the foreign offices of the countries were in touch to decide about the level of talks and its venue. The President hoped the talks would be held as soon as possible but added what required was the continuation of the process with minimum gap so that the process could move forward as fast as possible. To a question, he said the talks could not start at the Summit level. "It has to start at the lower level and then end up at the summit level," he added. Responding to a question, the President clarified that no body from Pakistan has visited North Korea recently. However, he said, in the past Pakistan had interaction with North Korea on the purchase of surface to air missiles. But now, the President said Pakistan was manufacturing these tactical anti-aircraft missiles and there was no need of any contact with North Korea. Over the alleged involvement of some individuals in nuclear proliferation, the President said the UN nuclear watchdog -IAEA- had given some names which includes personalities from Pakistan, European countries and also from the East. He said in Pakistan, the investigations into the allegations was being carried out and was not completed yet. President Musharraf stated that there were personalities and European countries involved which need to be investigated. Responding to a question, he said any terrorist or underground organization like al-Qaeda has to have communication and human linkages. "There is a command and control through human interaction or communication interaction (and) I don't think that is there," he said and observed it was an ineffective organization and "in our areas, specially, they are on the run". To a question on the thaw in Pak-India ties, he said there was a very happy change of heart as the two sides have decided to hold dialogue to address all the outstanding issues, including the complex issue of Kashmir. However, he said it was a very good beginning but "we have to take off and move towards an end-towards resolution of all disputes, including Kashmir. "We have to wait for the initiation of the dialogue and we also have to wait for then, the sincerity on both sides," he said and added that the relationship would only progress when the two sides showed sincerity, resolve and also the boldness. President Musharraf said that there were people

with extreme position on both sides and the leadership on both sides have to show courage to stand up to the opposition by a minority. "Vast majority in both countries want peace and resolution of disputes," he added. To a question about the country's western border with Afghanistan, he said Pakistan had taken a decision to join coalition against international terrorism and was for the Bonn process to be executed. "A vast majority of Pakistanis are totally on board on whatever is happening in Afghanistan and whatever I am doing against al-Qaeda and Taliban," he said while adding it was a minority who may have sympathies with them and who, perhaps are against what the government is doing. But, he said that "one should not be deterred by this minority extremists and one should not, in the West, think that it is this minority extremists who are reigning supreme. That is not the case," he added.

President Musharraf at Economic Forum DAVOS

President General Pervez Musharraf won widespread appreciation by business leaders and statesmen attending the World Economic Forum for his economic reforms, peace moves in South Asia and timely initiative to bridge the widening gap between the Muslim world and the West. During a preliminary session on Promoting inter-civilization dialogue and his interaction with key business leaders, he was praised for bringing stability to the Pakistan's economy and taking courageous stand against the menace of terrorism and extremism. The 5-day annual meeting of the Forum that began on January 21 has drawn an unrivalled international presence and combination of state, business and civil society leaders from 94 countries. Speaking on inter-civilization dialogue, President Musharraf presented Islam in its true perspective that preaches moderation not extremism and which fully respects human rights and those of the minorities. President Musharraf also took questions from the political and religious leaders attending the session. A priest from the United States, while praising the presentation by the President said that the Pakistani leader has very effectively removed the negative notions about Islam. A lady from a non-governmental organization (NGO) appreciated the increased representation of women in the country's democratic institutions and said Pakistan should be a role-model for the Western world. Some US congressmen who had come across the President in the lobby praised him for his measures to fight out terrorism and described him as a courageous man. At the working dinner, hosted by the World Economic Forum, where the President made a forceful speech to woo foreign investors, leading world business leaders whole-heartedly acknowledged his policies to bring peace to South Asia and place Pakistan's economy on a strong footing. "We support the privatization process, development of business environment in Pakistan, we support your effort for peace in South Asia," said Gon, the Chief Executive of Nissan Company. President Musharraf was also the most sought after leader by the world media as reporters from the print and electronic media flocked the venue of his bilateral meetings at the Forum. Among the heads of state and public figures participating in the meeting include King Abdullah of Jordan, Polish President Aleksander Kwansinewski, President of Argentina Nestor Kirchner, Nigerian President Olulsegun Obasajoo, Prime Minister of Turkey Recep Tayyip Erdogan, UN Secretary General Kofi Anan, Secretary General of NATO Jaap de Hoop Scheffer, President of the European Parliament Pat Cox and many other world leaders.

President General Pervez Musharraf has asked investors attending the World Economic Forum here to benefit from Pakistan's investment friendly climate which

includes, robust economic growth, aggressive privatization policy, improved governance and strong commitment to stamp out extremism from the society. Speaking at a Working Dinner, hosted by the World Economic Forum Thursday night, the President said that the four years of robust economic reforms have pulled Pakistan's economy out of turmoil and placed it on the path of robust growth. The President recalled the state of the economy he inherited in 1999 and the shocks it suffered in the shape of global recession, drought, 9/11 events and the 10-month military stand-off with India. Foreign exchange were merely 300 million dollars, inflation was high, exports were dwindling and debt-servicing liabilities were eating 64% of the total annual budget. The country was on the verge of being declared a default state. But, he said, the economy was now stable and at a take-off stage with all macro-economic indicators showing upward trend. He said there was no risk of default any more, forex reserves were enough to foot 12-month of import bill. The GDP growth was 5.1% last year and likely to grow by 5.5% during the current fiscal year, he added. The President said inflation remained low at 3.3% and the country's exports and revenue grew by 70% during the last three years. As a result of debt-restructuring, the debt-servicing liabilities came down to 31%, he said and hoped it would be further brought down to 22%. Fiscal deficit, that was 8% of the GDP, has been reduced to 4.6% and efforts were on to scale it down to under 4% of the GDP next year, said the President. Musharraf told the gathering about the unrivalled incentives offered to the foreign investors. Foreign investors are now allowed to hold 100% equity and there were no restrictions on remittance of profits, dividends and repatriation of capital, he added. He outlined efforts to reduce red-tapism and remove bureaucratic delays by way of giving complete autonomy to the various regulatory authorities and restructuring of the Central Board of Revenue to reduce its contact with the people and curtail the discretionary powers of the organization. President Musharraf said that the trend of positive developments in the economy was continuing with rising exports and revenues. The exchange rate has remained stable and credit rating gone far high from the rock bottom. He said strong actions are being taken to eliminate extremism from the society and further improve the law and order in the country. The President said that now there was a need to take these gains down to people through poverty alleviation, human resource development and through creating more job opportunities. President Musharraf pointed out that the investors in the past shied away from Pakistan due to its weak economy and for wrong economic decisions. But he asked investors to come to Pakistan and see for themselves the gains made during the last four years. He also listed efforts to reduce the cost of business in Pakistan by way of curtailing interest rates on borrowing. The President said that there was liquidity in the banks and local credit was also available to the foreign investors. President Musharraf also referred to Pakistan's strategic location saying the country was fast emerging as the "economic crossroads" of Gulf, South Asia and Central Asia. With its positive economic indicators, he added, Pakistan was now poised to benefit from its strategic location and become an attractive and secure destination for foreign investors. The President also underlined the country's aggressive privatization policy and identified IT, telecommunication, infrastructure, tourism and building and construction as main areas of focus. He further hoped that with the peace returning to South Asia, there will be more avenues for commercial activities in the region. ■

<http://www.infopak.gov.pk/President_Addresses/presidential_addresses_index.htm>

Document No. 8

PRESIDENT'S MESSAGE ON KASHMIR SOLIDARITY DAY

New York, February 4: Following is the text of the message by the President General Pervaiz Musharraf in connection with the Kashmir Solidarity Day being observed on February 5, 2004:-

The people of Pakistan observe Kashmir Solidarity Day by reaffirming their steadfast and unflinching support for the legitimate struggle of the Kashmiri people for the exercise of their inalienable right of self-determination.

Pakistan's support for the just Kashmiri cause is based not only on the bonds of kinship, but accords fully with our obligations and responsibility under international law, UN Charter principles and relevant Security Council resolutions.

This year, the observance of Kashmir Solidarity Day has a special significance. Pakistan and India stand at a crossroad in history. Hopes for finding a peaceful solution to the Jammu and Kashmir dispute have been raised by prospects of resumption of composite talks between Pakistan and India. Correspondingly, it is imperative for Pakistan and India to seize this opportunity by addressing seriously and substantively the Kashmir issue to the entire satisfaction of the people of Kashmir.

Respect for the basic human rights of the Kashmiri people is fundamental to creating conditions of peace and normalcy. Pakistan favours a general cessation of brutality and violence in Occupied Kashmir. The cycle of violence and counter-violence must end. This would entail foolproof measures for protecting and promoting the human rights of the Kashmiris and enabling them to realize their legitimate aspirations.

A whole range of interim measures including Indian force reduction must be taken to bring a modicum of normalcy in the lives of traumatized Kashmiris. These interim steps would facilitate the search for a just and durable solution that corresponds with the aspirations of the Kashmiri people.

Kashmir Solidarity Day is also an occasion to pay homage of brave and daughters of Kashmir who laid their lives for their just cause. Their courage perseverance in the face of tremendous adversity is a source of inspiration to all freedom loving peoples of the world. The people of Pakistan will continue to stand by their Kashmiri brethren at all times and under all circumstances until they succeed in achieving their cherished goals. I am confident that history will vindicate them. ■

<<http://www.un.int/pakistan/141104>>

Document No. 9

PRIME MINISTER'S MESSAGE ON KASHMIR SOLIDARITY DAY

New York, February 4: Following is the text of the message by Prime Minister Mir Zafarullah Khan Jamali in connection with the Kashmir Solidarity Day being observed on February 5, 2004:-

The people of Pakistan are observing today the Kashmir Solidarity day to demonstrate their unwavering support for their Kashmiri brothers and sisters in their just struggle for self-determination. Kashmir Solidarity Day is an occasion to salute the courage and bravery of the freedom loving people of Kashmir who have remained steadfast and resolute in their quest to attain their inalienable right of self-determination.

It is one of the great ironies of history that although the people of Jammu and Kashmir were among the first to have their right of self-determination recognized by the United Nations, fifty six years later, they have yet to exercise this right. For over five decades the people of Kashmir have waited for India to honour its pledges. Their valiant struggle continues and in spite of the brutality of the repression they have faced it continues with a vigour and courage borne of conviction in the inherent justice of their cause. It is this very courage that we honour today.

Pakistan has always emphasized the necessity of a meaningful and constructive dialogue to resolve the Kashmiri dispute. We have said time and again that rigidity and repression must give way to accommodation and respect for the fundamental and inalienable rights of the Kashmiris, if indeed we are to find a durable and peaceful solution to the problem.

We remain optimistic about achieving a just and peaceful settlement to the Kashmir dispute. It is our sincere conviction that the Kashmiri people will finally see the dawn of peace and freedom. ■

<<http://www.un.int/pakistan/141304>>

Document No. 10

SPEECH MADE BY MIAN KHURSHID MAHMOOD KASURI, AT MUNICH CONFERENCE ON SECURITY POLICY

Pakistan and the Middle East

Mr. Chairman, Excellencies, Ladies and Gentlemen,

It is a great pleasure for me to speak to this select gathering at the Munich Conference on Security Policy at its 40th anniversary Session. Developments since 9/11, in particular Afghanistan and Iraq, have underlined that issues of security have now to be addressed increasingly in a global context and that no single part or region of the world can ensure its own security in isolation. This message has come across clearly in the deliberations of the Conference this year.

I would like to begin by expressing my deep appreciation for the thought-provoking address delivered this morning by His Majesty King Abdullah II on the Middle East Situation. His wise and inspiring words provide an excellent basis for our deliberations on Future Developments in the Middle East Ladies and Gentlemen,

The Middle East region has played a pivotal role in world history because of its location at the crossroads of Europe, Africa and Asia, as a cradle of civilization and as the birthplace of the world's three great monotheistic religions: Islam, Christianity and Judaism. In the twentieth Century, three other factors made the Middle East a hotbed

of conflict and Strategic competition: (a) the unresolved issue of Palestine; (b) oil; and (c) the relationship of the faith of Islam with the rest of the world. Developments in the Middle East today have a direct or indirect bearing on the entire globe. If the Middle East remains volatile, the rest of the world will remain prone to instability and insecurity and if the Middle East is stable and secure, the whole world will benefit.

Pakistan occupies a key Strategic location in relation to the Middle East because of our Situation at the meeting point of South Asia, the Gulf region and Central Asia. Among Asian countries, we have the closest ties to the Middle East and are directly affected by developments in this region. This arises not only from our geographical location at the periphery of the Middle East but also because of our very close cultural and economic links with the region. The relationship between the peoples of the Middle East and Pakistan is as old as the history of the two regions. The advent of Islam in South Asia, which forms the basis of Pakistan's nationhood, added a special dimension to this relationship.

Close relations with the Middle East have been a central plank of Pakistan's foreign policy. Even before Pakistan's independence, the leadership of Pakistan's freedom movement expressed its solidarity with the people of Palestine and called for the protection of their rights. After the birth of Pakistan in 1947, we actively supported the independence struggles of several Arab states, which were then still under colonial rule. In turn, we received very valuable support from the Middle Eastern states in times of crisis, a prime example of which was the close collaboration between Pakistan and several Middle Eastern countries in opposing the Soviet occupation of Afghanistan in the 1980s. In recent years, a strong human bond has been forged between Pakistan and the Middle East, as around 1.5 million Pakistanis are employed in various sectors of the Gulf economies as professional, semi-skilled and non-skilled workers.

Although the question of Palestine has been haunting the world for the last one Century, its significance has increased manifold after the tragic events of 9/11 and the Middle East today holds the key to regional and global peace and harmony, as never before. One of the reasons cited by those who carried out the terrorist attacks of 9/11 was the non-resolution of the Palestine question. The war in Afghanistan closely followed these attacks and then came the war in Iraq.

Let me take these issues one by one:

Palestine

So long as justice is not done for the Palestinian people, it will be difficult to stem the tide of extremism in the Arab and the Islamic world. A volatile Arab street makes the Muslim street volatile. The sense of hurt and injustice in Gaza and the Western Bank reverberates through the Islamic world.

Many in the Arab and Islamic world have accepted the reality of Israel. However, Israel has yet to prove to its neighbors that it genuinely accepts the reality that the establishment of the state of Palestine in accordance with UN resolutions is the only way forward. Because of their vast influence, United States and Europe have a responsibility to use their full political weight to realize the vision of two states, Palestine and Israel, living side by side in peace within secure and recognized boundaries.

A genuine Israeli commitment to live up to its obligations under the Road Map and to end the occupation of Palestinian territories is essential to bringing an end to all forms of violence. A strong international commitment, especially by the United

Nations, United States and not least Europe, is needed to secure the implementation of the Road Map. There is growing international perception that some of the major international players have not yet exercised to the full the influence that they are capable of.

History teaches that such intractable issues can only be resolved through negotiations and dialogue. Unilateral actions designed to overwhelm the aspirations of an occupied people through power and force have never succeeded. They will not succeed in Palestine either. The Separation Wall currently being constructed in the occupied territories will defeat the objectives of the Road Map, apart from exacerbating the humanitarian plight of the Palestinian people.

For its part, Pakistan will continue to make a positive contribution to peace, stability and prosperity in the Middle East. A genuine movement towards resolution of the Palestinian problem will generate greater understanding in the Islamic world for normalization of relations with Israel

Iraq

Iraq remains an open wound. It should not be allowed to fester. The uncertain Situation in Iraq poses several challenges for stability in the Arab and Islamic world. Therefore, we must move swiftly to address the humanitarian crisis in Iraq and the concerns of the Iraqi people.

International efforts must be guided by the objectives of restoring Iraq's sovereignty and political independence, and ensuring its unity and territorial integrity as well as upholding the rights of the Iraqis to determine their own future and control their own natural resources.

Adherence to the Principles of the United Nations' Charter is the only assurance for a better, safer and prosperous world. The UN has an important role to play in Iraq. Its involvement will impart the requisite legitimacy to the political as well as stabilization processes. The United Nations is well placed to promote a genuine consensus among all Iraqi groups. However, in view of horrendous attacks on the UN personnel in August 2003, we fully understand the United Nations' legitimate security concerns and hope that the CPA would be able to address these and thus enable the United Nations to play an independent and impartial role in fostering broader consensus within Iraq and in the region.

The political transition in Iraq is currently facing difficulties both on process and substance. The conflicting interests of Iraq's ethnic and sectarian groups have the potential to exacerbate insecurity and expand the theatre of violence beyond Iraq. It is, therefore, important that Iraq's political and stabilization process should be based on broader consultations involving the entire Iraqi political spectrum as well as the Arab and Islamic countries. In this context, Pakistan would be prepared to make its due contribution in restoring stability and sovereignty to Iraq.

Terrorism

The phenomenon of terrorism in and around Afghanistan was an unintended consequence of the international campaign to secure Soviet withdrawal from Afghanistan. After the Soviet withdrawal, Afghanistan was quickly ignored. And Pakistan was left to deal with the debris of the conflict: guns, drugs and religious extremism.

Pakistan is today engaged in a comprehensive war against terrorism. Our actions are consistent with our moral principles, national interest and our vision of

Pakistan as a modern, tolerant and democratic Islamic State. Because of our actions, over 500 Al Qaeda operatives and associates, including some key figures, were arrested during the last two years. We have deployed 70,000 troops along the Pakistan-Afghan border to locate and interdict terrorist suspects. We have developed an effective intelligence network based on human intelligence, technological capabilities and aerial surveillance, backed by an effective Quick Reaction Force. We are also adopting measures to choke the sources of terrorist financing.

Al-Qaeda is on the run. There is no prospect of the Taliban coming back to power in Afghanistan. That said, it is also true that the war on terrorism is not over. It has yet to be fought and won. We cannot lower our guard.

Afghanistan

In Afghanistan, the international community has an obligation to ensure the successful implementation of the Bonn Process. We support President Karzai's efforts to promote peace, reconciliation and reconstruction in Afghanistan. We welcome the recent adoption of constitution by the Afghan Loya Jirga. To maintain progress in the Bonn Process, it is imperative to secure:

One, neutralization of the power of warlords and extension of the central government's authority throughout the country;

Two, credible reforms of the Afghan security structures;

Three, expansion of ISAF to cover all parts of Afghanistan; and

Four, the pacification of the Pashtoon areas and their reintegration into the mainstream of the Afghan polity.

Clash of Civilizations?

The short-term strategy of striking against terrorism is well poised for success. But there is as yet a deficit in addressing the root causes of terrorism.

Religious extremism and militancy have risen because of the deep sense of injustice and impotence in the Arab and Islamic world. There is a widespread feeling in the Muslim world that Islam is being unfairly targeted. Unfortunately theories projecting a "clash of civilization" have reinforced this feeling.

We firmly believe that a wide range of measures involving both the Muslim governments and the Western world are needed to eliminate the breeding ground for terrorism and extremism. These measures should accompany individual actions against Al Qaeda and other terrorist organizations.

The President of Pakistan has proposed a strategy of "Enlightened Moderation" to address this emerging challenge. The first component of this strategy is the promotion of reform in Islamic societies through social and economic development.

The second component of the strategy of Enlightened Moderation entails the support of the international community to enable the Muslim world to benefit from opening trade, investment and access to modern technology. It also requires the urgent redress of the historical injustices against Muslim peoples and states.

The ability of Pakistan as other Islamic states to deal with the challenge of extremism would be greatly enhanced by the just resolution of the Palestine problem; achieving a settlement of the Kashmir dispute; restoring peace and stability in Iraq, and restoring peace and security in Afghanistan.

I am happy to say that in South Asia, we will shortly commence a composite dialogue process between Pakistan and India to resolve all outstanding issues, especially the Jammu and Kashmir dispute. After years of stalled negotiations and the acrimony

that characterized relations between Pakistan and India, the leaders of the two countries have embarked upon the path of peaceful settlement of disputes. Demonstrating courage and statesmanship. President General Pervez Musharraf and Prime Minister Atal Bihari Vajpayee, on January 6, 2004, decided to start a new phase of engagement and to address the issues between our two countries through realism and flexibility by both sides.

Pakistan hopes that the dialogue will be sustained and fruitful. Our aim is to resolve peacefully all our disputes, especially over Jammu and Kashmir, and to build a stable structure of peace and security in South Asia, which is acceptable to Pakistan and India and responsive to the wishes of the Kashmiri people.

The 12th SAARC Summit held in Islamabad last month provided a historic opportunity to countries in South Asia to cement regional cooperation for the well being and prosperity of millions of their inhabitants. Of the several important agreements signed during the Summit, the signing of South Asia Free Trade Agreement (SAFTA) alone will significantly contribute towards accelerating intra regional trade and economic activities among the member states.

Ladies and Gentlemen,

The interlocking regions of the Middle East, South Asia and Central Asia will greatly benefit from a stable Strategic and security environment. This will open new opportunities for economic and social development and enable Pakistan to play its geo-political role as a bridge of economic cooperation and mutual prosperity between the three regions, which contain about one-third of the world population, with South Asia alone accounting for approximately one quarter.

The whole region comprises moderate states that want to eradicate extremism and radicalism. They would like to focus on addressing their social and economic problems. They want economic development, progress in education, science and technology and human resource development. They reject attempts to equate terrorism with Islam. They want to be part of the global mainstream.

This is a task, which the countries belonging to the Islamic world must in the first place carry out themselves. Where the international community can help is by doing more to remove the underlying causes that breed extremism and conflict and by becoming actively engaged in the resolution of political disputes on the basis of justice and international law.

This is a challenge for the Islamic world but it is also a challenge for the rest of the world. I thank you Ladies and Gentlemen. ■

<http://www.securityconference.de/konferenzen/rede.php?menu_2004=&menu_konferenzen=&sprache=en&id=137>

Document No. 11

PAKISTAN – INDIA JOINT PRESS STATEMENT

New York, February 18: Following is the text of the Joint Press Statement issued in Islamabad today at the conclusion of the meeting between Foreign Secretaries of Pakistan and India:-

“The Foreign Secretaries of Pakistan and India met in Islamabad on February 18, 2004.

2. They reviewed and endorsed the agreement worked out at the Director General/Joint Secretary level meetings on February 16-17 on the modalities and timeframe for discussions on all subjects on the agenda of the Composite Dialogue.

3. Both sides agreed that they would approach the composite dialogue with the sincere desire to discuss and arrive at a peaceful settlement of all bilateral issues, including Jammu & Kashmir, to the satisfaction of both sides. They reiterated their commitment to promote progress towards the common objective of peace, security and economic development for their peoples and for future generations.

4. They agreed to the following schedule of meetings:

- i. Foreign Secretaries would meet in May/June 2004 for talks on Peace and Security including CBMs and Jammu & Kashmir.
- ii. Talks on Siachen; Wullar Barrage/Tulbul Navigation Project, Sir Creek; Terrorism and Drug Trafficking, Economic and Commercial Cooperation, and Promotion of Friendly Exchanges in Various Fields would be held at the already agreed levels, in July 2004.

5. The following technical level meetings would be held earlier:

- a. Meeting between Director General Pakistan Rangers and Inspector General Border Security Force in March/April 2004;
- b. Expert level talks on Nuclear CBMs in the latter half of May 2004;
- c. Committee on Drug Trafficking and Smuggling in June 2004.

6. They reviewed the existing links between the Directors General Military Operations of Pakistan and India and agreed to consider further strengthening these contacts.

7. The Foreign Minister of Pakistan and the External Affairs Minister of India would meet in August 2004 to review overall progress. This would be preceded by a one day meeting of the Foreign Secretaries.”■

<<http://www.un.int/pakistan/141404>>

Document No. 12

INTERVIEW OF PRESIDENT GENERAL PERVEZ MUSHARRAF TO *THE INDIA TODAY CONCLAVE* 13TH MARCH 2004

ARUN:- Ladies and gentlemen I have immense pleasure in welcoming His Excellency the President of Pakistan General Pervez Musharraf to the 3rd India Today conclave. Ladies and gentlemen please welcome the President of Pakistan “Good evening sir,” an audience says, which is in very good mood after a cricket match.

PRESIDENT:- We are also in a good mood,

ARUN :- Excellent, it is the spirit of the game

PRESIDENT:- Thank you

COMPERE:- Ladies and gentlemen, we are indeed privileged to have with us as a key note speaker for the evening, President Musharraf, live via satellite from Islamabad. As we sit here tonight, we are also privileged to have ringside seats to history in the making today. We witnessed the first cricket match between India and Pakistan on Pakistani soil in 15 years. Our Cricketers are there. The Prime Minister Vajpayee told the team before it left not only to win matches but also to win hearts. Nothing to be more symbolic of the new relationship between our two countries and the fact that very two years ago we almost went to war. If cricket matches were the only point of conflict between the two countries, it will be a change that all of us would welcome, even if we were to lose. Tonight's speaker President Musharraf shares the credit along with Prime Minister Vajpayee for taking the two neighbours to the brink of peace rather than war. Here the chief guest against overwhelming odds. I am not guilty of exaggeration when I say that he has possibly the world's toughest job. At a time when terror is no longer local, as a President of a frontline state in the war against terror, history has given him a central role in the post 9-11 world. He has faced two assassination attempts in recent months and is the prime target of religious extremism, terrorist groups, the Taliban and political parties opposed to Pakistan's close relationship with the US. He has displayed rare courage in taking on his opponents while mending fences with India. It is based on an unshaken belief that Pakistan's future can only be ensured by economic development and peace in the subcontinent. It is perhaps his commando background that helped him in taking such good steps that helped him negotiate to the~ minefield of politics and international affairs with amazing fearlessness. While we have a gift of communication without a dispute, and I am sure you will witness to that this evening. At the World Economic Forum in Davos recently, I personally saw how he handled with great candour and plump some of the most difficult questions including the one relating to selling of nuclear secrets by Pakistani scientists. He was widely acknowledged as a star of this year's meet. He never shied away from tricky issues like a true army general who is willing to give as good as he gets. In recent times, General Musharraf has been blamed for plunging relations with India to an all time low. Memories of Kargil and the continuing terrorist strikes in India are not easily forgotten. But in recent months, there is suddenly a hope of a new dawn. President Musharraf and Prime Minister Vajpayee have embarked on a difficult process of wiping out more than half a century of hatred and hostility. They can not afford to be trapped in history. Here they have a chance to make history. That is why in India Today cover story after the SAARC summit, we described the two leaders on our cover simply as brave hearts. And I believe this is most apt as what they are doing, which requires enormous courage. And as we all know the world belongs to the brave. question and answer session. Ladies and gentlemen the President of Pakistan.

PRESIDENT PERVEZ MUSHARRAF:- Thank you again everyone. Thank you very much Mr. Arun Puri the Editor-in Chief of India Today. All the ladies and gentlemen, good evening and Aslamo Alaikum. It is indeed my very special privilege to be addressing India Today Conclave via satellite. I only wish I was sitting in front of you and seeing you in person. I thank all the organizers and the management of India Today for this invitation and for affording me to this very unique opportunity of speaking to all of you. First of all let me congratulate all of you, let me congratulate India for the first victory after fifteen years in the first one day international at Karachi. I am very glad indeed that the match was most interesting, most well contested and extremely

exciting. I am also glad that the people of Pakistan in general and the people of Karachi in particular welcomed the Indian team with a very open and a warm heart. I only hope that series in the future, the other one day internationals and the test matches are played in the same good welcoming spirit that we saw today. So I again congratulate all of you for winning today a very exciting and thrilling match. Coming to the subject, ladies and gentlemen, the theme of this year's Conclave is "India: Tomorrow, building a South Asia Century." I have been tasked to speak on the Future of Pakistan-India relations, the opportunities, risks, benefits, my expectations from the Indian leadership, possible United States role and my own world vision. I commend the organizers first of all for selecting such an apt subject bearing immense relevance to the region, particularly at this time. I wish this conclave success in the deliberation and pray for a prosperous South Asia through bridging mutual differences. Ladies and Gentlemen, quite clearly as the theme and its elaboration imply, realization of a South Asia Century requires collective will and application. India cannot go it alone. The hurdle in the application of this collective will indeed comes from continued Indo-Pakistan confrontation. Before getting involved in regional emancipation and bilateral conflict identification and resolution, I would like to share my overall global vision as I am required to do. Ladies and gentlemen, the 21st century is a century of globalization. The outlines of a global village are visible in all fields. It is a century of geo-economics and of inter-dependence. While on one hand we witness the start of integration of the world for the sake of human uplift on the other hand there is manifestation of enhanced destructive power of implements of confrontation. I am referring to weapons of mass destruction, or even the increased lethality of conventional weapons, rendering war and extremely dangerous and a very costly undertaking. Within these opposing realities, we also see the world fragmented, torn in conflict. Short of war low intensity conflict has seen the introduction of suicide bombing phenomenon, which provides a new and a very lethal weapon in the hands of a terrorist or a freedom fighter, which ever side of the divide you look for compensating for military and political weakness. Looking at each conflict in the last two decades unfortunately, they all involved Muslim countries. All of whom happen to be at the receiving end. Muslims today suffer from a sense of deprivation, a sense of hopelessness and a sense of powerlessness. Combined with poverty and illiteracy, this becomes an explosive mix vulnerable to adoption of an extremist or a militant path. Thus the world as a whole has become a dangerous place to live in. Improvement can only come through addressing Muslim concerns with justice. Within these outlined parameters we need to look at the power equation in our region. War or military confrontation does not constitute a viable solution any more. We must understand that the issue is not a game of numbers' alone. The strategy of military coercion with numbers is inapplicable when an adversary, albeit weaker, is prepared to accept losses and inflict maximum retaliatory damage, which may be untenable to the other side. The question that arises is, how to deal with this conflict torn hatred infested world and meet our collective duty to bring peace to this world, our common heritage. I have proposed a strategy of enlightened moderation. This is a two-pronged strategy. One prong is to be exercised by the Muslims through rejection of extremism and militancy and opting for socio-economic development using a restructured OIC as the driving force. The other prong of this strategy of enlightened moderation is to be implemented by the West; resolve all political disputes involving Muslims with justice. Success of this strategy, the overall strategy, indeed lies in the simultaneous

success of both the prongs. After this brief look at the world let us come closer home, to our region, South Asia. We see an upheaval, turmoil in Afghanistan and Kashmir. If we can resolve these two issues, we will strike at the root of extremism and militancy, I am very sure. Pakistan is actively fighting against Al-Qaida along our western borders in the tribal areas. We had the will and the capability to eradicate all foreigners from our country. We will not allow Al-Qaida to maintain sanctuaries in Pakistan and operate outside Pakistan. Ladies and gentlemen, the Kashmir issue lies at the heart of Indo-Pakistan confrontation and hence is also the source of disunity of South Asia as a whole. As a result SAARC has merely existed on the periphery of impotence. We saw a visible and a very pleasant change in the last SAARC summit held at Islamabad. This was momentous not only for the thaw in Indo-Pakistan relations but also for signing of SAPT A, which is a big leap towards free trade within our region. It is said the past belonged to Europe, the present to America and the future to Asia. Within Asia, we see North East Asia, East Asia, China and South East Asia cooperating fully for mutual economic progress. South Asia and Central Asia sadly remain out of this prosperity loop, may I say. Quite clearly, common wisdom dictates intra-regional cooperation within SAARC and also ECO, the Economic Cooperation Organization, first, followed by inter-regional integration with the rest of Asia for joint benefits to our region. Pakistan's geography provides a critical linkage between the three regions of South Asia, Central Asia and West Asia. Indo-Pakistan rapprochement unleashes the entire economic, commercial, trade potential of this whole region. Undoubtedly the whole scenario provides a strong case for resolving disputes, ushering an era of peace by joining hands for socio-economic development of our people and of our region. India and Pakistan must bury the past and chart a new roadmap for peace. I believe people of both our countries desire peace and may I also add are fed up of confrontation. This is evident from the welcoming response to the CBMs of the past one or two months. Revival of sports ties with a tour of Indian cricket team, finally we say, it is better late than never and the forthcoming SAF games, indeed auger well for the promotion of people to people contacts and we are witnessing this good contact during the one day international today at Karachi. Ladies and gentlemen, Pakistan and India have lost half a century in mutual squabbles. Let us face it. We have fought wars, tested nuclear weapons and have remained engaged in very hot confrontation throughout. Today South Asia is nuclearized. It is brimming with lethal weaponry, huge accusations of arsenal and sophisticated weapon technology make our region one of the most dangerous flashpoints in the world and it is of greatest concern to the world. South Asia also constitutes one of the most impoverished regions of the world. Social indices are appalling, millions live in dire poverty, misery and disease. At the centre of this dismal scenario is the spiraling vortex of Pakistan-India animosity. Kashmir, we say a paradise on earth, is the core issue that has bedeviled our relations throughout this half a century. Kashmir is the central issue that awaits a just and durable settlement. If Pakistan and India could settle Kashmir in accordance with aspirations of the Kashmiris, a new chapter in our troubled history will begin. This is very much possible if all parties are sincere in their quest for a just and durable peace through a solution acceptable to all of us not to one single country. I have proposed a four-point process whereby talks commence, centrality of Kashmir dispute is accepted, all solutions not acceptable to either of the three parties are taken off the table and the remaining options the one deemed most feasible and acceptable is chosen. I believe nothing could

be fairer than this. A solution will emerge if all sides are mindful of the problem, if all parties, especially Kashmiris are given the opportunity to have their due say and are associated with a credible, sincere and serious quest for a final settlement between Pakistan and India. I do not want to speak about history. The political and legal history of Kashmir is well recorded and well documented in the archives and resolutions of the United Nations. All that I urge is let us be pragmatic. Let us learn to accept hard facts. The issue of Kashmir is at the centre stage, we cannot deny it. It must be resolved in an equitable and honourable manner acceptable to India, Pakistan and Kashmiris, and I repeat, to India, acceptable to India, Pakistan and the Kashmiris. We are not talking of a solution acceptable to Pakistan alone. I wish to assure you that we are determined to take two steps forward if India takes one step and chooses to embark on a realistic quest for a just and durable peace with Pakistan on the basis of sovereign equality. India will find Pakistan sincere and responsive if it desires genuine improvement in relations. We are mindful of the difficulties posed by very rigid mindsets in the past. We must know if there is no movement towards a solution, I am afraid, everything will slide back to square one. Let us look at the very broad benefits from peace accruing to both our countries. May be this serves as a motivation towards normalisation. On trade, our market size will expand to 1.2 billion, equal to China. Opening vistas of trading opportunities within the region, the foreign direct investment which presently stagnates at three billion dollars could increase manifold. China attracts forty billion dollars. Access to alternate energy, natural gas from Iran and Central Asia can become available to the region, bringing down energy cost by at least fifty per cent and may I say India may be the maximum beneficiary. Tourism can flourish. The region has vast treasures of tourist attractions, not only for the domestic but also for the international tourists. Combined regional tours could benefit us all. Reduction in defense expenditure could take place. This will lead to availability of funds for social sectors and poverty reduction and lastly sports activities could be enhanced. Through mutual sports India and Pakistan could regain their lost glory at least in cricket and hockey. We must be aware, however, ladies and gentlemen, there are extremists on both sides who try to derail the peace process. We must not be deterred from our path and be prepared to deal with them with an iron hand. In fact in our own supreme interest, we must negotiate peace boldly as if there are no detracting extremists. And we must also deal with all extremists boldly and firmly as if there is no peace initiative going on. The joint statement, ladies and gentlemen, reached at Islamabad between me and Prime Minister Vajpayee provides a good framework for relationship of harmony and mutual respect. The CBMs already been initiated have generated tremendous goodwill. The Foreign Secretary level talks have furthered this dialogue process forward. The composite dialogue scheduled for May and June this year should augur well for our future relationship. In this garden path that is very visible, I would be blemished if I did not strike some words of caution. Firstly, there is simultaneity, a linkage between CBMs, the confidence building measures, and the composite dialogue. CBMs cannot outstrip dialogue process on all substantive issues including Kashmir. Secondly, Kashmir dispute can never be sidelined or ignored. No leader in Pakistan can do that. We must move forward towards its resolution in tandem with the CBMs. And lastly while talking of Kashmir, sooner or later Kashmiris must join the peace process to make the solution practicable. Ladies and gentlemen, progress on dialogue towards serious resolution of disputes should set us thinking on other more substantive

confidence building measures. Why can't our defense expenditure be cut down? It certainly can. Pakistan is not in an arms race. We maintain a quantified force level based on a perceived threat and a strategy of minimum deterrence. With the enhancement of firepower of weapons, which I spoke of earlier India, firepower of conventional weapons. We are already reducing our strength, the strength of our army by fifty thousand, may I tell you, may I inform you today. We have kept our defense budget frozen for the last four years knowing fully well that our deterrent strategy is in place. India has to review its own strategy because your defense force levels, may I say, are not based on threat, but on your own power projection. The latest multi-billion dollar acquisitions and your vastly enhanced budgetary allocations to defense take you in that direction of power projection. In any case Pakistan will remain amiable for mutual, proportional reduction of forces. Ladies and gentlemen, I honestly feel that the present time is ideal for resolution of all disputes and ushering in an era of peace, harmony and prosperity. The people of our country want it. The influential business community is eagerly looking forward to it in both the countries. I have interacted with many business leaders of your country. Media also seems to favour it. Where lies the stumbling block then. I am afraid it lies in the leadership alone. Leaders on both sides have to be sincere, to develop confidence and trust in each other. They are to be flexible enough to reach mutually acceptable solutions to previously intractable disputes and bold enough, they are to be bold enough to bulldoze all opposition and risks en route to peace, we have to show enough maturity to be able to resolve disputes bilaterally, within reasonable time line. It is only our failure, which then invites third party mediation or facilitation, or involvement or encouragement. You can choose the word yourself because I know there is some kind of an allergy to the words to the terms' mediation probably in your country. The US being the sole super power in a unipolar world has a responsibility of bringing a just peace in the world oh all disputes for our future generation. Their involvement to a resolution of thornic Kashmir dispute will be a value only if we get stuck our selves. If we make bilateral progress there is no need of outside interference or involvement. As Responsible nuclear weapon state we must demonstrate to the world that we have the courage and conviction to settle our problems in a civilized manner. We must demonstrate the courage and wisdom to write a new chapter of peaceful co-existence and mutually beneficial co-operation. I find distinct warm sentiments in Pakistan and India to engage constructively with each other. May I add that the people of both countries and the media certainly play a very important role in improving the environment, paving the way for a settlement of all disputes including the Kashmir dispute. Respect for basic principles of inter state conduct develop relations of sovereign equality and provide safe and sound foundations within which Pakistan India relations can thrive and prosper. Ladies and Gentlemen we in Pakistan look forward to sustaining the present positive momentum in our relations with India. This is a moment of hope and movement of optimism, let us nurture it carefully and make the process of engagement irreversible. Let us draw balance between the vast opportunities that exist for mutual gain and the hazards of falling back to self generated hatred, despair and confrontation. Pakistan and India must lead South Asia to new horizons of economic development and the other South Asian countries. certainly look forward to that. The roadmap delineated for the composite talks must be filled with other pointers and timelines for joint endeavours to resolve differences and disputes. It should not take long to fashion together a roadmap to progress and prosperity,

reinforcing and utilizing the talent and the genius of our peoples using our resources optimally. I wish the India Today Conclave every success. I would indeed be very happy to answer or to take any questions from your side. I thank you all, ladies and gentlemen.

ARUN PURI:- Thank you President Musharraf for a very incisive and, as you would expect from a General, down to the brass tacks speech. He dealt with every issue, but I am very happy to note you have talked about it is a time for hope and optimism. So as the moderator, I will take the prerogative by asking the first question. You have mentioned in your speech several times sir, quite repeatedly the fact that Kashmir was a central issue that it is an issue which had to be resolved with justice. My understanding was that one of the reasons why Agra summit failed was because India refused to recognise Kashmir as a core issue. Yet at the SAARC statement in January Kashmir was placed among a list of eight issues to be resolved bilaterally between India and Pakistan. So is there a difference now in terms of what was there in Agra and what is there now, that I would like to elaborate on that?

PRESIDENT MUSHARRAF:- I would like to answer this question. There is not much difference between what happened at Agra and what happened now in the joint statement. At Agra we exactly accepted the centrality of Kashmir and the requirement of the resolution of the Kashmir dispute if we were to improve relations between India and Pakistan. Let me say that the joint declaration, the Agra declaration was prepared in draft. It was prepared by me, myself, Prime Minister Vajpayee, Foreign Minister Jashwant Singh and my Foreign Minister. We drafted each and every word of it and I have a copy of the draft here with me, at the Foreign Office not with me now at the moment. It was only after when I went back and I was to come back to a signing ceremony, the hall was ready and ready for the signing ceremony that after an hour or two I was told by Foreign Minister, no, we are not going to have the signing ceremony because they have rejected this declaration. And then we even went forward and drafted another, redid the draft resolution. It took us some hours doing that and it took a change in my schedule. And we again accepted a fresh declaration. And unfortunately an hour or two later that declaration was also rejected. And the reason given to me at that time was that the cabinet of India has rejected this. So that declaration, the draft of which is available in Pakistan, accepted the centrality of Kashmir. Now let us come to this new joint statement. There are three areas here which were almost similar to the Agra declaration that the centrality of Kashmir is accepted, that dialogue process on all issues including Kashmir has to be undertaken. But one very important element is also there. -And that is that Pakistan has been accepted now as a party concerned with the dispute, as one of the parties in the dispute. This was never done before. So therefore, I see that there is certain progress on the resolution of all disputes.

ARUN:- So what you have said that you have kept the same position but India has changed its position. Is that which happened?

PRESIDENT MUSHARRAF:- Absolutely Agra was ...which I have otherwise said. The draft declaration which never came to be framed and if you want I can get this published any time. I can give the draft to you also. It is similar to what we did now in the joint statement. The very fact that Kashmir has been accepted as a dispute which needs to be resolved and that Pakistan is a party to this dispute as was never accepted in the past.

ARUN:- I would like to now call on General Malik, former Chief of Staff, to ask a question.

GENERAL MALIK:- Thank you. Good evening General Musharraf. Firstly I must say I am delighted to speak to you over this satellite conference. I would like to extend my warm greetings to you and good wishes to you. I must also compliment you for the speech that you made. I think it was both soldierly as well as statesmanlike. I recall that some years ago when you took over as Army Chief in Pakistan I had sent a letter to you congratulating you and wishing you goodwill, wishing you well and you very kindly replied that some months later. Unfortunately we had Kargil war soon after that. I am not going into that part of history. And in fact I would like to once again compliment you for the agreement that you have signed with Prime Minister Vajpayee in Islamabad. And you both have raised the hopes of people on both sides. I do not know General, when Kashmir problem is going to be resolved, but I am very keen to find out your commitment to the Memorandum of Understanding that was signed in Lahore on Strategic Weapons CBMs. I was involved in that, so I know what agreement was signed. I would like to know how committed do you feel to that agreement which was signed in Lahore. If you, I am sure you would know that was substantive in nature and if we want to go ahead with that it will require working out more details between India and Pakistan. And if you remain committed to that obviously that part can only take place if you give your assent. May I request your response to that? Thank you General.

PRESIDENT MUSHARRAF:- Thank you very much indeed. You have spoken about this Strategic Weapons CBMs. The only thing that I would like to answer is that first of all I do not know the details of that draft frankly at the moment. But when we see the future as I said we have to move in at tandem between the CBMs and this dialogue process. If we start moving forward on the dialogue process, all CBMs can be addressed. I would not like to move fast on CBMs, any part of the CBMs if the dialogue process is not moving forward. So therefore, the Strategic Weapons CBMs, the details of which I do not know frankly, would certainly be a part, can certainly form a part of the overall confidence building measures in the future when we start moving forward also on the dialogue process.

ARUN:- Next question I would like Professor Amitar Mattu, Please ask.

MATTU:- Good evening Mr. President, I am sure you will agree that we have to build a South Asian century, then we have to ensure that the bitterness of the past, the conflicts of the present and the enemy images that we have inherited had to end. And we have to ensure that the younger generation does not get poisoned by the bitterness of the past. Would you in these circumstances, Mr. President, agree to a collaboration between academics and educationists between India and Pakistan, design common courses, common curricula and common reading material to ensure that younger people of South Asia have a common positive peaceful vision of South Asia whether or not Mr. President we resolve the Kashmir issue, I hope you will agree that this needs to be done right away? Thank you.

PRESIDENT MUSHARRAF:- Thank you very much, As far as interaction between academics and educationists is concerned, I would totally agree that there should be interaction. I am totally in favour of people to people~ contact and when I talk of people to people contact obviously academics and educationists form a very important part of that contact. But when we are talking of going for a common syllabus and a

common curriculum, now that I never really gave thought to. I never thought of achieving a common curriculum and a common syllabus for both our countries or for that matter for the whole of South Asia. I do not know whether this is achievable or doable. However since you have come up with the suggestion we do not mind looking into this. I think it needs contact between academics and educationists to see viability of your proposals. I would encourage their contact first of all.

ARUN:- That is a good thing. I would like to ask now Geeta Mehta, who is a well-known author, to ask a question.

GEETA:- Mr. President you have spoken most eloquently about the prosperity that peace would bring our region and indeed of the longing of the people of India and Pakistan for peace. Do you believe that a sustained peace is possible in the absence of civil liberties?

PRESIDENT MUSHARRAF:- Indeed talking of civil liberties. Are you talking of civil liberties~ in my country or your own country or in both the countries, I really do not know. If you are talking of my country, I think there are civil liberties in place absolutely. Every country has its own environment and it works within that environment. And I do not think civil liberties have anything to do with peace process between India and Pakistan. They don't come into the way at all. As I said we must believe in sovereign equality and the sovereignty of both the countries whatever are the internal issues of each country should not hinder what is to be done on a bilateral basis. I do not think it in any case, the issue of civil liberties whether in India or Pakistan stand in the way of a peace process and moving forward on peace.

ARUN:- Thank you. Mr. M. K Singh, a member of Planning Commission, would you like to ask a question.

SINGH:- Mr. President, no one of course knows the answer of a question whether economics drives politics or politics drives economics. But as Mr. Arun Puri referred that you made a very successful visit to Davos, speaking to the international community , speaking to the investor community as Pakistan's economy under your distinguished leadership has begun to look up. Pakistan is seeking direct foreign investment from all parts of the world as is evident by your interaction in Davos. But the Indian business community , which is quite close to Pakistan, is looking at many gainful investment opportunities in Pakistan in the areas of pharmaceuticals, automobiles, oil and gas, telecommunications and whole range of things. Would you Mr. President in the spirit of what you said may be taking simultaneous action on many fronts to improve the quality of our relationship, take some steps which can improve the climate of confidence for the private investors community in India to look to these multiple investment opportunities in Pakistan?

PRESIDENT MUSHARRAF:- Thank you very much. Well I think economics and politics both are important. Economics is important to every country .It lies at the core of any development. The country cannot progress unless its economy is made to move forward. But as far as politics is concerned, of course, politics is over-arching framework for any activity in a country .Therefore, they have an interrelationship. But in Pakistan we are trying to set the economic trends, although political situation is right in all its contexts. When you are talking of various areas of cooperation on the economic and commercial front between India and Pakistan. Yes indeed one does recognise and I do recognise that there is tremendous scope for mutual benefit in commercial or trade relationship. I am looking at even a gas pipeline which you need from may be Central

Asia or from Iran or from Qatar. It is just our confrontation and our animosity which is not allowing you to get this pipeline through. If we reach and go for rapprochement, I am sure this avenue will be opened and what the other areas which you have mentioned or all areas where we can mutually look into complementarities and go for mutual benefits in economic relations. I totally would be favourably inclined if at all we move forward towards as I said towards the resolution of disputes. Now if you are meaning the relationship of economics and politics, that we can go ahead on the economics side, without resolution of disputes, without bothering about the political aspects of our relationship, I am afraid that is not, that is not possible at all. I think there is a relationship. We have to resolve political disputes between ourselves. We have to remove this environment of suspicion from each other and then only can we go for investments in a big way and as I said complementarities of commerce and trade in a fruitful manner .

ARUN:- Mr. President here I may add my two bits. How about allowing media to come into your county , magazines, newspapers. I know there are a lot of agreements but that never really happened?

PRESIDENT MUSHARRAF:- I wonder whether any newspapers or magazines of Pakistan are going to India. We need to see it as one of the confidence building measures. And as far as we are concerned I know that at least I have been telling everyone to allow maximum media personalities from India, whoever wants to come, be allowed to come to Pakistan: I do not think that is the case when our media people want to go to India. I think there is more openness in our accepting media people, personalities coming here. When you are talking of newspapers and magazines coming to Pakistan and of course Pakistanis going to India, one can examine this in the CBMs in the future. We can broaden the scope of the confidence building measures. But as I said again we have to go forward on the dialogue process. We cannot be cantering and going on a sprint on the CBMs, while the dialogue process is going at snail's pace. That is not doable. So there is a complementarily, there is a simultaneity and a linkage between the CBMs and the dialogue process.

ARUN:- I call on Mr. Naresh Chandra, former Indian Ambassador to the US.

NARESH:- Mr. President with your permission I would first like to convey. I would first like to congratulate your cricket team. They put up a great show and if I am not mistaken chasing a high total they put up three hundred forty four runs which is some kind of a world record. And I think Inzamam, laved and their colleagues need our congratulations.

PRESIDENT MUSHARRAF:- Thank you. They did well, I think both the teams did very well.

NARESH:- Looking forward to much more exciting cricket in the days to follow. We have all taken notes of the strong leadership that you have exercised in pushing forward the current initiative. What is bothering some of us is that how broad and deep is the consensus in support of this move and in times to come, will all sections in Pakistan support this move. And in this context I think the earlier question about allowing free flow of information in both countries is very important because our experience has been that the information which flows through the media might not be the best way to condition our people to be informed and to help in addressing the problems and issues that are under discussion. If you could throw some light on this, thank you?

PRESIDENT MUSHARRAF:- Thank you very much. Thank you indeed for congratulating my team, Pakistan's team, as I have said both have done well. And we also in Pakistan look forward to a very interesting series in the future. On the issue of free flow of information between the two countries, I think there ought to be a free flow of information between the two countries. One point that I would like to raise here is the issue of parts of the media stopping to bad mouth or creating negative perceptions between the two countries. One of my main concerns is when we know Indian cinema and many magazines also showing the negatives of Pakistan. I think the media on both sides need to be more mature, show more maturity in dealing or in talking with issues of each other because now that such confidence building measures and a peace process is in place I would say that media needs to show more and more maturity and I think deal with, may encourage more closer relationship, encourage better understanding between the two countries rather than highlighting the negatives and exploiting may be to a certain extent situation in respective countries. We should stop that and encourage better more harmonious media interaction.

ARUN:- Thank you Mr. President. Perhaps letting them open out is the best way. You talked about Indian films. We have in fact here one of the leading Indian film stars Aishwarya Roy. She likes to ask you a question.

AISHWARYA:- Good evening Mr. President, I am going to ask you a question of no relevance to fraternity I come from, not the film industry. I would like to ask you, if I may, as a lay person, as an ordinary individual, citizen of India. Mr. President if all it is truly positive the trends right now as we feel there is the first step towards ...between our two nations. But HAMARI JO TEHZEEB HAY , as we hug each other today. What I would like to ask you is, are you truly feeling the warm waves of love between us or are we still sceptical and looking over our shoulders? Thank you.

PRESIDENT MUSHARRAF:- Thank you very much. First of all I am very glad to be asked a question from one of the most popular film stars of India also known in Pakistan. Your question is related in fact part to the last question which I think I did not answer. How deep the process or the desire for peace between India and Pakistan is. Let me say I am very sure about Pakistan. It is extremely deep. I think all sections of society in Pakistan want peace, want interaction, want harmonious relationship between India and Pakistan. When we went for the joint statement between myself and Prime Minister Vajpayee, there was a surge in our stock exchange. There was a great optimism with the signs of hope that was emerging. I know this is the reality and all segments of society in all the provinces of Pakistan. There are some extremists now I know that. And such extremists are also in India and we know that also. We should not bother about that very small minority of extremists and we must go for peace in a bold manner , because we know and I know that vast majority of Pakistanis are for peace, for developing harmonious relations, for going for people to people contact, going for commerce and trade relationships. So I am very clear about what Pakistanis want.

ARUN:- Mr. President I can safely say that most Indians want the same thing. May I request now President of CII, Confederation of Indian Industry, Anand Mahindra to ask the question.

ANAND:- Mr. President I represent a company called Mahindra and Mahindra which was born in 1945 as Mahindra and Muhammad and the co-founder was Ghulam Muhammad who after partition left us to become, I believe, first finance Minister of Pakistan of course we could not afford to print new letter heads which said M&M

hence the name of company Mahindra and Mahindra today but arguably because of that history we are amongst most of the vulnerable companies of India to collaborate with Pakistani companies but in my recent interactions with Pakistani businessmen, I found them very apprehensive about dismantling of trade barriers. They believe Indian companies with their weight or size will swamp them or I do admit. Indian businessmen had the same fears about China but today we have a trade surplus with China. Do you Mr. President share those kinds of concerns and if you don't, what can you do to allay those fears of businessmen in Pakistan and how quickly can you move to dismantle barriers?

PRESIDENT MUSHARRAF:- Let me tell you, I have been asking many businessmen in Pakistan if you, were to collaborate and interact economically in commerce and trade, business interaction would be the swamped, the point, that you made. Those good businessmen of Pakistan, the people who have a strong business ventures in Pakistan are very confident that they will not be swamped. Therefore, I am fairly confident and optimistic that it is not a case of protecting ourselves from this strength of the business community of India. We know that you are large but we have our capacity, we have our quality also. Many good businessmen of Pakistan think that they will gain advantage through access in your market. So I think we should go ahead optimistically and I am very sure that there are lot of mutual benefits that will come our way. Now the business executive or businessmen that you interacted with, I don't know who you interacted with, as I told you I know many business executives here who feel very confident of gains when we interact with you.

ARUN:- So that means Mr. President that opening up could be around the corner even if the Kashmir issue is not solved.

PRESIDENT MUSHARRAF:- I am known in India, I think there is unifocal person who just can't forget about Kashmir. I feel odd also, I really feel talking of Kashmir all the time. I do understand, but let me say again, I think I would be most unrealistic if I said anything other than what I have said. No leader in Pakistan can sideline the Kashmir issue. Now this is the reality and we cannot do it. If we think that we can go ahead on all confidence building measures and forget about Kashmir, not doable by any leader in Pakistan. We must understand that and I am afraid if we don't understand this basic issue, I don't think we can move forward. Let me put it very bluntly. I don't think we can move forward on the confidence building measures. I don't think we can move forward on the economic interaction unless we move forward on resolution of all disputes including the Kashmir dispute.

ARUN:- That is quite clear, Sir. May I ask Mr. Sunil Kirmani who is one of the speakers at the Conclave, to ask the question:

SUNIL KIRMANI:- Thank you. Mr. President, in a sense I am sticking up on a number of questions and views that have been expressed already. You might sense how we here in Delhi, and I am sure you are in Islamabad, deeply hopeful at the moment of historical reconciliation between our two peoples. My question is a very simple one. What do you see as being the largest obstacle to that either in terms of substance or process and what do you see us in India? What would you like us to do, to try and remove that obstacle?

PRESIDENT MUSHARRAF:- Sorry, I didn't get your question. Obstacle in the way of normalization of relations?

SUNIL KIRMANI:- Yes, in terms of achieving reconciliation between our two peoples, either in terms of substance or process.

PRESIDENT MUSHARRAF :- I have said that entirely in my whole speech. It contained that. I think the main issue is to develop confidence in each other, a trust in each other and this can only be done through resolution of disputes, all disputes and when I say all disputes, again I have to say including the Kashmir dispute and that is a stumbling block. I have made it very clear. That is what is stopping us. That is what is impeding relationship between the two countries.

ARUN:- Well, let us hear a view, or a question from a former Foreign Secretary, Mr. Kanwal Sibal, perhaps he can get around Kashmir.

KANWAL SIBAL:- Mr. President I listened to your speech with great attention obviously. All of us are very hopeful about the new process that has begun between India and Pakistan and we were asking ourselves as to what is the message that you might give us this evening. I am not sure whether the message that you have given us enhances the sense of hope of optimism or reduces it. There has been a feeling that because of various factors there has been a change in mindset on your side. But if one really carefully analyzes what you have said, there are some legitimate doubts in our minds about what we may expect from the current process because what you have clearly said is that Kashmir remains central and unless there is a forward movement on Kashmir, nothing else effectively can move including economic cooperation and then you also suggest which is a big worrying that in case there was no serious effort to resolve outstanding disputes including Kashmir, the current CBM process may not forward and in fact may go back to square one as you said. Now as you know our major concern as against your concern about Kashmir has been the issue of terrorism. So I do hope that when it is suggested we may go to square one, would not mean that there might be a resurgence of terrorism. Now the question in fact I want to ask and the context in which I want to ask is that India and China are both nuclear weapon powers, no body talks about nuclear tensions between India and China. India and China have an unresolved boundary question which from our point of view is a huge problem in terms of the occupation of large parts of our territory by China and yet we are willing to put aside this very difficult issue and move forward with China in every possible way. Our trade with China in the last three- four years has in fact gone up to over seven billion dollars, double to our trade with Japan, and the prospects are wide open for the normalization of relationship between India and China and both the countries are able to profit from this and in fact contribute meaningfully to peace and stability in Asia as a whole. What is the difficulty that you might face, Mr. President, on your side in emulating the example of India and China?

PRESIDENT MUSHARRAF:- I am a realist. I am a soldier and not a diplomat also. Therefore, I believe in talking straight. I don't believe in saying things which I don't really mean from my mind and heart. I don't believe in bluffing my way through, saying something and then going back when we get on to the dialogue table. So therefore while my words may sound very sour or very harsh to you, but let me tell you that they come from my heart. If you don't agree with them, that is a different issue altogether. When you talk of change in mindsets, if you mean that we ought to change our mindsets and forget about Kashmir, and you are comparing ourselves the relationship between India and Pakistan to your relationship with China. I am afraid there is lot of difference. Here we fought wars, we fought three wars and there is a Line of Control, an issue which is a

United Nations Security Council recognized dispute existing since over fifty years. Every day when there was no ceasefire on the Line of Control, we were killing each other. I wonder whether you have been in Siachen, your soldiers are there. I have been to a very big height there. I know how life is. I know how they are killing each other there. I know all along the Line of Control, I have been to the frontline every year; Now these, are realities. If you can push this reality behind and forget about all this truth, about all this reality on ground and say there is nothing happening in Kashmir, just let put it, let's forget about it and let's remove all our soldiers and while you, while the Indian army carried on whatever is happening inside Kashmir. I am afraid it is not doable. And when you talk of the threat that I am giving that the terrorism may start etc., no not at all I am not giving that threat at all. We don't think there is terrorism going on in Kashmir. We think there is a freedom struggle going on in Kashmir. So I am afraid we will get involved in all the discussions, which we must not do. We had made a new beginning in the form of the joint statement between Indian Prime Minister Vajpayee, your leader, and myself. The text of this joint statement is very clear .It states very clearly that Pakistan and India must resolve all disputes including Kashmir, that Kashmir is a dispute which must be resolved to improve relations and that Pakistan and India are party to this dispute. Now are we saying that we are going back on this joint statement? This is written in black and white, let us use it. If we are to go back on this, then who is sidelining what? Who is changing what mindsets, we are not changing any mindsets, we are not talking of the history of the past, we are moving forward and the basis of this forward movement is the joint statement between myself and Prime Minister Vajpayee. I will adhere to this joint statement in letter and in spirit. There will be no failing on Pakistan's part or on my part to go back on any word of this joint statement. You be the judge. You read this joint statement and let us see what happens now onward in May-June and then in July- August when the Foreign Ministers meet. It is very clear that we have to move the dialogue process forward. The whole world knows about it. So I am afraid, let us not get involved in giving examples of China-India relationships and saying that we should just forget our disputes and start moving. You don't have much over dispute with China and as it is may I say China is a very large country, may be a strategy of coercion would not apply to China between you and China, whereas it does apply to your relationship with Pakistan. And I think in the past the issue has been and the concerns of every Pakistani has been, the coercion that they have been suffering from your country .In our region, Sir, may I say that our region, in our region the size of India is disproportionately large as compared to the other nations. That demands a certain magnanimity. Magnanimity from you, from India, being the largest partner of the region. That magnanimity has to come from your side. It cannot come from smaller partners. So therefore. I think I would' leave it at this. There is no change in mindsets really. I am talking of reality on ground. Let us not forget reality on ground. I think if we see each other with sovereign equality , our concerns must be addressed and Pakistan's concern certainly is to solve all disputes including Kashmir. We cannot sideline it.

ARUN:- Mr. President, I really appreciate your straight talk, so I hope you would not mind if I do some. One country's freedom fighter is another country's terrorist. So the people who attacked you, attempted assassination on you, if they reacted that they were freedom fighters, what will be your reaction?

PRESIDENT MUSHARRAF:- Certainly my reaction will be very violent. I wish I knew. May be I would have dealt with them with my own hands. Obviously, I would have forced them. Certainly there is no doubt in my mind. Any body trying to undertake suicide bombings, killing innocent civilians I would be the last person to encourage that. But I do not know whether you are equating this with what is happening in Kashmir. That is where I wouldn't agree with you.

ARUN:- Then we get away from Kashmir. I was in Kashmir actually.

PRESIDENT MUSHARRAF:- You were, Isn't it.

ARUN:- Yes Sir, let me call on Dr. Amit Mitra who is Secretary of City of Chambers of Commerce of India.

DR. AMIT MITRA:- Mr. President you would be happy to know that the Indian businesses today are afraid of being flooded by Pakistan. How come, an exhibition from the Federation of Pakistan Chamber of Commerce and Industry on made in Pakistan, visited Delhi and forty thousand visitors swarmed the exhibition, showing the kind of affection rather than commerce that we can do with each other. Only this week, however, Mr. President, I must humbly suggest that the most favoured nation treaty still eludes us from the end of Pakistan, though we have signed this SAFTA agreement. Our unofficial trade Mr. President is approximately one point ~even billion US dollars. Which will all be official trade. No lorry can go from Amritsar to Lahore. There is not even a warehouse in the no-man's land. In other words, the potential is there but we are dithering. Could you give us in few words what is your exact vision of opening up, what measures you wish to take towards the synergy between our two economies in specific terms, Mr. President, Thank you.

PRESIDENT MUSHARRAF:- Thank you, certainly a lot of synergy and I am very glad that somebody in India thinks that Pakistan can swamp the Indian markets. Yes, we have some potential, some areas of strength which can be of use, to benefit Pakistan, but I think opening up of trade and commercial relations will benefit both the countries. We will have a large market certainly because you are about one billion strength. But at the same time your products will find certainly a market in Pakistan. So it would be of mutual benefit of both. But as I have said when you talk of vision, I have given my vision and I do not want to repeat it. There is certainly a linkage between political relationship between the two countries and economic activity and commercial activity. You cannot isolate the two. I say when there is hatred between the two countries, we are killing each other as I said daily, we have fought wars, we do not like each other, we have just played a cricket match after fifteen years. How can you think it can be milk and honey in just few days and it can be milk and honey without resolving those disputes. I think We are not being realistic. This is what I am all the time saying. I know that all of you are sitting there may be getting disappointed because I am saying, I am talking all the same things on removing the confrontational aspects of the relationship. But I will repeat I am realist and I believe in a practical, practicable approach to problems. We have to resolve disputes and then go forward to build commercial, economic, trade relationship. This is my vision. I do not think that one can, we can sideline the political aspect of our relationship and go only on our economic and trade and commercial relationship. That is not practicable that is not doable. It is very unrealistic. That is my vision.

ARUN:- Sir, it, seems to me that whenever Indians and Pakistanis meet, or visit each others country , there is lot of love, lot of affection, great amount of hospitality and

sometimes it is seen that there are politicians getting in the way. Do you get that feeling.

PRESIDENT MUSHARRAF:- I said that. I said that in my initial statement that the problem is with the leadership. Yes, the people want to have peace and harmony. But if you come here and say that you just forget about Kashmir, I can tell you that the answer that you will get will be different. If you come and say here that forget about all political disputes, let us have good economic relations, you are going to get a different answer. What the hope and the positive optimism that has developed now is because people here think, that we are going to resolve all our disputes. It is not only because we are going to develop economic and commercial ties between each other. The optimism is and I will repeat is mainly because people here have started thinking that our disputes are going to be resolved.

ARUN:- I believe Indian films are very popular in Pakistan. We have here one of our leading film directors and producers Mr. Subhash Ghoy who would like to ask you a question, sir.

SUBHASH GHROY:- To be very brief. We all know that we have been fighting in the past and facing political differences. But as a movie maker, as a writer, director, producer I always felt that our movies, music and our stories have been receiving a warm welcome by the people of Pakistan. Somewhere in my heart, we are the same by culture, we are very close to each other. And it will be really a very very happy news for the film industry, for the artists, for technicians, and if we can really join hands and make movies together for each other. Thank you sir. What do you think the future .of welcoming each other, if everything is settled down? Thank you.

PRESIDENT MUSHARRAF:- There is scope. I think on the cultural interaction, there is lot of scope. And when you are talking of your films being popular in Pakistan, yes, they are popular in Pakistan. But let me also say that the war movies and the Kashmir movies that you produce are not repeat not held in good stead here at all because I think you make, I don't want to be very blunt, I don't think you are realistic at all. I think you try to portray or try to make, to try ridicule our forces, which is not at all held in good stead here and -you do it in many of your movies. I haven't seen many. I did see one. I don't want to name it because there was so much talk about it and I found it to be absolutely absurd. And I would request 'Aishwarya Roy who is sitting there not to act in such movies.' I know, I think they are quite ridiculous when you come to, because they are most unrealistic. They are absolutely unrealistic and I wouldn't like an artist of your stature Aishwarya to be acting in such movies. I think there should be some balance in portrayal.

ARUN:- Mr. President, does it mean you allow love stories to be distributed in Pakistan barring war films.

PRESIDENT MUSHARRAF:- Things are absolutely alright as long as they are realistic. I mean they should not be absolutely totally unrealistic and one sided that you are dealing with pigmies on the other side and you are going around the other side. I think you should be a little realistic.

ARUN:- Thank you very much Mr. President

ARUN:- May I ask a person from our journalistic community? Shekher Gupta to ask a question:

GUPTA:- Let me try and shift the subject from something as contentious as Kashmir to something on which there should be greater unanimity namely democracy. This is an

unusual year, 72 nations around the world are going for elections. The most rare in human history. Second point no two democracies in our history have ever gone to war with each other, and third, of the countries going to elections this year is also India, so my question is in this great global march towards democratization, do not you feel your country is getting badly left behinds. If so what is the~ plan to do to bring in more democracy in Pakistan may be that would even further the cause of peace because democracies do not go to war with each other. Do you have any anxieties about Indian election? Elections throw surprises. You can presume nothing. Will your propose one more easy CBM which does not have to wait for the solutio1J of Kashmir problem and allow to be telecast in Pakistan. Why deprive your people of the entertainment that our politicians can provide very often. Sir, having said that if you permit me a little note of correction, you said that from Agra to Islamabad India moved a lot accepting the centrality of Kashmir. I am an independent observer. I also have access to some drafts as I am sure your senior journalists, would also like to suggest that Pakistan moved a great deal in fact from Agra to Islamabad in position on cross boarder terrorism, on which it had never given-in in the past.

PRESIDENT:- Ok let me answer the last part first. I have always about hundred times in United Nations, every forum been saying that Pakistan will not at all in favor of any kind of export of terrorism from Pakistan into any other area. I have been saying that all alone and I have also clearly been differentiating between what is happening in Kashmir. We in Pakistan do not call that cross boarder terrorism we call it a freedom struggle. So I do not think we have changed our stance, however I mean let's not dispute or let's not tear this very sacrosanct document apart. There is a joint statement, which has been initiated between Prime Minister Vajpayee and myself. I think it is a very good way forward. We must not try to undermine its value through extracting bugs in this document so I will leave it as that. I think the document is very good and it is a good way forward. Now you started by talking about democracy. I take very strong exception to this. If you think that there is no democracy in Pakistan. I am afraid I do not agree with that at all. I do not even want to answer this question there is democracy in Pakistan, election have been held in Pakistan and every thing is being done in a very democratic manner . Democracy believes in human rights, I think the human rights here are may be in many ways better than human rights in your country .Freedom of speech, freedom of media, freedom of expression may be in many ways is more than that in your country so that is also a part of democracy other than that if you are talking of other issues constitutional issues, parliamentary issues, I think every thing that your country is going through is happening here also. So I think I do not agree with you at all if you are meaning that there is no democracy in Pakistan and we need to move towards democracy. We have our own environment and also may I say we do not accept anybody from out side Pakistan to meddle in our internal affairs. We run our country the way we like it to be run and we do not expect any other country to interfere. If I was to tell you that you need to look after minorities in your country .You need to stop carnage going on in Kashmir and in Gujrat, how would you feel about it. You need to ensure more human rights by not attacking the Sikhs in Golden Temple, by not destroying Ayodhya Mosque. We do not want to interfere in your internal affairs. Why are you interfering in our internal affairs there should be democracy or no democracy, We deal with sovereign equality , we deal in our country's internal affairs as we want so please do not get involved what we are doing in our own country. Beyond this, the

relationship between our two countries have to be developed, based on the joint statement arrived at between Prime Minister Vajpayee and myself. Pakistan will move forward on each and every aspect of that and we look forward to a very good start. Whether there is democracy in 72 countries and holding elections, we have already held our elections and next elections are due in 2007. We will do that on time. Our local bodies elections are due next year, we will hold them in time. so I do not really know what you are inferring when you say that elections are being held in so many countries, so how does it Pertain to Pakistan , I do not know.

ARUN:- I do not want to interfere in your internal affairs, but could I just for my information, know whether former Prime Minister Benazir Bhutto and Nawaz Sharif could return to Pakistan?

PRESIDENT MUSHARRAF:- Benazir has gone out on her own will, we did not send her out. She went out herself during the pervious governments term. There are certain charges against her and she has to face those charges. No body has told her not to come back. As far as Nawaz Sharif is concerned, he has gone back through the mediation of a friendly country and a friendly leader and he also went laughing all the way on his own will. The whole family went there and they are there on their own accord and own sweet will. And they can only come back when this agreement mediated by this friend comes to an end.

ARUN:- I will like to call on former High Commissioner in Pakistan G. Partha Sarthi to ask question.

PARTHA SARTHI:- Good evening Mr. President. I have three separate questions to ask you very specially after the recent controversy which we have had about Pakistani scientists being involved in nuclear proliferation. The question is of greater transparency in Pakistan's nuclear policies. Could you let us know when and if Pakistan will have a formal nuclear doctrine instead of continuously saying that Kashmir is a nuclear flash point, what ever that may be? My second question Mr. President is you spoke of fight against terrorism in Afghanistan and you are talking on the Al-Qaida on Pakistani Soil. The Americans and the Afghans also speak of Taliban Presence on Pakistani soil. Do you intend to take them on as firmly as you intend to take on the Al-Qaida. And the lastly, 3rd question Mr. President, I come from southern India where we have no relatives in Pakistan and the present visa policy is very restrictive only for friends and relatives. Do not you think if we want to get to know each other better, we should have normal tourism like any other two countries would have? Thank you.

PRESIDENT MUSHARRAF:- Thank you very much on the nuclear doctrine, we very much have a nuclear doctrine, I don't know how you think that Pakistan has not even got a nuclear doctrine .Let me tell you that our strategic assets, the command and control the custodial control that we have established may be better than yours and these are all documented .As far as, not nuclear doctrine itself, is very much there. So I think you are misinformed. We have a doctrine. And it has no relationship with the Kashmir disputes as such. As I said we have defensive strategy of minimum defensive deterrence and that is what we are following. Talking of Al-Qaida and Taliban .Yes we are operating against Al-Qaida in our tribal region in the Frontier Province. When we talk of Taliban and whether we are going to act against them. This term Taliban is the most misunderstood term. When you say Taliban, who are you meaning really. I would like to ask you who are you meaning when you say Taliban .If you are meaning all the Talibs which are the product of the students studying in our-madrassas,

they are Taliban. If you are meaning all of them, certainly we are not acting against them. If you are meaning all of Pakhtoons in Afghanistan, certainly we are not acting against them at all. So who are the Taliban really? So we identify Taliban as far as we are concerned very clearly. This is previous Mullah Omer Government their abettors, their supporters, we will not encourage them to be here at all. We will not allow them in Pakistan and we will certainly arrest them and send them back or deport them to Afghanistan as we did in one or two cases where we did catch a few of their members and sent them back to the Afghan Government. We will act against them certainly. I said that we will act against any non-Pakistani in Pakistan, that includes any body whether it is Al-Qaida or Taliban. But we need to be clear on what we mean by Taliban. The last issue that you raised was the visa issue. All visa restrictions some how are the same. You lay down similar restrictions and we do the same. I think when we go for confidence building measures, we move forward on resolution of disputes, I am very clear that these issues of visa will be getting resolved more amicably in the future.

ARUN: - At least that's not tied up with the Kashmir. I would like to request Mr. Rajendar Paul. Who is an eminent businessman of India to ask you a question.

RAJENDAR PAUL :- Mr. President before I talk about information technology which is the subject I am involved with I do want to make an observation. Right through these last 45 minutes, I experienced, periods of joy and periods of sadness. Whenever we are talking of cold logic and reasoning, I felt very sad. Whenever we shared any moment, which is about emotions and feelings, I felt very good. I think that's really the situation between these two countries, for a long time. So while we were rejoicing and enjoying the game of cricket, the moment we start discussing logic and reason, we just seem to be going backward. In some sense, the new dialogue which is opening many fronts has a lot to do with feeling and emotions and some to do with logic, I think the balance is valid but I tend to feel that if we can give feelings a little vent a logic will follow. There is an old saying which says that the way the east thinks and the way the west thinks is different in one respect. We say in the east we have faith and proofs follow and in the west we believe they have proofs and faith follows. My humble suggestion is that we get into this very important phase of breakthrough. I see that gives an opportunity of a breakthrough, lets not to try an over balance feelings, logic and emotions if we have to make a little bit of differences in these two. Let the feelings come forward because I think the warmth, which is getting generated and can get generated will dissolve the tricky problem we are trying to solve, that was just an observation on information technology. I think in the opportunities India is surging ahead. We are beginning to find tremendous opportunity for people in India as you look at the outsourcing business opportunities in the west. From India we are already beginning to look at building development centers from outside India and we are talking of Philippines, we are talking all the way of China as well. It is only natural for us to look at Pakistan as a partner in this, this is also feel may be you do not need to make good and bodies connections can be established and work can be done virtually. I believe that this is an area that cooperation could be very rapid and very quick and yet it is not figuring among the important points for discussion. I would like to know your specific view on whether you think, the whole field of IT is something we should get a much more serious look of and how we could do collaboration. I would like to hear your views about this.

PRESIDENT MUSHARRAF:- Thank you very much for your idea of logic and emotions I think both are important and they are interlinked. We cannot set logic aside

and go only on the path of emotion because we will fail. However I take a point, I do take your points, coming to your issue of information technology. I do know that India is doing very well in information technology. Pakistan during the last three or four years when my Government was in place, we have developed an infrastructure, information technology infra structure, and we trained our manpower also and I think we have tremendous potential in information technology in the development of information technology and I very much agree with you that this is one area where we can collaborate for our mutual benefits. Certainly when we move forward on economic or commercial interaction, information technology has a lot of complementarily to benefit both of us and we would like to move forward on this.

ARUN:- Nice, positive. I would like to now call on Jay Panda, he is a young MP in our parliament Mr. President he would like to ask a question.

JAY PANDA:- Mr. President we Indians have long had a secret and grudging admiration for you for your vigorous, energetic and nimble style of leadership which you have demonstrated but it is that very nimbleness with words and sometimes facts that has some of us wondering how serious you are about peace and then the other issue that Mr. Shekher Gupta raised about democracy. Even accepting that Pakistan today has democracy and going by your own statement there is further evolution expected. Perhaps you will cease to have two posts as chief of the armed forces as well as president. Now some people think that we should take advantage of this period while you do have both posts. Some people think that perhaps democracy ought to have, that further step of revolution which you, yourself have announced before we can, really have a chance for peace or so tell us Mr. President why are you the best person for us to deal with and deal with now to have peace.

PRESIDENT MUSHARRAF:- Thank you very much first issue of how serious I am about peace and your doubt that I am not serious about peace. Well let me put it bluntly that we have very serious doubts that you are not serious about peace. So who is right and who is wrong I don't know. So that is to say that there are suspicions on both sides we think that you are following a strategy which will do good to you and side line issues, side lines disputes, and you are not serious about these. This is the main suspicion of Pakistanis here, but similar is your suspicion; when you say that I am not serious about peace. Now I feel its very odd that you some times in India and even now in this forum. I feel a little bit over ridiculed. When one talks of Kashmir as if this is an unimportant issue which is being spoken about unnecessarily over, and over again. This increases one's suspicion that what we have written in the joint press statement between myself and Prime Minister Vajpayee, may be you don't mean it, may be the people of India don't mean it. When we have written that Kashmir is a dispute which needs to be resolved, may be you don't mean it because this is our suspicion exactly it has existed in the past and now when in this elite August forum if everyone thinks that it is a very minor, irritant that I am raising unnecessarily and trying to emphasize it unnecessarily, it disappoints me, it disheartens me, it saddens me also that may be we don't want to resolve it and we think that we can go forward on all issues. So let me say again with all my conviction? r am very serious about peace but if your version of peace is don't resolve political disputes, that is not my version of peace, so there is a difference we need to sit down and clarify and really reach an understanding before we precede further. I only hope that Prime Minister Vajpayee, the foreign secretary , the foreign ministers who are to interact are very clear in their minds on what we have decided in

that joint statement and we move forward on that. What I have told you on the simultaneously, on the linkage between confidence building measures and the dialogue process is nothing new, let me tell you I had verbatim said this to PM Vajpayee also. I am not saying something new to you, which I have not said to anyone else. And this has exactly been said to your Foreign Secretary when he came here, and it will exactly be conveyed to your Foreign Minister when he meets my Foreign Minister. So really I mean let's be very clear, if we think that we can just go on economic ties, cultural ties and relationship, media interaction, exchange of films, exchange of artists, and that is all, we are the most unrealistic people. We have not succeeded in the last 50 years, I don't know whether we will take another 50 or 100 years to succeed again. I am not the man who can really sit here and be unrealistic and impractical and do not address issues and hide my feelings, be hypocritical when I come in front of anyone whether it is the negotiation or an August gathering like this. I am not that. I try to be realistic, but in my realism, if you think that I am being very stubborn very obstinate, not understanding your point of view, I am very much understanding your point of view. I very much understand realities on ground and I very much also do understand what is the way forward. I do not think the way forward is as you people are thinking, that disappoints me and the faster we understand and are prepared to be bold enough to face realities on ground that much the better. Otherwise when I say we would not be able to move forward, I am not trying to raise alarms. I am just trying to be realistic. It will not happen, not because I do not want it, because that those are the realities, which have existed for 50 years and can not be sidelined and forgotten. So if you think they can will, ok, let's try. But I am afraid we will fail again. I do not want to fail, but let leave it like this. And this is my feeling. I only hope with all my seriousness, with all my sincerity that we move forward on the path of peace.

ARUN:- I am afraid we are running out of time. I would like to take this opportunity of thanking President Musharraf for spending so much time with us for answering questions just so well in terms of being straight, analytical no punches pulled, I think he is very clear. The fact that Kashmir is a central issue is not running away from it and I think that there is something the government of India well realizes. I think also the fact that he is referring to a document signed in Islamabad and is going to implement it by the later is also a great sign of optimism for us and hope. And he is serious about stopping cross border terrorism, I think, is another great hope for us. I think if the government of India and Pakistan talk the way president Musharraf has spoken to us and they talk straightforwardly openly and not play games with each other, I think there is going to be a hope that even intractable problems like Kashmir can be solved or at least if not solved, we can continue to talk about it how to solve it. But it requires straight talks, I think President Musharraf has set a great example for this to show how it can be done. I like to thank you sir, for spending this time. I only have one little request that do not tie up Kashmir with opening up films, media and those soft issues specially when beautiful Aishwarya Roy has requested you sir to please open it up. Please do think about it. I thank you again. Thank you President Musharraf. Please give him a standing ovation. Thank you

PRESIDENT MUSHARRAF:- Thank you very much. If you are still hearing me, I would like to say that forums like this do play a very important role in developing understanding. All that I would request you to be very realistic. Let's be very pragmatic, let us be very bold to resolve disputes and go forward on the path that you yourselves

want and Pakistanis want. You will not find me not being bold and not being sincere. I thank you ladies and gentlemen. Thank you. ■

<http://www.infopak.gov.pk/President_Addresses/india_today_conclave.htm>

Document No. 13

SPEECH OF ABDELOUAHED BELKEZIZ, SECRETARY GENERAL OF THE OIC AT THE FOURTH CONFERENCE ON DEMOCRACY AND DEVELOPMENT IN THE FACE OF CONTEMPORARY CHALLENGES

**Your Royal Highness Sheikh Hamad Bin Khalifa Al Thani,
Emir of the State of Qatar;
Your Highnesses and Excellencies;
Distinguished Ladies and Gentlemen**

As-salam alaykum warahmotullah wabarakatuh.

I am very pleased to be here with you in Qatar to take part in the Fourth Conference on Democracy and Free Trade, organized by the University of Qatar in conjunction with the Qatar Chamber of Commerce and Industry, under the theme “Democracy and Development in the face of Contemporary Challenges”.

Let me begin by expressing gratitude to these two institutions for their fine initiative that responds to an urgent need in this part of the world. Such an initiative will make rational and informed contribution to the crystallization of views and ideas on the issues of the moment that commands the attention of many. This is more so because those who will be examining the issues slated on the agenda of this conference are the cream of intellectuals and scholars. This is why I am so pleased and attach such a great interest to being at this conference, in response to the generous invitation of H.E. Mr Hamad Bin Jassim Bin Jaber Al Thani, First Deputy Prime Minister and Minister of Foreign Affairs of the State of Qatar.

Because of the correlation between democracy and systems of governance that no organized society can live without, no one can deny that since the creation of man over the ages, the issue of democracy has been one of the main concerns of human societies in their constant quest for justice, security and dignified life.

The evolution of democracy in the world is a long and ramified issue. Time will not permit dwelling on it on this occasion. It can be said, however, that modern democracy emerged with the ascendancy of liberal principles - that is, general freedoms, true representation of people and political pluralism, accountability and transparency, rule of law and justice in its widest sense, respect for human rights and openness, as well as the shunning of bigotry and discrimination. Ever since Islam existed, those principles have not been to the Islamic world. And I do not believe that Islam is incompatible with modern day concepts of good governance. In fact, Islam is one the first pioneers of those concepts.

In a nutshell, Islam, many centuries ago came with a concept that is parallel to democracy. That concept seeks to achieve good and just governance that is based on the principle of consensus, respect for general freedoms, equality among people, accountability, justice, human dignity and the principle of separation of powers. These

are the mainstays of not only modern democracy but also the lofty human values known to man in the age of modernity and enlightenment.

Islam's view of democracy is characterized by a special advantage. Commitment to the respect of the stated principles is dependent not only on legal controls. But more than that, the commitment is made a part of a complete faith because of the aura of respect and sacredness accorded to those principles.

Despite the foregoing, results are not measured by the texts of legislations alone. Rather, they are measured by the implementation or lack of implementation of the legislations and by the proper or improper application of them. It is necessary to admit that practical application of these principles in governance, in accordance with the Islamic law was limited to only a short period of time in history. Not long after that, individual practices were introduced to the application of the legislation, thereby causing deviation from the upright Islamic path.

In the present age, however, democracy in many parts of the Islamic world is a mixture of old cultural tradition and modern system of governance. Many of the legal texts regulating these matters should be praised, respected and commended. However, the defects in them in most cases lie in the practical applications that are manifested in concrete reality which often denude the text of its content, with the result turning out to be very far from the objective intended by the lawgiver.

This shows that some Islamic countries still need to develop methods to cope with democracy at the level of both the text and the practical application of law that will be true to the letter and spirit of the law. This will enable those countries to be line with the modern international order, without neglecting their civilisational heritage which is not at all in conflict with new democratic principles.

There can be no doubt that reform is necessary. Before all else, the law of progress which is part of the constants of the law of the universe requires reform. Stagnation can only bequeath lethargy, recession and backwardness in keeping up with the accelerating convoy of civilisation that shows no mercy to latecomers.

Lived experience has proven that weakness or the absence of democracy anywhere in the world has considerable adverse impacts on economic performance and therefore development. In fact it is a key factor of economic backwardness.

It is well known that democracy brings with it principles and patterns of practices that instill confidence and improve economic condition. Such principles – justice, accountability, transparency - encourage economic actors to come on board, and they assure investors both within and outside of the safety of their money and their investments. On the other hand, the absence of democratic laws or the difficulty of their application can block economic actors from working under uncertain conditions, scare investors from embracing processes that are not governed by law and lack assurances and guarantees.

The relationship between democracy and development is therefore one of clear correlation that does not need further explanation. Since the current global challenges are linked with the general phenomena of contemporary issues, most notably globalization, which is based on intense competition, speedy communication and survival of the fittest, whoever excludes himself and his country from adapting to the spirit, working method and conditions of this age has brought upon himself isolation, retrogression in joining the convoy, and consequently, poverty, deprivation and blocked horizons of hope.

This is why a conference such as this is necessary for the cross-fertilization of ideas between the East and the West, the North and the South and for testing the depth of challenges facing humanity. It is also necessary for calling attention to the roots of political and economic backwardness and how to deal with them, so that an atmosphere of solidarity and cooperation will prevail among mankind, leading to a situation where confidence, security and peace will be strengthened and where goodness and prosperity will reach everyone.

On this note, I wish you every success in your deliberations.

Wasalamu alaikum warahmotullah wabarakatuh.■

DOHA, 5-6 April 2004

<<http://www.oic-oci.org/press/english/april%202004/doha.htm>>

Document No. 14

TEXT OF THE KEYNOTE SPEECH CHINESE PRESIDENT HU JINTAO, DELIVERED AT THE OPENING CEREMONY OF THE BOAO FORUM FOR ASIA 2004 ANNUAL CONFERENCE

China's Development Is an Opportunity for Asia

Speech by President Hu Jintao of China at the Opening Ceremony of the Boao Forum for Asia 2004 Annual Conference.

Boao, 24 April 2004/4/23

Honorable Guests, Friends, Ladies and gentlemen,

It gives me great pleasure to attend the Boao Forum for Asia 2004 Annual Conference today. Let me begin by extending, on behalf of the Chinese government, my warmest welcome to all of you present here.

In the past few years, with the support of the fellow Asian countries and the larger international community, the Boao Forum for Asia has developed steadily, playing an increasingly prominent role in regional cooperation and demonstrating to the rest of the world the fervent desire of the Asian people for a win-win scenario through closer cooperation.

Coming into the 21st century, the international situation has continued to undergo profound and complicated changes. World multipolarization and economic globalization are progressing amid twists and turns. Science and technology are advancing with each passing day. We have before us both development opportunities that we must seize and grave challenges that we must deal with. Despite the widespread conflicts and clashes of interest and increasing numbers of factors of uncertainty and instability, peace and development remain the overriding themes of the times. The world needs peace, countries desire development and people want cooperation. This has become an irresistible trend of history.

We are glad to see that Asia has, on the whole, enjoyed stability, with peace, development and cooperation becoming the mainstream of an advancing Asia. With concerted efforts, Asian countries have freed themselves from the shadow of the financial crisis, overcome the impact of SARS and bird flu, succeeded in domestic economic restructuring, and quickened the tempo of industrial upgrading and

transformation, promoted a robust regional cooperation, and increased the capacity to tide over potential risks. Asia retains its position as one of the world's most dynamic regions and a key growth point in global trade. All this gives us much confidence about Asia's future.

Ladies and gentlemen,

Both in history and the present-day world, a country can emerge victorious from tough international competition and enjoy faster development only when it gets along with the tide of the times, seizes the opportunities for development, blazes a trail suited to its national conditions and relies on wisdom and resourcefulness of its own people.

In the past 25 years, while pressing ahead with reform and opening up, China has put initially in place a socialist market economy, an economy that is open to the outside world. China's productive forces and overall national strength have been constantly enhanced. With various social undertakings developing in full swing, the Chinese people as a whole have made the historical leap from subsistence to modest prosperity. In the course of 25 years between 1978 and 2003, China's economy grew by an average annual rate of 9.4 percent, with its GDP, foreign trade and foreign exchange reserves jumping from 147.3 billion US dollars, 20.6 billion US dollars and 167 million US dollars to over 1.4 trillion US dollars, 851.2 billion US dollars and 403.3 billion US dollars respectively. China now is the world's sixth largest economy and the fourth largest trader. The reason why China has produced such tremendous changes is because we have adhered to the road of building socialism with Chinese characteristics and persevered in reform and opening-up, thus galvanizing the Chinese people's initiative, enthusiasm and creativity.

Though China has achieved impressive results in its development, there are still many acute problems, such as overpopulation, weak economic foundation, underdeveloped productivity, highly uneven development, and a fairly sharp contradiction between the country's ecological environment and natural resources on the one hand and its economic and social development on the other. China's per capita GDP, though reaching the record high of 1,000 US dollars last year, still ranks behind the 100th place in the world. To make China's modernization program a success and deliver a prosperous life for all the Chinese people still requires a long and uphill battle.

We have already set a clear goal for the first 20 years of this century. Namely, in building a well-off society of a higher standard in an all-round way for the benefit of well over one billion Chinese people, we will quadruple the 2000 GDP to 4 trillion US dollars with a per capita GDP of 3,000 US dollars, further develop the economy, improve democracy, advance science and education, enrich culture, foster greater social harmony and upgrade the texture of life for the people.

To achieve this goal, we will continue to follow the guidance of Deng Xiaoping theory and the important thoughts of the "Three Represents" and conscientiously act, in an all-round way, on the concept of people-oriented, comprehensive, coordinated and sustainable development. This scientific concept of development crystallizes the successful experience of China's reform, opening-up and modernization drive in the past 25 years and that of the other countries in their course of development, and reflects a new understanding of the issue of development by the Chinese Government and people. We will take economic development as our top priority, aim ourselves to the all-round development of man, and follow a development

path characterized by high productivity, affluent life and sound eco-system by properly balancing urban and rural development, development among regions, economic and social development, development of man and nature, and domestic development and opening to the outside world.

To achieve this goal, we will continue to push vigorously our reform and opening-up program, concentrating on building and perfecting our socialist market economy and making it more dynamic and more open to the outside world. Taking the initiative in our own hands with independence and self-reliance in development is an important experience of ours. We persevere in reform, because we need to remove the institutional barriers that impede the development of productive forces and unleash the dynamism that exist in our society for development and creativity. In so doing, we mainly rely on institutional and technological innovation, on expanding domestic demand and on increasing the professional aptitude of our citizens. In the meantime, we firmly stick to our opening-up policy, taking an active part in international economic and technology cooperation, and making contribution to China's own development and the common development in the world.

On our road to progress, we are still encountering the multitude of contradictions and problems, and the various risks and challenges. However, the Chinese people have the confidence and the capability to overcome all kinds of hardships and difficulties and make China's modernization and great rejuvenation a reality.

Ladies and gentlemen,

China is an Asian country. China's development is closely related to Asia's prosperity. China has, and will continue to make a positive impact on Asia in the area of development.-- A developing China generates important opportunities for Asia. As the world's biggest potential market, China has presided over in the past 25 years a steadily expanding and maturing market with import growing at an average annual rate of over 15 percent, which has made China the third largest importer globally and the largest importer in Asia. In 2003, China imported from the rest of Asia a total of 272.9 billion US dollars worth of merchandise, up by 42.4percent, with imports from [ASEAN](#), [Japan](#), [ROK](#) and [India](#) increasing by over 35 percent. Direct investment in the rest of Asia by China has risen at an average annual rate of 20 percent in recent years. In 2003, more than 20 million outbound visits were made by Chinese nationals, as more and more Chinese tourists made Asian countries and regions their choice destinations.

With China's development, the size of its market and its overseas investment will grow even larger and still more Chinese will travel to the other parts of Asia for sightseeing, business and visit. China's economy will integrate still more closely with Asian economy, giving rise to a new type of partnership characterized by mutual benefit, mutual complement and mutual assistance.

China's development contributes to peace and stability in Asia. A stable and prosperous China is in itself an important contribution to peace and stability in Asia. China since ancient times has had a fine tradition of sincerity, benevolence, kindness and trust towards the neighbors. The very purpose of China's foreign policy is to maintain world peace and promote common development. China always practices what it preaches. Persisting in building good-neighborly relationships and partnership with the neighboring countries, we pursue a policy of bringing harmony, security and prosperity to neighbors and dedicate ourselves to strengthening mutual trust and

cooperation with the fellow Asian countries, easing up hot spot tensions, and striving to maintain peace and tranquility in Asia.

China's development injects fresh vigor to regional cooperation in Asia. China has been extensively involved in the various mechanisms of Asia-based regional cooperation, emphasizing its cooperation and coordination with all the parties and promoting regional economic integration. China has joined the fellow Asian countries in discussing the possibility of free trade areas, conducting various forms of security dialogues and cementing cooperation on the bilateral level while promoting regional cooperation.

Ladies and Gentlemen,

It is China's sincere wish to cultivate with the fellow Asian countries an overall and close partnership geared to Asian rejuvenation, a partnership that features equality and mutual trust politically, mutual benefit and win-win economically, exchange and emulation culturally, and dialogue and cooperation on the security front. To this end, China will take the following steps:

First, enhancing friendship and political trust and good-neighborliness. China will develop partnerships with other Asian countries on the basis of the UN Charter and the Five Principles of Peaceful Coexistence, treating all countries as equals irrespective of size and committing to settling whatever disputes there might be through dialogue. China hopes to see stronger high-level ties and interactions at other levels with other fellow Asian countries, and more timely consultations and coordination on major international and regional issues.

Second, expanding and deepening bilateral economic cooperation. China is ready to develop all-round economic cooperation with fellow Asian countries with emphasis on trade, investment, natural resources, information, pharmaceuticals, health service, environmental protection, transportation, science and technology, agriculture, poverty alleviation, and development of human resources. China will continue taking practical steps to help other developing Asian countries with their economic development through preferential policies. China will encourage its enterprises to take Asia as their principal destination for "going global" strategy, and combines its western development strategy and the Northeast rejuvenation strategy with strengthened economic cooperation with the neighboring countries.

Third, accelerating regional economic integration. China hopes to study with fellow Asian countries on possible free trade arrangements of various forms consistent with prospective cooperation network of free trade areas in Asia. China is ready to step up its coordination with other Asian partners on macro-economic and financial policies and probe into the establishment of regional cooperation regime of investors, securities market, and financial institutions. China will work actively to promote the institutional building of all kinds of economic cooperation organizations with a view to consolidating resources, prioritizing the key areas and conducting performance-oriented cooperation.

Fourth, promoting cultural interaction and personnel exchanges. China is committed to stronger cultural exchanges in Asia, and encourages media cooperation to jointly build an Asia-wide cultural market. China supports inter-culture and inter-religion dialogues in Asia, and advocates greater understanding and tolerance. China is ready to work with other Asian countries in promoting youth exchanges, and providing greater convenience for people's travel on public, business and tourist purposes.

Fifth, facilitating security dialogue and military-to-military exchanges. China will stick to its new security concept featuring mutual trust, mutual benefit, equality and cooperation, and hopes to establish a security relationship and cooperation featuring non-alignment, non-confrontation, and non-targeting at any third party. China will step up its cooperation and dialogue with other Asian countries in such security areas as regional counter-terrorism, combating transnational crimes, maritime security, and non-proliferation, giving full play to existing multilateral security mechanisms. China is ready to set up a military security dialogue mechanism with other Asian countries and actively promote confidence-building cooperation in the military field.

Ladies and Gentlemen,

China's development cannot be achieved in isolation of Asia, and Asia's prosperity also needs China. China will follow a peaceful development path holding high the banners of peace, development and cooperation, join the other Asian countries in bringing about Asian rejuvenation, and making greater contribution to the lofty cause of peace and development in the world. ■

<http://english.peopledaily.com.cn/200404/24/eng20040424_141419.shtml>

Document No. 15

REMARKS OF THE PRIME MINISTER TO THE ANNUAL CONFERENCE ON BOAO FORUM FOR ASIA 24 APRIL 2004

Your Excellency President Hu Jintao,
Your Excellency Chairman Bob Hawke,
Your Excellency Secretary General Long Yong tu,
Distinguished participants,
Ladies and Gentlemen

I am grateful for the opportunity to address this distinguished forum.

Boao Forum for Asia has pioneered Asia's search for win-win. The vision of a win-win model promoted lay the forum is relevant to our common endeavours to realize peace and progress.

We are living in critical times. Today we face the danger of terrorism and new regional conflicts while old disputes remain unresolved.

There are ominous tendencies of unilateralism and corresponding weakening of the United Nations system.

Globalization has had a mixed impact on societies. Along with economic benefits, we have witnessed increasing disparities and widening gap between the rich and the poor.

However, there are also auspicious signs. There is growing trend in favour of regional economic development and integration.

The theme for this year's Conference "**Asia Open to the World**" is particularly appropriate.

Sagacity, foresight, intuitive genius and great talent are the hallmarks of the Chinese people and their glorious and ancient civilization.

China's great transformation and spectacular economic rise is undoubtedly a source of strength and satisfaction not only to Pakistan but to the entire Asia and Pacific region.

It is, therefore, natural that China leads the way to providing peace and prosperity in Asia.

We deeply appreciate China's initiatives, through the Boao Forum for Asia, for creating synergies and building mutually beneficial economic complementarities for progress and social harmony in Asia and beyond.

We deeply admire China's impressive progress in the recent years in modernizing its economy and improving the quality of life of its people.

I take this opportunity to congratulate China's remarkable leadership for their wise policies and the Chinese people for their dynamism and genius for hard work.

China's impressive development is exemplary and offers the best hope for the developing world in the Twenty First Century.

China's leaders have often stated that peaceful environment especially in their neighbourhood is important for China's economic development. This is indeed correct analysis. What is equally true is that economic development is also essential for peace and stability of a region.

The lesson of history is clear. Collective efforts are required to ensure that no region especially in our continent suffers economic regression and decline.

Economic integration of various regions in Asia will depend on steady economic development of all regions and countries, even if at a varying pace.

Asia searching for win-win and open to world is indeed a beautiful theme. It signifies the high ideals espoused by this Forum, which are so close to the hearts of our peoples and so much in consonance with virtually limitless potential for making this Century into a truly Asian Century.

Asia possesses huge natural resources, has the right demography, technological and entrepreneurial excellence, an industrious work force and many shining examples of working the economic miracle.

The challenge is to work this miracle for all regions and sub-regions of Asia.

To balance economic growth in a manner that redresses iniquities; raises living standards universally; is sustained and is fully compatible with our environment and eco-systems.

Distinct as Asian values and culture is, so should be the Asian growth and development model.

Asia could impart to globalization a new and human dimension.

China provides a fine example. The Chinese growth model is humane and rational. The emphasis on balanced development is a watchword that has profound meaning and lessons, as we purview the global and regional economic scenarios.

The political, cultural and economic variants of globalization are shaping the international society.

Driven by technology and liberal economics, globalization is a reality. It offers opportunities and challenges.

Excellencies,

Ladies and Gentlemen,

Global economic situation is marked by uncertainty. In recent years there has been a stalling of growth in some of the biggest economies of the world. The recovery has been faint and rather delicate.

Conventional economic theories have failed to provide answers to 21st Century economic dilemmas.

Vast regions in the southern hemisphere have not been able to connect effectively to a fast globalizing world on terms that are just and equitable.

Debt burden, burgeoning deficits; recipes of structural adjustment; exploitation of primary producers; unjust terms of trade and strong impulse of protectionism characterize the turbulence on the economic horizons.

Globalization must be managed to maximize dividends and minimize its hazards, especially for the poor and the already marginalized segments of the international society.

It must be harmonized - given a human face. It must not destroy our natural environment nor plurality and cultural diversity.

These thoughts pose huge philosophical challenges. These questions must be deliberated, if mankind is to avoid the perpetual cycle of strife and social turmoil.

Political realities continue to impact on the macroeconomic scenario. Of utmost concern is the globalization of terror, unresolved crises in Iraq, Afghanistan and the Korean Peninsula as well as the longstanding questions of occupation of Palestine and Kashmir.

Compounding these problems is the perceptual divide between different civilizations and the doom sayers chant of a clash of civilizations.

Unsettling as this may be, we in Asia cannot eschew our responsibility to isolate ourselves from contagion of greed, violence and hate.

We can do so by resurrecting and basing our actions on our authentic Asian values and traditions. These values are a true civilizational accomplishment. They harmoniously blend nature, man and his environment.

The theme of balance must pervade our political, economic and social ethos.

We must also begin by bringing to a closure political problems and disputes in the greater Asian neighbourhood.

We must focus on the marginalized sub-regions of Asia to lift them from the quagmire of poverty and deprivation.

We must impart to our peoples a sense of dignity and provide to them equal opportunities to utilize their creative potential for the common good of humanity.

An Asian Century must not be as were the past centuries a tale of wars of greed, hate and exploitation. It must be imbued with higher spiritual values, so characteristic of Asian societies.

Asia can demonstrate to the world a unique growth model that this Forum is well endowed to delineate.

We are heartened by the processes of the regional and sub-regional economic cooperation in Asia.

Bali Concord-11 has put ASEAN on the course of emerging as a harmonious economic, security and cultural community.

North. East Asia is vibrant and dynamic.

Preferential tariff and free trade regimes are shaping up fast.

A new emphasis on inter-regional cooperation is gaining momentum.

Shanghai Cooperation Organization and establishment of the Asian Cooperation Dialogue are among the projects that could change the economic and political landscape of Asia.

To realize Asia's full economic potential, we must impart growth and development dynamics to the vast regions of Central, West and South Asia.

These huge resource rich zones and large markets have not yet fully been integrated into a holistic Asian development paradigm.

Integrating resources and markets by injecting entrepreneurial skills and talents and requisite technological upgrades would create synergies that will make Asia peaceful and prosperous.

I would suggest that the Boao Forum must initiate special efforts to identify and develop economic complementarities between the sub-regions of ASIA,

'Economic Vision Asia, must be pursued with full vigour.

The Boao Forum must take the lead in forging an Asian consensus on Development through Cooperation. For this purpose, we need to:

- open multiple channels and employ multiple means to deepen and broaden cooperation.
- forge Asian unity.
- move towards production of good quality products.
- work together to ensure optimal synergy, in particular with smaller Asian countries.
- actively pursue structural reforms, boost cooperation and improve business environment.
- strengthen the concept of co-production of products.

It is also important to move towards mechanisms and modalities for cooperation.

A Pan Asia Forum encompassing all regions and sub-regions of Asia must evolve from this cooperative endeavour.

An Asian cosmos with its own institutions and coordinating mechanisms to ensure prosperity and peace for our continent as a whole.

Asia must develop harmoniously. It must remain open to the world. It must act together through consultation and coordination to rectify distortions and difficulties in the global economy.

ASEM and APEC provide avenues to link Asia with Europe and the Americas. These processes must be further developed and made more comprehensive and effective.

Asia has to look with confidence to emerging as an important factor of growth and stability for the global economy. This is a role, which naturally devolves with Asia's phenomenal growth and development.

The establishment of a Pan Asian Forum will go a long way in providing the mechanisms for effective cooperation and coordination by Asian economies with global economy as a whole.

China borders major regions of Asia. Strength of its economy has been a factor of stability and support for Asian Pacific economies.

We are confident that China will play an equally important role for promoting development of the Central and South Asia through investments and growth of trade through a web of co-production arrangements.

China and other Asia Pacific countries, with the strength of their reserves and surplus capital must lead this process.

Pakistan is proud of its time-tested all weather friendship with China. We are working to building a synergy between our economies and to benefit mutually from the tremendous efforts now underway in development of Western China and the bordering regions in Pakistan.

We are moving from preferential tariffs towards a free trade arrangement. Pakistan is developing China specific industrial zones. We look forward to developing a vibrant partnership between the private sectors of our two countries.

Ladies and Gentlemen,

Pakistan is promoting regional cooperation in South Asia.

The SAARC Summit held in Islamabad in January 2004 was a great success.

An agreement on establishing South Asia Free Trade Area was signed. SAFTA is a significant milestone towards mutually beneficial economic cooperation in South Asia.

It will bring to fore the huge market potential of South Asia, which if properly connected to the energy rich Central and West Asia, and the fast developing East Asia would make Asia a global economic pole.

As Chairman of SAARC, Pakistan has placed special emphasis on consolidation of intra-regional cooperation in SAARC and to the development of inter-regional cooperation, especially between SAARC and ASEAN, SCO, ECO and GCC.

Pakistan has actively promoted the concept of inter-regional cooperation in Energy and infrastructure. Our proposal for developing the modality of dialogue partnership between SAARC and important regional entities and bodies was also approved.

The SAARC Summit also endorsed our proposal for the South Asia Energy Ring and development of requisite infrastructure including transportation and communication links.

Pakistan is well situated to becoming a commercial hub linking the important regions of South, Central and West Asia. Development of the Gwadar Port with Chinese assistance and improvement of road and rail infrastructure in western Pakistan will alter the economic landscape of the whole region.

Our vision East Asia envisages developing a comprehensive partnership for peace and development with South and North East Asia.

Pakistan wishes to associate itself closely with all cooperative enterprises, and endeavours in the greater Asia-Pacific region including ASEAN, ASEM, APEC and the Shanghai Cooperation Organization.

Our national priority is domestic reforms, economic stability and modernization. Our aim is to build a strong, prosperous and democratic Pakistan, which stands fully integrated with the rest of the world.

We have achieved macroeconomic stability. The GDP growth rate is currently 5.5% and is expected to range around 7% in the next few years. Pakistan is attracting increasing foreign investment. Presence of more than 600 foreign companies

including well known multinationals, testify to the credentials of Pakistan as a safe and profitable destination for investment. The corporate profitability, on average, ranges from 16 to 60 percent.

Pakistan offers a secure and favourable environment to investors in the fields of information technology, agriculture, textiles, oil and gas, chemicals and financial business. Pakistan is also an excellent base for supplying a wide range of goods and services to the new markets of Central Asian Republics as well as Afghanistan.

Service, infrastructure and agriculture sectors are also open for foreign investment. In service and agriculture sectors 100% foreign equity is allowed. There is complete freedom of choice regarding location of activities and full repatriation of capital, profits and dividends. Generous fiscal and tax concessions are also available.

We have created a propitious environment for promotion of growth and investment. I invite you all to participate in our development efforts.

Ladies and Gentlemen,

I wish to thank the organizers of this Forum and the people and the government of this beautiful Hainan Province for the warm reception and generous hospitality extended to me and my delegation.

I wish to thank you, once again, for enabling me to share my thoughts with you. I *wish this Forum* every success in its important deliberations.

Thank you.■

Source: Text Obtained from Pakistan Foreign Office

Document No. 16

JOINT PRESS STATEMENT AT THE OFFICIAL VISIT OF PRIME MINISTER ZAFARULLAH KHAN JAMALI TO THAILAND

1. H.E. Mir Zafarullah Khan Jamali, Prime Minister of the Islamic Republic of Pakistan, paid a three-day official visit to the Kingdom of Thailand from 28-30 April 2004 at the invitation of H.E. Dr. Thaksin Shinawatra, Prime Minister of Thailand. Prime Minister Jamali was accompanied by a high-level delegation consisting of H.E. Sheikh Rashid Ahmed, Minister for Information and Broadcasting, H.E. Chaudhry Nouraz Shakoore Khan, Minister for Petroleum and Natural Resources, H.E. Dr. Abdul Hafeez Shaikh, Minister for Privatization, other high-ranking officials and representatives of Pakistan media.

2. H.E. Prime Minister Jamali was received in audience by His Majesty King Bhumibol Adulyadej at Klai Kangwol Palace, Hua-Hin on 29 April.

3. The Prime Minister of Pakistan and the Prime Minister of Thailand held full delegations level talks on 29 April, in a very cordial atmosphere, during which various aspects of bilateral relations as well as regional and global issues were discussed. The two Prime Ministers exchanged views to further strengthen bilateral relations and develop multi-faceted cooperation in a wide range of areas, including security, trade & investment, science & technology, tourism, civil aviation and culture.

4. Both leaders witnessed the signing of three bilateral agreements:

1) MOU on Combating Terrorism and Certain Other Crimes;

2) MOU on Scientific and Technological Cooperation;

3) Protocol on Consultation and Co-operation between the Ministry of Foreign Affairs of Thailand and Pakistan.

5. Both leaders expressed satisfaction over the existing excellent state of bilateral relations which provide a solid foundation for further deepening of close cooperative and friendly ties between the two countries.

6. Both sides expressed satisfaction over the signing of the MOU on Combating Terrorism and Certain Other Crimes. Prime Minister Thaksin expressed appreciation for Pakistan's role as a frontline state against terrorism. Both leaders recognized the global threat of international terrorism and transnational crimes and expressed confidence that this MOU would serve as an efficient mechanism to intensify existing cooperation on security issues.

7. Both sides expressed satisfaction on institutionalization of consultations between the two Foreign Ministries.

8. Both sides agreed to fully utilize the mechanism of the Joint Economic Commission (JEC) to explore ways and means to expand bilateral trade and investment. They also agreed to work towards realizing Comprehensive Economic Partnership and in this regard, mandated the JEC to expeditiously set up a Joint Study Group to discuss Preferential Tariff Arrangement and possible benefits of FTA. Both sides would also exchange trade missions to explore each other's market potential.

9. Both leaders further agreed to expedite conclusion of the Agreement on the Promotion and Protection of Investments. Both sides agreed to give full support to private sector enterprises to establish joint ventures in Pakistan in promising areas such as textiles, leather goods, electronics, automobile industry, food processing, fisheries, infrastructure development projects, construction, telecommunication and financial services as well as development of oil and gas sectors.

10. The two leaders agreed to strengthen cooperation in aviation, which is essential for promoting tourism. Prime Minister Thaksin appreciated the rich Buddhist heritage in Pakistan and lauded Pakistan's efforts to preserve it. The two sides agreed to work closely on combined destinations to promote tourism.

11. Both leaders agreed on the need to promote cooperation in Science and Technology. Both sides noted with satisfaction that a joint research fund will be established soon within the framework of the MOU on Scientific and Technological Cooperation.

12. Both sides expressed satisfaction on the progress achieved by the Asia Cooperation Dialogue. The Thai Prime Minister appreciated Pakistan's continued support to ACD and its readiness to contribute US \$ 50 million to the Asian Bond Fund. He appreciated Pakistan's role as a prime mover of Asian Institute of Standards. The two sides agreed to further intensify cooperation within this forum.

13. While maintaining support to Pakistan's participation in ARF and its full dialogue partnership with ASEAN, the Thai side welcomed Pakistan's decision in principle to accede to the Treaty of Amity and Cooperation.

14. On April 29, the Prime Minister of Pakistan addressed the Thai-Pakistani Business Luncheon Meeting organized by the Joint Standing Committee on Commerce, Industry and Banking. The luncheon was attended by a large number of Thai and Pakistani businessmen.

15. The Prime Minister of Pakistan thanked the Thai Prime Minister for gracious hospitality and in making his visit to Thailand both memorable and fruitful. He

extended an invitation to the Prime Minister of Thailand to revisit Pakistan, which was accepted with pleasure. ■

30 April 2004

<<http://www.mfa.go.th/web/1839.php?id=8469>>

Document No. 17

STATEMENT BY KHURSHID M. KASURI, FOREIGN MINISTER OF PAKISTAN FOR THE SECURITY COUNCIL MEETING ON UN PEACEKEEPING OPERATIONS

**Excellencies,
Ladies and Gentlemen!**

First, I would like to thank the distinguished Secretary-General for his introductory statement, which has set the tone for this important debate. The Charter of the United Nations describes its central purpose: “*to save succeeding generations from the scourge of war.*” Although the concept of collective security, as originally envisioned, did not prove to be feasible, especially in the midst of the Cold War, UN peacekeeping has emerged, over time, as the most visible and effective instrument for preventing and containing conflicts and building the foundations of peace.

2. Since 1948, the United Nations has deployed 57 peacekeeping missions – many in difficult war zones. While UN peacekeeping has had some well-advertised failures, its many successes deserve greater public acclaim.

3. In 1988, the Nobel Peace Prize was presented to United Nations Peacekeeping Forces for their unique role in “*making the ideas which were the very reason for the establishment of the United Nations a reality.*” Accepting the Nobel Prize, Secretary-General Perez de Cuellar stated: “*The essence of peacekeeping is the use of soldiers as a catalyst for peace rather than as the instruments of war.... Their strength is that, representing the will of the international community, they provide an honorable alternative to war and a useful pretext for peace.*” 4. Peacekeeping, traditionally, consisted of the insertion of a military force to separate warring parties and to create the necessary political space for peace to take root. Peacekeeping was most often restricted to monitoring ceasefires. Even today, seven of the fourteen current UN peacekeeping missions involve these “traditional” tasks. However, more recently, UN peacekeepers are being deployed in complex conflict situations, which require a multi-dimensional approach encompassing military, political, humanitarian, social and economic actions.

5. The current United Nations peacekeeping expenditure on its fourteen missions, involving 51,000 troops and over 3,000 police personnel, stands at \$2.82 billion. This may rise further once the three or four new peacekeeping missions are deployed. Although peacekeeping is an expensive undertaking, it is far cheaper than its alternative – war. Hostile military operations can entail immensely larger costs – including economic, social and human costs – as we are witnessing today. The cost of civil wars alone has been estimated at \$128 billion a year. Peacekeeping remains the most cost-effective way of maintaining peace, preventing conflict, and facilitating the transition from war to peace.

6. Pakistan is proud to be one of the oldest, largest and most consistent contributors of United Nations peacekeeping. Since 1960, Pakistani peacekeepers have served in 28 out of 57 UN missions. Presently, over 7,500 Pakistani troops are serving in eight peacekeeping missions. Sixty-six Pakistani peacekeepers have paid the ultimate price while serving under the flag of the United Nations.

7. Pakistani soldiers have served in some of the most difficult and dangerous United Nations peacekeeping operations. They have acquitted themselves commendably, with honour and professionalism.

- Our participation in the United Nations Security Force (UNSF) in West Irian, from 1960 to 1964, was instrumental in preventing war between Indonesia and Portugal.
- The decisive action of our peacekeepers with the United Nations Transitional Authority in Cambodia (UNTAC) helped the consolidation of peace in that country.
- In Bosnia, Pakistani troops defended the “UN safe area” of Tuzla and its ethnically mixed civilian population against repeated onslaughts of ethnic-cleansing militias.
- In Sierra Leone, an unsteady UN presence was transformed into a major UN success story, in large measure as a result of the participation of the Pakistani peacekeepers whose actions apart from stabilizing the situation, included the construction of roads, playgrounds and the renovation of schools, hospitals and places of worship.
- In neighbouring Liberia, Pakistani troops, deployed in Lofa County, are also providing humanitarian and medical assistance to 20,000 people. Their approach was explained simply by one of our foot soldiers: *“We cannot be eating while the vast majority of the population are hungry.”*
- In the Ituri district of the Democratic Republic of the Congo, Pakistani troops are providing security to thousands of civilians exposed to brutal ethnic violence.

8. Three years ago, speaking in Islamabad of our peacekeepers, Secretary-General Kofi Annan said: *“your soldiers have made the ultimate sacrifice in the service of world peace, and the United Nations. I salute this record of global idealism because I believe it reflects a determination among the Pakistani people to serve the world.”*

9. Pakistan has a vital stake in the success of UN peacekeeping operations. The UN’s success will be our success. The following are essential for success:

One, UN peacekeeping operations should be well conceived and well executed. Their mandates should be clear, realistic and achievable, and conducted with the full support of the international community;

Two, they should have well-trained, well-equipped and disciplined peacekeepers. Pakistan’s considerable experience as peacekeepers in different parts of the world has given us a certain expertise in peacekeeping, which we are willing to share with others;

Three, UN peacekeepers must be provided with full financial, administrative and logistical support;

Four, they must have accurate and timely field intelligence and, where necessary, robust rules of engagement;

Five, they should address the root causes of conflict so as to ensure durable peace and stability, and prepare the ground for post-conflict reconciliation, reconstruction and development;

Six, once deployed, UN peacekeepers must complete their tasks.

10. This debate has crystallized the challenges the UN is facing due to the unprecedented surge in demand for peacekeeping – four new complex missions – in Cote d'Ivoire, Burundi, Haiti and possibly the Sudan – will have to be deployed over the next few weeks and months. These will need the commitment of additional human financial, administrative and logistic resources by the international community. Several new suggestions have been advanced in this debate including by the Secretary-General. I am confident that the Presidential Statement, which the Council will adopt shall reflect these ideas and suggestions.

Excellencies,

11. Pakistan is not only one of the major contributors to UN peacekeeping; we also host one of the oldest UN peacekeeping missions. The United Nations Military Observer Group in India and Pakistan is responsible for monitoring the ceasefire along the Line of Control in Jammu and Kashmir. It continues to make a substantive contribution to the preservation of peace in Kashmir. In the Islamabad Declaration of 6th January 2004, Pakistan and India agreed to resolve all disputes between them, including Jammu & Kashmir, through a peace process to the satisfaction of both the sides. It is obvious that in order for there to be durable peace, the solution of the Jammu & Kashmir dispute should be in consonance with the aspirations of the people of Kashmir. UNMOGIP can help in promoting a just and peaceful resolution of the Jammu and Kashmir dispute.

Excellencies,

Ladies and Gentlemen

12. Apart from reviewing the status of UN peacekeeping to improve its performance, this special event is designed to pay high tribute to all the men and women who have served or continue to serve in United Nations peacekeeping operations. This debate honours their professionalism, dedication and courage and the memory of those who lost their lives in the service of the United Nations and the noble cause of peace. ■

17 May 2004

<<http://www.un.int/pakistan/00homesc122004>>

Document No. 18

TEXT OF BUSH'S SPEECH AT U.S. ARMY WAR COLLEGE

Text of President Bush's speech Monday night at the U.S. Army War College in Carlisle, Pa., as transcribed by eMediaMillWorks Inc.:

Thank you all. Thank you and good evening. I'm honored to visit the Army War College. Generations of officers have come here to study the strategies and history of warfare. I've come here tonight to report to all Americans, and to the Iraqi people, on the strategy our nation is pursuing in Iraq and the specific steps we're taking to achieve our goals.

The actions of our enemies over the last few weeks have been brutal, calculating and instructive. We've seen a car-bombing take the life of a 61-year-old Iraqi named Izzadine Saleem, who was serving as president of the governing council. This crime shows our enemy's intention to prevent Iraqi self-government, even if that means killing a lifelong Iraqi patriot and a faithful Muslim.

Mr. Saleem was assassinated by terrorists seeking the return of tyranny and the death of democracy.

We've also seen images of a young American facing decapitation. This vile display shows a contempt for all the rules of warfare and all the bounds of civilized behavior. It reveals a fanaticism that was not caused by any action of ours and would not be appeased by any concession.

We suspect that the man with the knife was an al-Qaida associate named Zarqawi. He and other terrorists know that Iraq is now the central front in the war on terror, and we must understand that as well.

The return of tyranny to Iraq would be an unprecedented terrorist victory and a cause for killers to rejoice. It would also embolden the terrorists, leading to more bombings, more beheadings and more murders of the innocent around the world.

The rise of a free and self-governing Iraq will deny terrorists a base of operation, discredit their narrow ideology and give momentum to reformers across the region.

This will be a decisive blow to terrorism at the heart of its power and a victory for the security of America and the civilized world.

Our work in Iraq has been hard. Our coalition has faced changing conditions of war and that has required perseverance, sacrifice and an ability to adapt.

The swift removal of Saddam Hussein's regime last spring had an unintended affect. Instead of being killed or captured on the battlefield, some of Saddam's elite guards shed their uniforms and melted into the civilian population.

These elements of Saddam's repressive regime and secret police have reorganized, rearmed and adopted sophisticated terrorist tactics. They've linked up with foreign fighters and terrorists. In a few cities, extremists have tried to sow chaos and seize regional power for themselves.

These groups and individuals have conflicting ambitions, but they share a goal. They hope to wear out the patience of Americans, our coalition and Iraqis before the arrival of effective self-government and before Iraqis have the capability to defend their freedom.

Iraq now faces a critical moment. As the Iraqi people move closer to governing themselves, the terrorists are likely to become more active and more brutal. There are difficult days ahead, and the way forward may sometimes appear chaotic. Yet our coalition is strong and our efforts are focused and unrelenting, and no power of the enemy will stop Iraq's progress.

Helping construct a stable democracy after decades of dictatorship is a massive undertaking. Yet we have a great advantage. Whenever people are given a choice in the matter, they prefer lives of freedom to lives of fear.

Our enemies in Iraq are good at filling hospitals, but they don't build any. They can incite men to murder and suicide, but they cannot inspire men to live in hope and add to the progress of their country. The terrorists' only influence is violence and their only agenda is death.

Our agenda, in contrast, is freedom and independence, security and prosperity for the Iraqi people.

And by removing a source of terrorist violence and instability in the Middle East, we also make our own country more secure.

Our coalition has a clear goal, understood by all: to see the Iraqi people in charge of Iraq for the first time in generations.

America's task in Iraq is not only to defeat an enemy, it is to give strength to a friend -- a free, representative government that serves its people and fights on their behalf.

And the sooner this goal is achieved, the sooner our job will be done.

There are five steps in our plan to help Iraq achieve democracy and freedom: We will hand over authority to a sovereign Iraqi government; help establish security; continue rebuilding Iraq's infrastructure; encourage more international support; and move toward a national election that will bring forward new leaders empowered by the Iraqi people.

The first of these steps will occur next month, when our coalition will transfer full sovereignty to a government of Iraqi citizens who will prepare the way for national elections.

On June 30th, the Coalition Provisional Authority will cease to exist and will not be replaced. The occupation will end and Iraqis will govern their own affairs.

America's ambassador to Iraq, John Negroponte, will present his credentials to the new president of Iraq. Our embassy in Baghdad will have the same purpose as any other American embassy: to assure good relations with a sovereign nation.

America and other countries will continue to provide technical experts to help Iraq's ministries of government, but these ministries will report to Iraq's new prime minister.

The United Nations special envoy, Lakhdar Brahimi, is now consulting with a broad spectrum of Iraqis to determine the composition of this interim government. The special envoy intends to put forward the names of interim government officials this week.

In addition to a president, two vice presidents and a prime minister, 26 Iraqi ministers will oversee government departments from health to justice to defense. This new government will be advised by a national council, which will be chosen in July by Iraqis representing their country's diversity.

This interim government will exercise full sovereignty until national elections are held.

America fully supports Mr. Brahimi's efforts, and I have instructed the Coalition Provisional Authority to assist him in every way possible.

In preparation for sovereignty, many functions of government have already been transferred. Twelve government ministries are currently under the direct control of Iraqis.

The ministry of education, for example, is out of the propaganda business and is now concerned with educating Iraqi children. Under the direction of Dr. Ala'din al-Alwan, the ministry has trained more than 30,000 teachers and supervisors for the schools of a new Iraq.

All along, some have questioned whether the Iraqi people are ready for self-government, or want it, and all along, the Iraqi people have given their answers.

In settings where Iraqis have met to discuss their country's future, they have endorsed representative government, and they are practicing representative government.

Many of Iraq's cities and towns now have elected town councils and city governments, and beyond the violence a civil society is emerging.

The June 30th transfer of sovereignty is an essential commitment of our strategy.

Iraqis are proud people who resent foreign control of their affairs, just as we would. After decades under the tyrant, they are also reluctant to trust authority.

By keeping our promise on June 30th, the coalition will demonstrate that we have no interest in occupation. And full sovereignty will give Iraqis a direct interest in the success of their own government.

Iraqis will know that when they build a school or repair a bridge, they are not working for the Coalition Provisional Authority, they are working for themselves.

And when they patrol the streets of Baghdad or engage radical militias, they will be fighting for their own country.

The second step in the plan for Iraqi democracy is to help establish the stability and security that democracy requires.

Coalition forces and the Iraqi people have the same enemies: the terrorists, illegal militia and Saddam loyalists who stand between the Iraqi people and their future as a free nation. Working as allies, we will defend Iraq and defeat these enemies.

America will provide forces and support necessary for achieving these goals. Our commanders had estimated that a troop level below 115,000 would be sufficient at this point in the conflict. Given the recent increase in violence, we will maintain our troop level at the current 138,000 as long as necessary.

This has required extended duty for the 1st Armored Division and the 2nd Light Cavalry Regiment -- 20,000 men and women who were scheduled to leave Iraq in April. Our nation appreciates their hard work and sacrifice, and they can know that they will be heading home soon.

General Abizaid and other commanders in Iraq are constantly assessing the level of troops they need to fulfill the mission. If they need more troops, I will send them.

The mission of our forces in Iraq is demanding and dangerous. Our troops are showing exceptional skill and courage.

I thank them for their sacrifices and their duty.

In the city of Fallujah there has been considerable violence by Saddam loyalists and foreign fighters, including the murder of four American contractors. American soldiers and Marines could have used overwhelming force.

Our commanders, however, consulted with Iraq's governing council and local officials and determined that massive strikes against the enemy would alienate the local population and increase support for the insurgency.

So we have pursued a different approach. We're making security a shared responsibility in Fallujah. Coalition commanders have worked with local leaders to create an all-Iraqi security force, which is now patrolling the city.

Our soldiers and Marines will continue to disrupt enemy attacks on our supply routes, conduct joint patrols with Iraqis to destroy bomb factories and safe houses, and kill or capture any enemy.

We want Iraqi forces to gain experience and confidence in dealing with their country's enemies. We want the Iraqi people to know that we trust their growing capabilities, even as we help build them.

At the same time, Fallujah must cease to be a sanctuary for the enemy. And those responsible for terrorism will be held to account.

In the cities of Najaf and Karbala and Kufa, most of the violence has been decided by a young radical cleric who commands an illegal militia. These enemies have been hiding behind an innocent civilian population, storing arms and ammunition in mosques and launching attacks from holy shrines.

Our soldiers have treated religious sites with respect, while systematically dismantling the illegal militia.

We're also seeing Iraqis themselves take more responsibility for restoring order. In recent weeks, Iraqi forces have ejected elements of this militia from the governor's office in Najaf.

Yesterday, an elite Iraqi unit cleared out a weapons cache from a large mosque in Kufa.

Respected Shia leaders have called on the militia to withdraw from these towns. Ordinary Iraqis have marched in protest against the militants. As challenges rise in Fallujah, Najaf and elsewhere, the tactics of our military will be flexible.

Commanders on the ground will pay close attention to local conditions and we will do all that is necessary by measured force or overwhelming force to achieve a stable Iraq.

Iraq's military police and border forces have begun to take on broader responsibilities. Eventually, they must be the primary defenders of Iraqi security as American and coalition forces are withdrawn. And we're helping them to prepare for this role.

In some cases, the early performance of Iraqi forces fell short. Some refused orders to engage the enemy. We've learned from these failures and we've taken steps to correct them.

Successful fighting units need a sense of cohesion so we've lengthened and intensified their training. Successful units need to know they are fighting for the future of their own country, not for any occupying power. So we are ensuring that Iraqi forces serve under an Iraqi chain of command.

Successful fighting units need the best possible leadership. So we improved the vetting and training of Iraqi officers and senior enlisted men.

At my direction and with the support of Iraqi authorities, we are accelerating our program to help train Iraqis to defend their country.

A new team of senior military officers is now assessing every unit in Iraq's security forces. I've asked this team to oversee the training of a force of 260,000 Iraqi soldiers, police and other security personnel. Five Iraqi army battalions are in the field now, with another eight battalions to join them by July 1st.

The eventual goal is an Iraqi army of 35,000 soldiers in 27 battalions fully prepared to defend their country.

After June 30th, American and other forces will still have important duties. American military forces in Iraq will operate under American command as a part of a multinational force authorized by the United Nations.

Iraq's new sovereign government will still face enormous security challenges and our forces will be there to help.

The third step in the plan for Iraqi democracy is to continue rebuilding that nation's infrastructure so that a free Iraq can quickly gain economic independence and a better quality of life.

Our coalition has already helped Iraqis to rebuild schools and refurbish hospitals and health clinics, repair bridges, upgrade the electrical grid and modernize the communication system.

And now a growing private economy is taking shape. A new currency has been introduced. Iraq's governing council approved a new law that opens the country to foreign investment for the first time in decades. Iraq has liberalized its trade policy. And today, an Iraqi observer attends meetings of the World Trade Organization.

Iraqi oil production has reached more than 2 million barrels per day, bringing revenues of nearly \$6 billion so far this year, which is being used to help the people of Iraq.

And thanks in part to our efforts, to the efforts of former Secretary of State James Baker, many of Iraq's largest creditors have pledged to forgive or substantially reduce Iraqi debt incurred by the former regime.

We're making progress. Yet there still is much work to do.

Over the decades of Saddam's rule, Iraq's infrastructure was allowed to crumble while money was diverted to palaces and to war and to weapons programs. We're urging other nations to contribute to Iraqi reconstruction, and 37 countries, and the IMF and the World Bank, have so far pledged \$13.5 billion in aid.

America has dedicated more than \$20 billion to reconstruction and development projects in Iraq.

To ensure our money is spent wisely and effectively, our new embassy in Iraq will have regional offices in several key cities. These offices will work closely with Iraqis at all levels of government to help make sure projects are completed on time and on budget.

A new Iraq will also need a humane, well-supervised prison system. Under the dictator, prisons like Abu Ghraib were symbols of death and torture. That same prison became a symbol of disgraceful conduct by a few American troops who dishonored our country and disregarded our values.

America will fund the construction of a modern maximum security prison.

When that prison is completed, detainees at Abu Ghraib will be relocated. Then with the approval of the Iraqi government, we will demolish the Abu Ghraib Prison as a fitting symbol of Iraq's new beginning.

The fourth step in our plan is to enlist additional international support for Iraq's transition.

At every stage, the United States has gone to the United Nations to confront Saddam Hussein, to promise serious consequences for his actions and to begin Iraqi reconstruction.

Today the United States and Great Britain presented a new resolution in the Security Council to help move Iraq toward self-government.

I directed Secretary Powell to work with fellow members of the council to endorse the timetable the Iraqis have adopted, to express international support for

Iraq's interim government, to reaffirm the world's security commitment to the Iraqi people and to encourage other U.N. members to join in the effort.

Despite past disagreements, most nations have indicated strong support for the success of a free Iraq, and I am confident they will share in the responsibility of assuring that success.

Next month at the NATO summit in Istanbul, I will thank our 15 NATO allies who together have more than 17,000 troops on the ground in Iraq.

Great Britain and Poland are each leading a multinational division that is securing important parts of the country. And NATO itself is giving helpful intelligence and communications and logistical support to the Polish-led division.

At the summit, we will discuss NATO's role in helping Iraq build and secure its democracy.

The fifth, and most important step is free national elections, to be held no later than next January.

A United Nations team headed by Carina Perelli is now in Iraq helping form an independent election commission that will oversee an orderly accurate national election. In that election, the Iraqi people will choose a transitional national assembly, the first freely elected, truly representative national governing body in Iraq's history.

This assembly will serve as Iraq's legislature and it will choose a transitional government with executive powers. The transitional national assembly will also draft a new constitution, which will be presented to the Iraqi people in a referendum scheduled for the fall of 2005.

Under this new constitution, Iraq will elect a permanent government by the end of next year.

In this time of war and liberation and rebuilding, American soldiers and civilians on the ground have come to know and respect the citizens of Iraq. They're a proud people who hold strong and diverse opinions.

Yet Iraqis are united in a broad and deep conviction. They're determined never again to live at the mercy of a dictator.

And they believe that a national election will put that dark time behind them.

A representative government that protects basic rights, elected by Iraqis, is the best defense against the return of tyranny. And that election is coming.

Completing the five steps to Iraqi elected self-government will not be easy. There's likely to be more violence before the transfer of sovereignty and after the transfer of sovereignty. The terrorists and Saddam loyalists would rather see many Iraqis die than have any live in freedom.

But terrorists will not determine the future of Iraq.

That nation is moving every week toward free elections and a permanent place among free nations.

Like every nation that has made the journey to democracy, Iraqis will raise up a government that reflects their own culture and values.

I sent American troops to Iraq to defend our security, not to stay as an occupying power. I sent American troops to Iraq to make its people free, not to make them American.

Iraqis will write their own history and find their own way.

As they do, Iraqis can be certain a free Iraq will always have a friend in the United States of America.

In the last 32 months, history has placed great demands on our country and events have come quickly.

Americans have seen the flames of September 11th, followed battles in the mountains of Afghanistan and learned new terms like orange alert and ricin and dirty bomb.

We've seen killers at work on trains in Madrid, in a bank in Istanbul, in a synagogue in Tunis and at a nightclub in Bali. And now the families of our soldiers and civilian workers pray for their sons and daughters in Mosul, in Karbala, in Baghdad.

We did not seek this war on terror, but this is the world as we find it. We must keep our focus. We must do our duty.

History is moving and it will tend toward hope or tend toward tragedy.

Our terrorist enemies have a vision that guides and explains all their varied acts of murder. They seek to impose Taliban-like rule country by country across the greater Middle East.

They seek the total control of every person in mind and soul; a harsh society in which women are voiceless and brutalized. They seek bases of operation to train more killers and export more violence. They commit dramatic acts of murder to shock, frighten and demoralize civilized nations, hoping we will retreat from the world and give them free rein.

They seek weapons of mass destruction to impose their will through blackmail and catastrophic attacks.

None of this is the expression of a religion. It is a totalitarian, political ideology pursued with consuming zeal and without conscious.

Our actions, too, are guided by a vision.

We believe that freedom can advance and change lives in the greater Middle East as it has advanced and changed lives in Asia, in Latin America, in Eastern Europe and Africa. We believe it is a tragedy of history that in the Middle East, which gave the world great gifts of law and science and faith, so many have been held back by lawless tyranny and fanaticism. ■

<<http://www.post-gazette.com/pg/04146/321503.stm>>

Document No. 19

SPEECH OF ABDELOUAHED BELKEZIZ SECRETARY GENERAL OF THE OIC TO THE INTERNATIONAL SYMPOSIUM ON "ENLIGHTENED MODERATION" ISLAMABAD (1 – 2 June 2004)

**Your Excellency General Pervez Musharraf,
President of the Islamic Republic of Pakistan;
Eminencies;
Distinguished scholars;
Ladies and Gentlemen,**

It is an honour for me to begin by expressing gratitude and appreciation to His Excellency President General Pervez Musharraf for gracing this international

symposium with his personal presence and for his elaborate speech which provides guidance for our work. I am particularly grateful to him since the central idea on which this symposium is based was derived from the thoughts of His Excellency on enlightened moderation. Those thoughts were proposed to and unanimously approved by the Tenth Islamic Summit Conference held in Malaysia last October. I am also pleased to thank His Excellency and the Government and people of Pakistan for the warm welcome and generous hospitality extended to the participants of this very important symposium.

This international symposium is a timely response to the pressing needs of the present situation in the Muslim world, both internally and internationally. There is a growing myriad of difficulties some of which have started to eat into the internal fabric of Muslim societies. They have created rancour and differences amongst Muslims and have pushed some of them towards rigidity, extremism, fanaticism and indeed to the point of undermining our religion with the claim of siding with it. Yet others have been pushed towards committing terrorist activities and erroneously utilizing Islam as a justification for their acts. This situation necessitates a process of enlightenment to explain the true essence and foundations of Islam.

There is no doubt that the Islamic house, too, which is a collection of Islamic States, is in dire need of fence-mending and open minds to resolve, first of all, the bilateral differences among ourselves. Secondly, we should put the affairs of the house in order to confront the challenges that beset both Islam and Muslims. Once that is accomplished we can then proceed to address our situation in the international arena, where conspiracies are continuing to be plotted against us by forces intent on undermining our values and civilization and damaging our countries, our resources and our interests. In addition, these forces intend to incapacitate and weaken us and render us helpless, frustrated and subjugated, so that we would become incapable of defending our just causes, as is the case today.

As a panacea to address this situation and upon the timely initiative from Pakistan, the Organization of the Islamic Conference unanimously adopted a resolution during its Tenth Islamic Summit, held in Putrajaya, Malaysia, last October. This initiative, which can be summarized in two points, was entrusted to a Commission of Eminent Muslim Persons who, in consultation with OIC Member States, are to crystallize it. The two points are as follows:

1. Prepare a comprehensive plan to disseminate internally and externally the ideas of Enlightened Moderation in Islam.
2. Formulate a strategy and a plan of action that would assist the Islamic Ummah to face the challenges of the 21st Century, to reform “the system of the Islamic Conference”, which means exceeding the present stage of restructuring the “OIC General Secretariat”. This would involve reforming the entire system of Joint Islamic Action, undertaking far-reaching changes in the charter, purposes and objectives, working methods and the financing of the Organization.

In my view, the first point implies elaborating policies aimed at directing the current Islamic discourse towards moderation and uniting Islamic views around tolerance and the shunning of extremism in the Islamic world.

Many factors can be subsumed under the internal aspect of this perspective. These factors are summarized as follows:

- a) Agreement among countries of the Muslim world on policies aimed at putting the internal affairs of Muslims in order, by supporting moderate and modern Islamic tendencies seeking self-actualization in consonance with the principles and basic fundamentals of Islamic Shari'a .
- b) Agreement among countries of the Islamic world to oppose religious extremism, fanaticism and bigotry and ideas of excommunication that form the intellectual foundation of violence and terrorism. They must agree to unite and define juristic religious authority in order to single out the person who has the right to make legal pronouncements from an Islamic legal perspective, in consonance with the religious conditions for making legal interpretation (*ijtihad*) and legal pronouncement (*fatwa*), in accordance with information that are recurrent (*mutawattir*) in Islamic legal parlance. We must also disseminate in our societies the culture of "tolerance", in the true spirit of Islam. This culture of tolerance would not mean capitulation or meekness but rather tolerance from the standpoint of truth. This requires us to begin inculcating the principles of tolerant moderation in the minds of our upcoming generations right from their elementary schools. For the grown up Muslims, we should intensify dialogue, counselling and admonition. We should make them understand the essence of Islam and the principles of Shari'a, which are based on compassion, tolerance and peace.
- c) We should draw inspiration from enlightened moderation that is derived from modern political and social values, which are consistent with the permanent features of Islam. This implies a lot of issues including:
 - i. Adherence to good governance, rule of law, political participation and pluralism (based on Shura principles); as well as to principles of accountability, transparency and other principles that spread justice and fidelity such as the fight against political, administrative, financial or moral corruption, bribery and other society-corrupting maladies. In sum, these are the very objectives sought by the advanced democratic societies of our time. We must also encourage Islamic non-governmental institutions to lay the foundations of these principles and morals. Such institutions include human rights defence institutions, human rights violations monitoring institutions, as well as Red Crescent institutions.
 - ii. Recognition of public rights: Jurisprudence (*fiqh*) books enumerate dozens of rights that must be respected, such as the right of Allah, right to life, right of parents, right of children, right of consanguinity, right of followers to education, right to wealth, right to justice, right to charity, etc. These and other rights elaborate the Shari'a's point of view on individual and collective rights, which are the basis for prioritizing rights and obligations in contemporary times. They constitute the foundation of the sovereignty of right and law. Political rights as well as general freedoms that conform to public good also are offshoots of that foundation.
- d) Commitment to the principle of mutual support in order to strengthen the bonds of Islamic brotherhood. This can be done by galvanizing the

mechanisms of Islamic solidarity, such as alms, Zakat collection and endowments (awqaf) and the building of institutions of social nature in various fields such as eradicating illiteracy, health services and fight against poverty. Other means include elimination of begging, social defects and moral bankruptcy. Islamic funds can be set up for this purpose where all Muslims would make small annual contributions, which would enable them to have ample funds to achieve their objectives and save the Muslim world from the stigma of backwardness, ignorance and illiteracy. Scholarships could also be allocated to Muslim students in universities who have distinguished themselves in the fields of science and technology. Advanced research centres in various fields of learning and open universities can also be established all across the Muslim world.

As regards to dealing with others outside the scope of the Islamic world, there is a need to draw up policies and undertake initiatives that aim to

- i. Project a balanced and radiant image of the true values and principles of Islam, which is based on peace and compassion, by utilizing modern communication mechanisms including influential media & communication networks, symposia, etc.
- ii. Conduct necessary studies to demonstrate that Islamic principles and values are not in conflict with but are in fact compatible with and reinforce the loftiest human values contained in the current modern international discourse.
- iii. Project Islamic principles of respecting cultural, religious and civilizational pluralism as well as the practice of strictly adhering to these principles over the ages. It should also be highlighted that Muslim thinkers were the pioneers of dialogue among civilizations in the world.
- iv. Project Islam's rejection of racism and extremism, to extol the idea of tolerance and the culture of peace and to explain the stringent conditions for waging Jihad in Islam.
- v. Create awareness that Islam is the first divine religion and political system to approve the principle of absolute equality among men, proceeding from the principle of brotherhood of humanity (O mankind we have created you from a single soul/ there is no virtue for an Arab over a non-Arab except by piety.)
- vi. Reliance on international justice and international legitimacy and to refrain from recourse to the use of force in the resolution of crises.
- vii. Entrench the principles of international solidarity in order to bridge the gap between the rich and the poor; and between the learned and the ignorant.
- viii. Venerate common humanity and respect the rights of all.

The second part of the resolution subsumes the issue of preparing a strategy and plan of action to enable the Islamic Ummah to face the challenges of the 21st Century, as well as reform of the "system" of the Islamic conference. This issue can be addressed from the perspective of the current international situation and the challenges that appear to be confronting Islamic countries.

Undoubtedly, the beginning of the 21st Century foreshadows that Islam and the Muslim world would face unprecedented difficult challenges in international politics. There are already indications of the likelihood that some countries after Iraq and Afghanistan would be faced with coercive campaigns that may target their religion and beliefs. In addition, their political entities, systems of governance, interests and natural resources may also be targeted.

This difficult situation neither inspires any self-confidence nor calls for waiting and complacency in the hope that conditions would improve or change. This is particularly so following the disturbing new practices witnessed in international relations ever since the events of September 11.

Therefore, any strategy to “enable the Islamic Ummah to face the challenges of the twenty-first century” must spring from these facts which are confronted by all to see and take both lessons from as well as wisdom from past events.

When we consider models adopted by others, especially in the West, for confronting the challenges of the 21st Century – despite their military and economic might, we would discover that those models are based on the idea of “Large Groupings”. In contemporary logic, there is no longer space, politically or economically, for any country to act alone. Countries that are forward-looking and wish to have a place in the future or to protect themselves and their interests, or who wish to have a say in taking decisions that define the course of the world, or wish to contribute to developing global ideas, would have to opt to form groups among themselves.

The world’s greatest power is a group of “United” States attempting to expand their economic scope by attracting their neighbours and other remote states into numerous systems, such as the North Atlantic Free Trade Agreement (NAFTA). In Europe, the European Union, which now comprises 25 members and could have further additions in the coming years, will become the most powerful economic block in the world. In Asia, there is the Association of Southeast Asian Nations (ASEAN), which keeps on expanding. Likewise Africa has dissolved the Organization of African Unity and replaced it with the “African Union”, which is still in its early stages. Similarly, there are other unification steps being pursued in various parts of the world.

For any group of countries to belong to a bloc, they must have common links as well as mutual political, cultural, racial or religious interests. There is no doubt that culture and religion play a major role in converging interests, policies and in creating common hopes and similar objectives. Many of these factors are available among countries of the Muslim world; with the strong Islamic bond making the peoples of these countries belonging to a single Ummah. This is an Ummah that has proved efficient in history in terms of its growth, splendor and power, an Ummah or “a firm handhold” that unites its people into an undeniable spiritual bond. However, this bond remains limited to emotional and cultural considerations, instead of rising to the level of strong interlocking interests such as economic, which is the strongest factor in building unity. This is because it relates to matter of life and development. Economic interests are the foundation of the large unions and groupings that we see taking shape in the world at the turn of this century.

Undoubtedly, Islamic countries whose peoples are linked together by a single culture and common history are today motivated by many tendencies to join the Islamic group that would guarantee their economic interests and grant them privileges and rights which their present individual status does not offer. Fortunately, the Joint Islamic

Action has taken off slowly towards the direction of economic unity through the achievements recorded in COMCEC regarding the commencement of negotiations on trade preferences among Member States within the framework of the “Trade Preference Agreement”, which has already entered into force. This is a significant positive achievement, for it has taken the Ummah on the first leg leading to the establishment of an Islamic economic zone. Once we are able to achieve the necessary annual growth in intra-trade among Member States and succeed in convincing Muslim investors to give priority to projects in Islamic countries, where huge opportunities exist, especially in the private sector, favorable economic conditions would be created. Those conditions would in turn create many employment opportunities and absorb a large Islamic work force, thereby improving the economic conditions of the Muslim world, with the expectation for further economic integration.

We are also beginning to search for ways of creating an Islamic common market. If this is done, it would create a unified Islamic economic nucleus. When this idea becomes a reality, it could be said that the Ummah has taken a serious turn towards creating an “Islamic Union” that would enable it to face the challenges of the 21st Century with both practical and contemporary logic.

The current situation at the General Secretariat is regrettable and frustrating. The General Secretariat is faced with a shortage of resources and of qualified manpower to render genuine services at the level and with the excellence worthy of the Islamic world and capable of serving its interests. While awaiting a redraft of the “system” of Joint Islamic action, it is very important that we support the nucleus available in the form of the General Secretariat materially and in terms of human resources. Such support would enable the General Secretariat to better discharge the duties required of it, especially because the challenges ahead are numerous and daunting and cannot be either postponed or disregarded.

On this basis, gradual reordering of the priorities of the Organization of the Islamic Conference may be considered. The priorities would have to be in line with the new responsibilities to be shouldered by the Organization and with the objectives to be set for its future work in various fields, in such a manner that the Organization or the new unifying structures would become an institutional gateway for building this “Islamic Union”.

Obviously the current moves towards creating large groups throughout the world serve as a powerful incentive for any attempt to strengthen the Organization of the Islamic Conference.

In this regard, it might be appropriate and practical to focus on paying attention to the initial unification steps taken by the Organization of African Unity (OAU), which changed the OAU from a mere administrative and executive organization towards a “unifying organ”. This organ is trying to establish effective unifying structures under the name of “African Union”. The African Union is supported by a partnership agreement for economic development named “NEPAD”, (New Partnership for African Development), which has received international applause.

The reason for the interest in this model is that it is easy to implement and does not require the crossing of many difficult constitutional hurdles. It is also suitable as a beginning for the creation of an “Islamic Entity” for unified action or an “Islamic Group”, loosely linked at the moment, but capable of future growth with increasing needs for such. This unified entity can strengthen the position of Islamic States in

confronting the challenges and threats that have started to seriously target their entities, values and civilization. ■

<<http://www.oic-oci.org/press/english/june%202004/moderation.htm>>

Document No. 20

TEXT OF PRESIDENT MUSHARRAF'S ARTICLE, AS PUBLISHED IN *WASHINGTON POST* ON 1 JUNE 2004

Time for enlightened moderation

Gen Pervez Musharraf, President of Pakistan

The world has passed through a tumultuous period since the dawn of the 90s. The suffering of innocent multitudes, particularly the Muslims, at the hands of militants, extremists, terrorists, has inspired to expound the strategy of enlightened moderation. The unfortunate reality is that both, the perpetrators of crime, as well as most of the sufferers from it, are Muslims. This inevitably made non-Muslims believe that Islam is a religion of intolerance, militancy and terrorism.

My idea for untangling this Gordian knot is the strategy of enlightened moderation, which I think is a win-win for all - the Muslim and the non-Muslim world. This is a two-pronged strategy. One prong is to be delivered by the Muslim world by shunning militancy, extremism and adopting the path of socio-economic uplift. The other prong, to be delivered by the West and the US in particular, must aim at resolutely resolving all political disputes and assisting in the socio-economic uplift of the deprived Muslim world.

We need to understand that the root cause of extremism and militancy lies in political injustice, denial and deprivation. Before the anti-Soviet Afghan War started, the Palestine dispute alone was the cause of unrest or concern in the Muslim world which led to a general unification of Muslims in favour of Palestinians and against Israel. The Afghan war of 80s, supported and facilitated by the West as a proxy war against the Soviet Union, saw the emergence and nurturing of pan Islamic militancy.

Islam was used to harness worldwide Muslim support. Subsequently, the atrocities and ethnic cleansing against Muslims in Bosnia, the Chechen uprising, Kashmir freedom struggle and invigorated Palestinian Intifada all erupted in the 90s after the Soviet disintegration.

To make matters worse, the militancy sparked in Afghanistan was allowed to fester for the whole of the 90s. This festering wound turned multidirectional, looking for new conflict zones where Muslims were suffering and saw the birth of al-Qaeda.

All this while the Palestinian Intifada kept gathering momentum, uniting and angering Muslims across the globe. Then came the bombshell of the horror of 9/11 and the angry reaction of the US against Taliban/al-Qaeda in Afghanistan. All subsequent reactions of the US, their domestic responses against Muslims, their attitude towards Palestine and their operations in Iraq, led to total polarization of the Muslim masses against the US.

This needs to be recapitulated to prove that it is not Islam as a religion, which preaches or infuses militancy and extremism, but the political disputes which led to antagonism in the Muslim masses.

This situation cannot be allowed to fester. For the sake of universal harmony, a remedy has to be found.

The cry of the day is for the West to resolve the political disputes enumerated above with justice as their part of the commitment to the strategy of Enlightened Moderation.

I would now like to turn to the Muslim World. What we need today is introspection. Who are we, what do we as Muslims stand for, where are we going, where should we be headed and how can we reach there? I see the answers to all these questions as the Muslim prong of the strategy of enlightened moderation.

We have had a glorious past. Islam exploded on the world scene as flag bearer of a just, lawful, tolerant and value oriented society. We had faith in human exaltation through knowledge and enlightenment. We exemplified tolerance within ourselves and with people of other faiths. The armies of Islam did not march forward to convert people to Islam through the sword, despite what perceptions may be, but to deliver them from the darkness they were under, through the visible example of their virtues...

We need to face stark realities. Is the way ahead one of confrontation and militancy? Will this path lead us to our past glory and also show the light of progress and development to the world?

My brother Muslims, the time for renaissance has come. The way forward is to head towards enlightenment and concentrate on human resource development through poverty alleviation, education, health and social justice. If this be our direction, it cannot be achieved through a confrontationist approach. We have to adopt the path of moderation and a conciliatory approach to wash off the common belief that Islam is a religion of militancy in conflict with modernization, democracy and secularism.

All this has to be done with a realization that, in the world we live in, the doctrine of fairness is not always available to us. This is the prong of the strategy of enlightened moderation, which we need to deliver.

If this be the strategic course to be adopted by the Muslim World, what are the operational parameters to be executed? The OIC (Organisation of Islamic Conference) is our collective body. We need to infuse life into this body, which at present is in a state of near impotence.

It has to be restructured to meet the challenges of the 21st century, fulfill the aspirations of the Muslim world and take us towards our emancipation. The committee of eminent persons being formed to recommend a restructured OIC is indeed a big step in the right direction. We have to show resolve and rise above self-interest for our joint, common good in the very spirit that Islam teaches us.

The world at large and the powers that be, must realize that confrontation and use of force is no more the option available to bring ultimate peace. Justice must be done and be seen to be done. Let it not be said by our future generations that we, the leaders of today took humanity towards apocalypse. ■

<<http://www.pakmission-uk.gov.pk/HC/Neletter5.htm>>

Document No. 21

PRESS RELEASE PAKISTAN WELCOMES APPOINTMENT OF IRAQI INTERIM ADMINISTRATION

New York, June 4 : The Government of Pakistan has welcomed the appointment of the Interim Iraqi Administration, designated to run the country's affairs until the elections scheduled to be held in January 2005, as a step towards restoration of a fully representational government in the country.

In a Press Release issued by the Spokesman of the Ministry of Foreign Affairs in Islamabad yesterday, the Government of Pakistan has expressed the hope that Iraq, under the Interim Administration, will exercise full sovereignty which will lend it credibility, protect Iraq's unity and territorial integrity, and help restore security and stability in the country.

Pakistan has also expressed the hope that the United Nations will play a central role in assisting the Iraqi people to exercise full sovereignty; and to bring about earliest possible restoration of security, stability and reconstruction of their country. ■

<<http://www.un.int/pakistan/146304.htm>>

Document No. 22

TEXT OF BUSH-BLAIR NEWS CONFERENCE

Text of President Bush and British Prime Minister Tony Blair's news conference on Monday in Istanbul, Turkey, as transcribed by eMediaMillWorks Inc.:

BUSH: Good afternoon.

Earlier today, 15 months after the liberation of Iraq, and two days ahead of schedule, the world witnessed the arrival of a free and sovereign Iraqi government.

Iraqi officials informed us that they are ready to assume power, and Prime Minister Allawi believes that making this transition now is best for his country.

After decades of brutal rule by a terror regime, the Iraqi people have their country back. This is a day of great hope for Iraqis and a day that terrorist enemies hoped never to see.

The terrorists are doing all they can to stop the rise of a free Iraq. But their bombs and attacks have not prevented Iraqi sovereignty. And they will not prevent Iraqi democracy.

Iraqi sovereignty is a tribute to the will of the Iraqi people and the courage of Iraqi leaders.

This day also marks a proud moral achievement for members of our coalition. We pledged to end a dangerous regime, to free the oppressed and to restore sovereignty. We have kept our word.

Fifteen months ago, Saddam's regime was an enemy of America and the civilized world. Today, Iraq's government is an ally of both.

BUSH: Fifteen months ago, Iraq was a state sponsor of terrorism. Today Iraq's leaders, with our support, are systematically fighting terrorists across their country.

Fifteen months ago, we faced the threat of a dictator with a history of using weapons of mass destruction. Today the dictator is a threat to no one from the cell he now occupies.

Fifteen months ago, the regime in Baghdad was the most aggressive in the Middle East and a constant source of fear and alarm for Iraq's neighbors. Today, Iraq threatens no other country, and its democratic progress will be an example to the broader Middle East.

Fifteen months ago, Iraq was ruled by a regime that brutalized and tortured its own people, murdered hundreds of thousands and buried them in mass graves. Today Iraqis live under a government that strives for justice, obeys the rule of law and defends the dignity of every citizen.

Iraq today still has many challenges to overcome. We recognize that. But it is a world away from the tormented, exhausted and isolated country we found last year.

Now the transfer of sovereignty begins a new phase in Iraq's progress toward full democracy. Together with the Iraqi government, we're moving forward on every element of our five-part plan for Iraqi self-government.

Iraq's interim government has gained broad international support and has been endorsed by the U.N. Security ([news](#) - [web sites](#)) Council. The United States and our coalition partners are helping prepare Iraqis for the defense of their own country. And we appreciate NATO ([news](#) - [web sites](#))'s decision to approve Prime Minister Allawi's request for assistance in training Iraqi security forces — in training the Iraqi security forces.

We're helping Iraqis rebuild their country's infrastructure. And Iraq will continue moving toward free elections, with important assistance from the United Nations ([news](#) - [web sites](#)).

All this progress is being attacked by foreign terrorists and by thugs from the fallen regime. The terrorists know they face defeat unless they break the spirit and commitment of the civilized world. A civilized world will not be frightened or intimidated.

And Iraq's new leaders have made their position clear. Prime Minister Allawi recently said that, The insurgents are trying to destroy our country and we're not going to allow this. The struggle is first and foremost an Iraqi struggle. The prime minister said of his people, We're prepared to fight and, if necessary, die for these objectives. America, Great Britain, our coalition, respect that spirit, and the Iraqi people will not stand alone.

The United States military and our coalition partners have made a clear, specific and continuing mission in Iraq.

As we train Iraqi security forces, we'll help those forces to find and destroy the killers. We'll protect infrastructure from the attacks. We'll provide security for the upcoming elections.

Operating in a sovereign nation, our military will act in close consultation with the Iraqi government, yet coalition forces will remain under coalition command.

Iraqis' prime minister and president have told me that their goal is to eventually take full responsibility for the security of their country, and America wants Iraqi forces to take that role. Our military will stay as long as the stability of Iraq

requires and only as long as their presence is needed and requested by the Iraqi government.

Today, at the moment sovereignty was transferred, the mission of the Coalition Provisional Authority came to an end. Ambassador Jerry Bremer has been tireless and dedicated, and he returns home with the thanks of his country.

Thousands of American civilians have labored for progress in Iraq under difficult and sometimes dangerous conditions. They also have our gratitude.

From the first hours of Operation Iraqi Freedom ([news - web sites](#)) and to this very hour in their battles against the terrorists, America's men and women in uniform have been unrelenting in the performance of their duty. They have had staunch allies like Great Britain at their side.

We asked a lot of our military, and there is still much hard work ahead. We're grateful for the sacrifice of all who served. We honor the memory of all who died. The courage of our military has brought us to this hopeful day.

And the continued service of our military assures the success of our cause.

In Iraq, we're serving the cause of liberty. And liberty is always worth fighting for. In Iraq, we're serving the cause of peace by promoting progress and hope in the Middle East as the alternative to stagnation and hatred and violence for export. In Iraq, we're serving the cause of our own security, striking the terrorists where we find them, instead of waiting for them to strike us at home.

For all these reasons, we accepted a difficult task in Iraq. And for all these reasons, we will finish that task.

Mr. Prime Minister?

BLAIR: Thank you, Mr. President.

Today is obviously an important staging post on the journey of the people of Iraq toward a new future, one in which democracy replaces dictatorship, in which freedom replaces repression, and in which all the people of Iraq can look forward to the possibility and the hope of an Iraq that genuinely guarantees a future for people from whatever part of Iraq they come.

And I think it's just worth reflecting for a moment on what we now have before us. Because today, of course, is extremely important. It's the transfer of real and full sovereignty to the people and the government of Iraq. From now on, the coalition changes. We are there in support of Iraqi government and the Iraqi people.

And what you have very clearly, therefore, is, on one side, you have the Iraqi government, the Iraqi people, the international community that has now spoken through the United Nations, who want a free, stable, pluralist, democratic Iraq.

BLAIR: And on the other hand, you have some of the former Saddam supporters, you have outside terrorists, you have fanatics and extremists of one sort or another, who want to stop the possibility of that new Iraq happening.

And of course, it's going to carry on being difficult and dangerous. There was a tragic loss of a British soldier today. Many American servicemen have died. Many Iraqi civilians have died. Many of those who are joining up to the new Iraqi security services have died, have given their lives. But they've all given their lives in the cause of trying to provide a different and better future for the people of Iraq.

And I think what is interesting about this situation is that, for those people who are there in Iraq causing this death and destruction, they have a very, very clear and simple objective. And the objective is not just to destabilize Iraq, to produce chaos, to

produce bloodshed, to try and prevent democracy, the strategy of these terrorists is to try and prevent Iraq becoming a symbol of hope not just for the Iraqi people, but actually for their region and the wider world.

And that is why, in a very real sense, because al-Qaida and other terrorist groups are actually there in Iraq now, what is happening in Iraq, the battle in Iraq, the battle for Iraq and its future, if you like, is, in a genuine sense, the front line of the battle against terrorism and the new security threat that we face.

And that security threat is what has dominated our discussion here at the NATO summit. And that security threat, which is about this new and poisonous and evil form of extremism linked to a perversion of the true faith of Islam and repressive unstable states that proliferate in and deal in chemical, biological and nuclear weapons, that security threat is the threat of our times.

And the reason why it is so important that NATO fulfills its functions in respect of Afghanistan ([news - web sites](#)) and Iraq is that, in both those countries, the same struggle for democracy and freedom is going on.

And you can see in Afghanistan, yes, of course there are still tremendous difficulties. But 2.5 million refugees have returned there. Girls are now allowed to go to school. Several million of them actually were banned from school under the Taliban. Economic growth rates of 30 percent last year, 20 percent this year.

BLAIR: What is the struggle? The struggle in Afghanistan is the struggle between the majority of Afghans, 4 million of whom have already registered to vote, against Taliban elements, al-Qaida elements, people who want to drag the country backward, who want to turn it back into a failed and repressive state.

And so that's why it's right for NATO to step up to the mat today and say, We are going to extend the role of the security force. It's quite right for us to say, as the U.K., we will make a contribution in putting the (inaudible) force forward in 2006 to allow NATO to continue with its responsibilities. It's why it's right for us to look at the measures we need urgently in order to give the protection for the Afghans as they approach their September election date.

And in respect of Iraq, exactly the same issues arise. As I say, there again, you have people trying to get toward freedom and democracy and people trying to stop them.

And so our job has got to be, again, as an international community, to give them help. And that's why it's important that NATO helps with the training of the Iraqi security forces.

Everybody knows that, ultimately, we can be there in support. But as the Iraqis themselves will tell you, they know that ultimately their task, their responsibility is to make their country safe, and they want us to help. So that's what we're going to do: help with the training and equipping of the Iraqi security forces.

Just one final point I want to make, I thought we had an interesting set of discussions this morning and at lunch today. There was a very powerful speech that was made by the president of Latvia at our lunch today when we were discussing the question of what NATO should do to help Afghanistan and Iraq.

And I think it's sometimes a very useful reminder for some of the newest democracies in our world to tell us from a standpoint of immense moral force just what democracy means to people who have faced repression for so many years.

And she made a very powerful intervention that reminded us, and reminded me certainly, again of what it is that we are here to do.

We know the security threat we face. We know the ultimate answer to it is not just force of arms and security measures. It is ultimately the values of democracy and freedom and justice and the rule of law. And that's what we're trying to do.

And for NATO, after the end of the Cold War ([news](#) - [web sites](#)), after all the changes that have happened, I think it has its role today. It is to support that process of transition and change the world over.

Because ultimately, our best guarantee of security lies in the values that are not values that are American or British or Western values, but the values of humanity.

Thank you.

BUSH: We'll answer a couple of questions.

Dick, you got a question? OK, why don't you ask it.

QUESTION: Mr. President, Iraq's new prime minister has talked in recent days about the possibility of imposing martial law there as a way of restoring security.

Is that something that you think a new, emerging government should do, and particularly with the use of U.S. forces, who would have to be instrumental in doing it?

BUSH: You know, Prime Minister Allawi has, you know, fought tyranny. He's a guy that stood up to Saddam Hussein ([news](#) - [web sites](#)). He's a patriot. And every conversation I've had with him has been one that recognizes human liberty, human rights. He's a man who's willing to risk his life for a democratic future for Iraq.

Having said that, you know, he may take tough security measures to deal with Zarqawi. And he may have to. Zarqawi is a guy who beheads people on TV. He's a person that orders suiciders to kill women and children.

And so, Prime Minister Allawi, as the head of the sovereign government, may decide he's going to have to take some tough measures to deal with a brutal, cold-blooded killer. And our job is to help the Iraqis stand up forces that are able to deal with these thugs.

BUSH: And it's tough, there's no question about it.

They can't whip our militaries. They can't whip our militaries.

What they can do is get on your TV screens and stand in front of your TV cameras and cut somebody's head off in order to try to cause us to cringe and retreat. That's their strongest weapon.

And we just — Prime Minister Allawi has said publicly many times, you know, he will not cower in the face of such brutal murder, and neither will we, neither will we.

BLAIR: You've got to distinguish very carefully between two separate things.

The first is, undoubtedly the new Iraqi government will want to take tough security measures; they have to. I mean, they've got a situation where they've got these terrorists who are prepared to kill any number of innocent people.

And remember, the innocent Iraqis who are dying in Iraq today are dying because of these terrorist acts.

On the other hand, I know perfectly well from the discussions I've had not just with the prime minister, but with the other Iraqi ministers, their purpose is to take tough security measures, but in order to guarantee freedom for people, not to take it away.

So they're not going to be wanting to introduce martial law that takes away the basic freedoms of the people; on the contrary. They will be wanting to take tough security measures.

And we will want to help train their forces able to go out and get after the people doing this killing. But it's not going to be about taking away people's freedoms; it's going to be about allowing those freedoms to happen.

QUESTION: Could I ask both of you, just following on from that, do we in some sense then give the new Iraqi administration carte blanche to go after these people? The Iraqi defense minister was talking this morning about hunting down and eliminating the insurgents.

And if I could also just ask, do you now regard Germany and, in particular, France as shoulder to shoulder, alongside you after the difficult times you've had with them over the past 18 months?

BLAIR: On the first point, I don't think there's any question of the Iraqis — no Iraqi minister has said this to me, of wanting to hunt people down, in the sense of kill people without a proper trial and, you know, end up taking away people's basic liberties. They don't want that at all.

BLAIR: But you've got to understand what they're faced with there. They're faced with a group of people who will kill any number of people and who will do the most terrible acts of barbarity. And why? In order to stop them getting a democratic and stable country.

You know, as I keep saying to people, there are lots of things we thought might happen as a result of the conflict in Iraq. We were confident in military victory, but there were lots of things that we thought might happen.

We thought there might be a humanitarian crisis, and we made a lot of provision for that. We thought that maybe — and we were told this by many people, many so called experts who said, Well, you know, the Iraqis, they'll want a theological state. They won't want a proper democracy. These issues have actually either been dealt with or resolved themselves.

What we've got is a very simple problem to describe and a complicated problem to overcome. We have groups of terrorists and insurgents who will use suicide bombs, who do not care in the least about killing innocent people, who will do whatever it takes to stop the country functioning properly.

Now, in those circumstances, I don't blame at all the Iraqi ministers. Any of us would be doing this, as politicians in the same situation of wanting to get after those people and hunt them down. But they're not getting after them hunting them down in defiance of basic freedoms, but in order to help basic freedoms.

And so I don't think we should set this new thing away that somehow, you know, the new Iraqi government wants to, you know, somehow wants to put aside democracy and freedom and all the rest of it. The reason they're trying to stop the terrorists is so that democracy and freedom can flourish in Iraq.

Secondly, in relation to France and Germany, look, I mean, in their point of thinking, we haven't, you know, overcome the disagreement there was about whether the conflict was justified. I mean, there's no point in us standing here and saying, you know, all the previous disagreements have disappeared; they haven't.

On the other hand, what is important is you've got a United Nations resolution that has blessed the new government in Iraq. And you've got a situation in

which we have accepted today that there is a good and sound NATO role, which is actually the only role we ever sought for NATO, of training and helping to train the Iraqis so that they can do their own security work, which is the request that they have made to us.

And in that sense, I think the international community has come together, and I welcome it.

BUSH: My sense is that there's a hope that we succeed, with all the nations sitting around the table. Everyone understands the stakes. And the stakes are high, particularly for those of us who recognize that the long-term defeat of terror will happen when freedom takes hold in the broader Middle East. It's the long-term solution.

And if you really think about what's happened since September the 11th, there's been some amazing progress.

Pakistan has now joined the battle against al-Qaida. President Musharraf has made a concerted decision to go after al-Qaida, which hides in remote regions of his country on the Afghanistan border.

Libya has declared and produced its weapons programs that we're now destroying.

You know, Turkey's solid, a solid democracy here in the broader Middle East, which is a great example.

Afghanistan, which was a terrorist haven — this is where the terrorists plotted and trained to come and kill, not only in America but elsewhere — it's now heading toward elections. I mean, who ever thought Afghanistan was going to have elections? Three years ago, if you said, Gosh, you think Afghanistan's going to have elections, I probably would have said no.

And so is Iraq; Iraq is headed toward elections, too.

I mean, it's substantial change in a quick period of time. And I think everybody sitting around the table is hopeful that democracy will serve as an agent of change in this part of the world.

In terms of, you know, hunting them down, look, the Iraqis understand what we know, that the best way to defend yourself is to go on the offense and find the killers before they kill. I presume that's what he was saying.

I haven't asked him about the language. I sometimes use that language myself, and I've used it because my most solemn duty is to defend my country, is to defend it from people that obviously are willing to kill innocent lives just like that.

And my position is, is the best way to defend yourself is to find the few, the few — and I believe that's what he's saying, that we're going to find those few before they continue to bomb whoever happens to be in their way. And we'll support him, we'll help him.

QUESTION: We were reminded by the anniversary of D-Day that, 60 years ago, it took a massive invasion to end the occupation of France and other European nations. Now in Iraq, the coalition has gladly and willingly returned sovereignty to the Iraqis.

And I wonder if there's any signs to think, to be more skeptical of NATO presence, any evidence that your critics are now swayed to the view that you all argued, that it was in fact a liberation? Or, at this point, does it matter (OFF-MIKE) what they say?

BUSH: Yes. It matters to me what you say — I mean, yes, it matters to me what...

(LAUGHTER)

Sorry.

(LAUGHTER)

Just a little humor.

(LAUGHTER)

Yes, it matters. It matters because it is important for nations that are blessed by freedom to come together to help nations that are struggling to be free, and that's why it matters. The more people participating in the process, the better off it is. The more reconstruction there is, the more people willing to help with the education of children, the more people willing to help rebuild hospitals, the more people willing to help to rebuild this destroyed infrastructure, infrastructure destroyed by the Taliban or by Saddam Hussein, the better off the world will be.

And so, yes, the more people who say this is worthwhile, the more likely it is 50 million people are going to realize the blessings that we have. And the world will be better off for it.

And the examples of free societies in their neighborhoods are going to make a huge difference in the lives of others.

Listen, there are people inside of Iran who are watching what is happening — young, vibrant, professional people who want to be free — and they're wondering whether or not they'll have that opportunity.

And I think a free Iraq and a free Afghanistan are going to set such a vibrant, bright example for others. And so, yes, it matters.

And I think people are beginning to see that we were, in fact, liberators, and that we're not only going to liberate, we'll follow through, no matter how tough it gets on the ground.

BLAIR: I think, speaking as someone with a largely uncritical media...

(LAUGHTER)

... I think that, sure, I'm not sure that we will have persuaded all our critics, no. But I think that — I think it's just worth emphasizing the degree to which our own strategy has evolved post-September the 11th.

Sometimes people talk about this issue to do with international terrorism today as if somehow it was because of what we have done in Afghanistan or Iraq that this terrorist threat exists.

This terrorist threat was building up there for a long time. September the 11th did and should have changed our thinking.

And the way our strategy has evolved is that, I think we know now that it is important not simply to go in and get after the Taliban in Afghanistan, but also to say, No, we're going to do something else. We're also going to give that country democracy and freedom, because that is actually part of the battle against terrorism as well.

And that's why it's important to see this as a whole picture. I mean, the fact is, if Iraq becomes a stable and democratic country — and I'm not underestimating for a single instant the difficulties in doing that, incidentally — but if it does, that is a huge blow to the propaganda and to the effort of the extremists.

That's, in fact, why sometimes I think they have a clearer idea of how important it is to stop us than sometimes the Western world has of why it's so important that we get there with Iraq and with the Iraqi people.

And so, you know, the Greater Middle East Initiative and the idea of spreading democracy there; resolving the Israeli-Palestinian issue on the basis of two states, both

democratic states, because what we want for the Palestinians is not just their own state, we want a democratic state for them, where they have proper freedoms as well.

So I think that you can see this as part of an evolving strategy where we realize we've got to be prepared to take tough security measures and tough action where necessary, but we know that that is not all that it's about. It's also about trying to show that there is a value system there that isn't related to any religion or one religion, one civilization.

BLAIR: It's about these basic values of humanity, that wherever they're implemented and tried, you get greater security.

Because basically, democracies, while they have to fight sometimes when they have to defend themselves, but they don't have the same aggressive intent that these unstable or extreme or fanatical regimes do.

So part of what we're trying to do — and yes, it's tough at the moment, and of course you get into a situation where people will fight us very hard. That's in the nature of any of these struggles that you undertake. But our honest belief is that the world will be a safer place if we're able to make this work.

And I don't know whether we convinced people of this or not, but I do think the one thing that interests me is occasionally when people who opposed our action in Iraq will say, The really important thing now is to get those democratic elections. And I think that's fantastic, but let's be clear: We wouldn't be talking about democratic elections in Iraq if Saddam was still there.

QUESTION: A question for both of you: How do you counter the impression you've created today that you couldn't hand over the burden of Iraq quickly enough and the way that it was done is proof, a symbol if you like, of a shambles?

BLAIR: That's a little bit tough there.

QUESTION: Well, let me try it again.

BUSH: Do you know that last Friday we handed over the final ministry to the Iraqi interim government? In other words, we have been making a transfer of sovereignty all along.

And actually, we've been contemplating this move for a while. But the final decision was by Prime Minister Allawi, and he thought it would strengthen his hand. And so, that's why the handover took place today as opposed to 48 hours later.

And so, not only is there full sovereignty in the hands of the government, all the ministries have been transferred, and they're up and running.

And it's — you know, I supported the decision. I mean, I thought it was the smart thing to do, primarily because the prime minister was ready for it. And it's a sign of confidence.

You know, it's a sign that we're ready to go.

And it's a proud moment, it really is, for the Iraqi people.

And frankly, I feel comfortable in making the decision because I feel comfortable about Prime Minister Allawi and President al-Yawer. These are strong people. They're gutsy, they're courageous. They're, as we say in Texas, stand-up guys, you know. They'll lead. They'll lead their people to a better day.

And it's going to be very hard for them and very trying. But they just — they and the Iraqi people need to hear loud and clear, they'll have our friendship and our support, no matter how tough it gets.

BLAIR: I think it's worth just pointing out as well, I agree obviously with what's just been said, but I think you've got somewhere in the region of 10 or 11 ministries that are already effectively run by the Iraqis themselves. I mean, their health and education ministries are already run by the Iraqis.

But it's a sign of their confidence and their desire to get on with it. They want to do it. They know that, in the end, they've got to do it. They want that responsibility.

And I think one of the exciting things about the last few weeks is that the Iraqi people, in a sense, through their prime minister and president, have indicated, We want the responsibility.

Now, we then stay in support, however, and we're not walking out of this at all. We stay and support them. And we'll stay for as long as it takes to make sure that that support is there for them, so that we help them to that freedom and democracy they want to see.

And I think that, in a way, the relationship between us and the Iraqi government has been — it's a healthy or better relationship now that there's this transfer of sovereignty there and where they really want the responsibility of running their own country, but they know the practical fact is, for the moment, until their own security forces are built up properly, they need our support. And they have our support.

BUSH: Thank you all very much. ■

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