

## AFGHANISTAN MOVES FORWARD

### President Hamid Karzai to Discuss U.S.-Afghan Partnership

June 14, 2004

**John Hamre:** I said to the President, we won't sit down until he does. And some of you, unfortunately, don't get to sit down. I do apologize for that.

Thank you, ladies and gentlemen. It's been a long day for you, but it's been a much longer day for the President.

Thank you for coming. We're delighted that he's here. We are very honored to welcome the President here. This is a historic time for him. It's a very historic time for his country. And for all of you, I hope you realize you're looking at the equivalent of George Washington, the kind of man that has to build a new country, and we are really honored that he has been willing to come.

I'm going to keep my remarks short because it's not necessary --

I would like to make a presentation because he is going to have to leave at 8:00 o'clock so we're not going to linger. But Mr. President, I would like to present you with an American Indian peace pipe. This is what the tribes in America gave to each other when they met for the first time to say thank you --

**Hamid Karzai:** I love tribal gifts very much. [Laughter] Thank you very much.

**John Hamre:** We're delighted to have you here, thank you.

And Mr. President, we turn to you now to speak --

[Applause]

**Hamid Karzai:** I had prepared very long notes. I wanted to be a longer time with you, but I guess I have to leave earlier.

I'm very happy to be at this prestigious center and to talk about my country to a very informed audience.

Sometimes in a place like this one does not know where to begin. No one knows where

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to end. But today I'm going to start from not the beginning of the Afghan story as it occurred after September 2001, 9/11. I'll compress the things in Afghanistan and go more into the kind of outlook into the future.

Very few people in the world expected Afghanistan to be liberated from terrorism and the Taliban. Even the U.S. forces and the U.S. government when they were coming to Afghanistan, from their statements and announcements we sometimes perceived as if they were unsure of what they were getting into. But we in Afghanistan were very certain of what we wanted and of what the United States and the rest of the world would bring to us in terms of their presence and in terms of their assistance. That was felt by not the elite of the country, the educated of the country, those in touch with the international community, but that was felt and recognized very very strongly by the people in Afghanistan. In villages, in towns. The clergy. The businesses. The shopkeepers. It was because of that recognition and because of that desire on the part of the people in Afghanistan that the war against terrorism did not go in effect, really, beyond two months, a month and a half. By that I mean the physical defeat of a system that was the government in Afghanistan, that was ruling Afghanistan.

The subsequent events from October, November, December onwards of 2001 is the continuation and pursuit of the remnants of terrorism in Afghanistan.

As the war proved, the quickness of it, the sharp result of it, so did the later events, the events following the war and the defeat of terrorism proved the desire of the Afghan people to make a life. Make a life like everybody else around the world have made, like others have made.

Our people wanted to have an economy. Our people wanted to have a good road. Our people wanted to have hospitals. Our people wanted to have their children go to school. Our people wanted to have a law by which to live and make life better for themselves.

The past two years have proven that what the people want, and if you give them an opportunity, it happens. You cannot avoid it.

We got a constitution. The Bonn process set a number of objectives for Afghanistan. First was the transfer of power. It occurred on time. Second was the calling of the grand council, the Loya Jurga for the Afghan people. It occurred on time and had results, people participated. We were very very keen that they participate. The third event in that list was the holding of the Constitutional Loya Jurga. It occurred on time. Terrorism, the remnants of it, tried very very hard to stop that, but people went to participate. They went to participate in the elections for the members of the Loya Jurga.

A province to the south of the country bordering Pakistan, Host [ph], received, quite against our expectations, 95 percent attendance to elect members to the Loya Jurga. The other province of ours, the Hart [ph], to the northeast, received 92 percent. And by the end of the elections for the Loya Jurga we came to know that there was on an average 88 percent

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participation of the Afghan people in choosing members for the Loya Jurga.

And we got a constitution, fortunately, very enlightened. The most enlightened in that part of the world. This is the first constitution in that part of the world that recognizes rights, recognizes smaller minority languages, gives them official status, recognizes that we need to promote the rights of women by practical measures enshrined in the constitution. That is giving 25 percent of the seats to women in the Parliament. Recognizing the two sects of Islam present in Afghanistan as official.

The people in my country, fortunately for us and of course for the region and the rest of the world, are one that are, they seek the betterment of life. They seek justice and help for others.

For example, I believe two months ago we received a delegation from one of the provinces of Afghanistan of about 70 people, 80 people. They had lists of demands. We want this, you have not done the disarmament properly, the private militias are still there, you have not built a national army quickly, that road is not done, this school is not done. We want all of that. And in the end, they said, but we want something most important of all of the things. I said what is that? They said the Hindus of Afghanistan have really been hurt badly by the years of war, have been uprooted from their places and their homes and shops. We, the Muslims of Afghanistan, can make our homes, can rebuild our homes, but they cannot. The government should pay for the reconstruction of their homes.

That was very novel. I liked that very much. That gave me hope that well, this country is going to make a very good future for itself because there is a sense of recognizing that we need to help those that need help.

Now on the political front one more milestone that we have to cross, that we have to reach and achieve and succeed in is the election after the approval of the constitution. We will be going for elections in September.

The news as of today showing the results of three days ago, the news of the results for registration for voters as of the day before yesterday is that we have registered 3.8 million people. Out of the 3.8 million people 1.5 something, hundred something thousand and so many hundreds, that's closer perhaps to 1.6 million, are women. Two years ago, 35.4 percent of the total registration is women. For me, for my country, this is a significant achievement. And as this process continues to build, as we reach the six million, 6.5 million mark, I assure you this number will increase probably closer to 40 percent or if God is very kind go us probably even 50 percent. That should be a remarkable thing for our people.

There is a recognition in our society that change cannot occur without the participation of women, and that's very big news for our country.

There is a recognition in our society that women have suffered and that they must not

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suffer any more. Tribal elders from very remote conservative parts of the country inevitably in every meeting that I have with them tell me, "Mr. President, give us clinics of maternity care in our areas." They demand it, they ask for it. Somehow we have not delivered fully on that.

The economy in Afghanistan is doing better than the politics of it fortunately, because again there is a tremendous willingness in the Afghan people to succeed.

We collected, I mentioned this a year ago again when I was here, before when I was here, but I'm going to say it again. We collected two years ago 18 trillion notes of various currencies in Afghanistan to make it into one currency and we introduced in state one currency. In three months time. Now that is not because we have a very great administration or even an efficient administration or even a fair administration. We are a poor administration, not in terms of money but in terms of performance. We are not doing very well. We are an administration that lacks human resources tremendously because we have not trained people in the past 30 years. Even 30 years ago we have just begun to have a semblance of a good civil service.

The reason that we succeeded in the change of the Afghan currency into a new currency and the reason that that currency is trading very well against other currencies and having a stable price and that inflation is not that high, because there is an economy that's running and because the Afghan people wanted it to succeed.

In the year 2003 we had 30 percent growth. I believe it is 2002. In the year 2002 we had 30 percent growth. In the year 2003, 20 percent to 25 percent growth. This year we are reaching 20 percent growth, and some international banks have predicted that if the security situation remains the same in Afghanistan and if the government planning for economy remains the same in Afghanistan, and if business and reconstruction remains the same in Afghanistan, Afghanistan will continue to have for another four years at least 15 percent of growth. Afghanistan will continue to have beyond that, 2008, for another five years, at least ten percent of growth. And we, therefore, based on these assumptions, based on these possibilities and the effort that we are putting in and the construction boom and the economic activity and the increase in productivity in Afghanistan are working with a definite objective set for seven years from now, to raise Afghanistan's income per capita from the current \$200 to \$700 to \$1000, if we succeed, more. Seven hundred dollars we are definitely shooting for, so pray for us to get to that objective.

Afghanistan embarked two years ago on building, on rebuilding its national institutions, its bureaucracy, its army, its police. When I was talking in New York I believe a year ago, we had maybe 2,000 or 3,000 of the national army. Today we have 10,500 of the national army. A year from now we will have probably 20,000 troops of the national army and we are training our national police as well.

The country has good relations with the rest of the world and in the neighborhood. It's a trade hub. It wants to be a trade hub. It can be a trade hub once the roads are built in Afghanistan, as the reconstruction continuing. Afghanistan will be the best transit point between

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Central Asia to South Asia; between Central Asia to the Indian Ocean; between Central Asia to the Gulf countries. Distances will be cut by thousands of kilometers. Trade already on the Afghan roads, transportation already on the Afghan roads is more than our roads can accept and accommodate.

Therefore Afghanistan will expand its trading routes. Afghanistan will construct a railway system that will connect Afghanistan to Iran, to Pakistan and to Central Asia. Therefore Afghanistan is the prospect of that part of the world. Afghanistan has a future there and Afghanistan will be a rich country there.

Thank you very much.

[Applause]

**John Hamre:** Ladies and gentlemen, we have small cards and we've asked you if you would like to please fill out those if you have questions.

Mr. Frederick Barton is going to be leading the question and answer period. Please hold up the cards. We've got walkers here who are going to pick them up from you and we'll bring them up to the front.

While we're doing that let me just especially say thank you to Courtney for the tremendous job she did in organizing for today.

Special greetings, of course, to Ambassador Khalilzad. He is a great friend here at CSIS, a great spokesman for Afghanistan. We're delighted that you're here.

Rick, why don't you get us started?

**Rick Barton:** Mr. President, if you'd please stay at the podium but I will while the cards are coming in ask the first question.

You mentioned that the economic future and really the confidence of your people will depend on public safety being restored nationally. What do you see, and for those of us who work in this field that's really the precondition for progress.

What do you see as the necessary steps in the coming year? We understand your long-term plan to build up the local capacity, but how do you see overcoming some of the insecurity and the violence that we read about on too regular a basis?

**Hamid Karzai:** Yes, I did not talk of the problems because I knew you were going to ask me the question. [Laughter] So to save time in order to respond to them.

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Yes. We have problems too in Afghanistan. The problem is security instances as we are affected by terrorists. The problem is the presence of militia forces in Afghanistan, private militia forces. The problem is the growth, the mushrooming of drugs in Afghanistan and the industry associated with it.

In order for us to make sure that Afghanistan meets the future that we are aiming for, Afghanistan also has to address all these difficulties together. They feed each other, they depend on each other, they strengthen each other. And they weaken the Afghan state and the reconstruction of the Afghan state institutions.

The building of the national army is one part of addressing this difficulty. The building of the national police is the other part of addressing this difficulty. Strengthening and building the capacity of the Afghan administration is the other part of this thing.

We also have for the removal of private militia forces, for the removal of their impact on the Afghan growth, a program called DDR -- Disarmament, Decommissioning and Reintegration -- which incorporates some of these military forces into the Afghan army, which incorporates some of these forces into the national police, which also takes those who don't want to be part the military institutions into the civilian life and into the economy.

This program is helped by the United States, by Japan, by some countries in Europe and the United Nations, together with the Afghan government. We have not been happy with the progress that we are making on that. A few weeks ago we had a series of meetings together with the international community on finding ways, on altering some of the plans that we have to make the DDR a success that the Afghan people are so much keen on.

The question of the occasional attacks on aid workers, on reconstruction worker, and the unfortunate incident the other day on the [exchange] workers, Afghanistan has defeated terrorism as a structure, as a government, but the remnants of them as individual and groups, as they also sometimes come into our territory from outside, they are there, we are continuing to fight them with the international forces, with the Afghan troops, and this fight will continue and will remain with us for a long time.

Now the picture that I gave you is one side of the coin. The other side of the coin is that Afghanistan will for years need international assistance in providing its security. Afghanistan for years will need help to sustain itself with financial. Afghanistan for years will be a party to the international community in which the international community will have to go along Afghanistan in order for us to reach a target of a stable, standing on its own feet Afghanistan, and [inaudible] for now.

So the terroristic incidents, security incidents, will remain with us for quite some time to come.

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**Rick Barton:** There are several questions about the warlords and you began to address that. Your recent meetings with some of the warlords have raised concerns internationally about the role they will play after the elections. Can you shed some light on your plans in dealing with the warlords?

**Hamid Karzai:** I was sure you were going to ask me this question. [Laughter]

Some of these people referred to as warlords are really not war lords. They are political actors. They were part of the Bonn process. They had the highest office in Afghanistan. They have a public political structure in Afghanistan. They are part of the Afghan reality. And we have embarked on building a strong democracy in Afghanistan. Democracy is about talking. Democracy is about negotiating. Democracy is about finding solutions to problems through negotiations and through recognition of fact on the ground.

Afghanistan has facts on the ground and the facts on the ground in Afghanistan have to be addressed one way or the other. And I as the President of Afghanistan am supposed to be taking this country by peaceful means towards higher stability, towards higher institutional order, and towards the further consolidation of democracy. That's one part of it.

In a democratic system if somebody comes and gives an assurance to a presidential candidate that well, I'm not going to be putting a candidate against you, or that we are not going to put a candidate against you, will the candidate tell them no, we don't accept that. Go and field a candidate. Of course that's not in my interest to encourage them to have a candidate against me. [Laughter] I will say yes, welcome, let's talk about this.

But if that means compromising principles on which we have embarked towards the future of Afghanistan, no. We have a reform plan. The reform plan is for the things that I described earlier. Whatever else is required to put in there in order for us to reach a more stable future, that reform plan will not change. Whoever comes and agrees and walks with us towards that future on the basis of that reform plan will be part of us. If they don't, they're not going to be part of us.

The last thing, there will not be an Afghanistan coalition government as the result of elections. No, period, definitely not.

**Rick Barton:** Several questioners want to know about opium growth in Afghanistan. I suspect you anticipated this question as well. [Laughter] But if you could address, this has been an issue that has not really been handled successfully in our hemisphere and we'd be interested whether you have a better plan for your area of the world.

**Hamid Karzai:** On the question of narcotics, it's really a lot more serious than you can imagine here. I don't know how many of you have seen a pomegranate orchard. You have it in California, I believe. Afghanistan is a country that is among, perhaps not among, perhaps the

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best producer of pomegranates and grapes. I have seen in Afghanistan people destroy pomegranate orchards to convert it into poppy fields.

Now what does that mean? That means desperation. That means the lack of every other possibility. That means the pomegranates cannot grow there any more either because of drought or because of law or because of whatever other reasons.

Poppies in Afghanistan had become a legitimate crop. Poppies were no longer considered illegitimate. I have heard people talking to each other in my presence five or six years ago, and others asking how much have you grown, how much have you grown? We watched and we did not mind because this was a legitimate thing. That was the way in Afghanistan.

We began to destroy poppies and to address the difficulty once the interim government came. The first year of us in office when we launched the anti-poppy campaign we made a mistake. The mistake was that we thought by paying the growers they would destroy the poppies and we would not be harsh to them, we would be kind to them, because the economy is very weak, the people are very poor. We wanted to be kind to the farmers. We did that. But this encouraged every other farmer, rightly so, to grow poppies next year because they said we grow poppies, the government will come to destroy it and will pay us for it, and if they don't come, we will have our poppies. [Laughter]

Then last year we began to destroy poppies. This year the poppies were there again. We again went to destroy poppies. And next year there will be again poppies.

Now in order for us in Afghanistan to be able to address this question effectively and permanently, now we know reality has set in. It will take a number of years. A number of years with the help of the international community, with the sustained, consistent help of the international community we will be able to address it. For Afghanistan's sake, for us as a nation, poppies are a menace. They criminalize the economy, they slow down or even hamper, impede the growth of institutional are in the country, they pay terrorism, they go hand in hand with crime and warlordism and terrorism so Afghanistan has to definitely address it, and I hope there will be enough sustained international assistance.

**Rick Barton:** A couple of related questions here that I'm going to try to blend. One question asks about your special cabinet and the under-representation of certain groups within the country. And the other question wonders why there's such a divide between the reports we get from civil society versus the reports we get, the official reports from the government of Afghanistan.

I don't know if you can put those together into one answer, but --

**Hamid Karzai:** What is a special cabinet?

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**Rick Barton:** The suggestion here is it's following a line of ethnic interests that alienates many in northern and central parts of the country.

**Hamid Karzai:** Oh. [Laughter]

This I think -- Last week it was the other way around. [Laughter] Last week I was told that I was not being kind to the Pashtuns. [Laughter] So this keeps changing every week.

Because of my negotiation with some of these gentlemen, the Washington Post and the New York Times, and who else? The European press wrote that I was ignoring a certain part of the Afghan population. But that is not the case. This is a central part of the cabinet setting here. We have Dr. Abdullah. We no longer can call you from the United Front, that thing is gone I believe in Afghanistan. Fortunately. And we have the other gentlemen who do not belong to any front, they have come from Washington, they have come from America, they have come from other parts of the country. And we have Dr. Sarabi as the Minister of Woman Affairs who does not belong to any grouping or parties.

I think this is daily talk, it keeps changing every day. Sometimes I'm accused of being too much of a non-party person and sometimes I'm accused of being too much of this ethnic group and then of that ethnic group. We can really ignore that. This is part of life and part of politics.

The other question?

**Rick Barton:** The civil society. Different reports coming from civil society than from the official government sources.

**Hamid Karzai:** Well I believe if I were in the civil society I would report in the same way. The civil society is there to expect and to keep pressuring, to put more pressure, to have more results. When you are in the government you always see the cup half full, and when you are not in the government you see it half empty. That is the situation.

But the actuality, the reality, in Afghanistan is, there is massive change ladies and gentlemen. In a country that was the center of terrorism two years ago, you have a very democratic constitution. In a country where rights were, I can't say non-existent, they were killed, the rights. Today you have a very free press. The New York Times and the Washington Post look like government papers to the Afghan newspapers. [Laughter and Applause] That's how free the press is, with all due respect to the U.S. Ambassador. [Laughter]

The political parties are mushrooming. I don't know how many political parties we have today. They are being readjusted every day. Young political parties. I'm sure there will be one day major political parties in Afghanistan.

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Various organizations, various groups, and in Afghanistan we had two weeks ago a series of meetings on Afghan television in which I couldn't believe, really, I couldn't believe that we in Afghanistan are tolerating that.

There were people who had fought against us during the Soviet occupation of Afghanistan. There were people who did not believe in Afghanistan at all, they said so there on the television, that we don't believe in Afghanistan. There were people in the Afghan Resistance who are fighting against the communist part associated with the former Soviet Union. They were sitting on Afghan national television arguing with each other about nationhood and unity. A former communist general, all the resistance leaders who were fighting each other 15 years ago, were talking to each other and were patient. I think that's remarkable. You can't believe it until you see it.

Mr. [Alhabi] was there, too. Who else was there in that thing? Though people did not like it somehow, they told me we shouldn't allow it, but that's how democracy functions. It's functioning very well. Excessively functioning. [Laughter]

**Rick Barton:** This is the last question that we have. In the early days of your administration you and some of your officials spoke with concern about the speed with which foreign assistance was arriving and the way that it was pre-directed rather than to your needs. How do you evaluate the flow of foreign assistance at this point? Is it going to the right places and in the way that would be most helpful?

**Hamid Karzai:** After the Tokyo Conference the \$4.5 billion of assistance earmarked for Afghanistan, most of it was spent through the NGOs and through the United Nations. A smaller portion of it came to Afghanistan, some of it for assistance to the budget of Afghanistan; the rest of it for reconstruction.

We have announced our part last Saturday through the Minister of Finance to the Afghan people as to how that money was spent and where it was spent and we presented our account of the expenditure of the Afghan people. They are scrutinizing it now. They will come and ask us questions on that.

We have also asked the United Nations and the NGOs to present their account of how they have spent that money and the governments that are functioning in Afghanistan to tell us how they have spent that money.

Afghanistan did not have the capacity to absorb maybe initially that kind of assistance and to dispense it, to use it. But we have increased our capacity. We are still not a strong administration. There must be no misunderstanding. When I say we have increased our capacity, I'm talking comparatively, in comparison to two year ago we are a much better administration today. At least we know who is doing what in the international community and in Afghanistan.

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We have a higher capability today to absorb the international assistance and spend it. And our demand from the international community is that we would welcome assistance directly through the system of the Afghan government, and we are capable to manage it and spend it, and we will make sure that transparency is there and that accountability can be there.

**John Hamre:** Thank you so much, Mr. President.

[Applause]

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