

**CENTER FOR
STRATEGIC AND INTERNATIONAL STUDIES
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CSIS SMART POWER SPEAKER SERIES

**WELCOME:
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**SPEAKERS:
DAVID MILIBAND,
U.K. FOREIGN SECRETARY**

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JOHN HAMRE: Well, thank you all for coming. Delighted to have you here, my name is John Hamre. I'm the president at CSIS and I have the— well, my role is entirely just ornamental with things like this. I have no substance to bring and when every time I say ornamental, my wife usually laughs and so I will get off the stage very quickly.

I did want to say a very sincere welcome to State Secretary Miliband. This is a great opportunity. We talked just very briefly about what he planned to discuss and he said, how will that go in Washington? And I said, desperately, we need it because this is a town, and for such a sophisticated country, we're kind of a one-trick pony. Whatever is the issue of the day, that's the only thing we think about and we need very thoughtful, very senior, and serious people to come and bring to our attention, bring us back to focus on such an important topic such as Southeast Asia. I'm really delighted that he is going to share his thoughts with us on this.

You all, probably not, but I'll have to tell you, I've had to adjust in life when I find very powerful senior people who are younger than me and that to find a 40- or 41- one-year-old state secretary who has been in politics for 30 years and has come to — (laughter) — this level—

DAVID MILIBRAND: Ten years. Ten years.

MR. HAMRE: Ten years. I screwed that up, but had been in politics for 10 years at very high levels, you realize that we have an exceptional individual.

Now, this is part of a series, a program series, that we have called "Smart Power," and it's trying to get America back into the business of using the full spectrum of its tools, not just its military might, but its diplomacy, its cultural outreach, its information diplomacy, its public outreach, public diplomacy and we have asked him to come in that under that auspices. But I'll have to tell you that 10 years ago, the state secretary really invented "smart power" much ahead of us and that's when he became the pioneer of the progressive governance conference series. This has been a really quite a transformative institution in — well, really, across the world, but certainly been reshaping the political landscape in the United Kingdom.

So, it's a little humbling for me say, welcome to our Smart Power series when I think you've got nine-and-a-half years running on us for a state secretary. But we're delighted you are here, we look forward to your presentation. And I also told him, audience, that — colleagues — that you should be aggressive in pressing him on details because he looks forward to that. So please welcome the state secretary. We're delighted he's here, and we look forward to his presentation. Thank you, David.

(Applause.)

MR. MILIBAND: Thank you very much. Thank you very much, John. Thank you very much, John, for that very kind introduction, very generous. It's a great pleasure to be here at the CSIS, which has, I think, pioneered the debate about smart power despite your extremely generous – overgenerous– remarks.

I chose the title, “Dilemmas of Democracy: Work in Progress in Afghanistan and Pakistan,” without reference, the phrase “dilemmas of democracy.” I wasn't think of the American political campaign that you've got – (laughter) – going at the moment. But actually, it has been a great model for democratic engagement and I do look forward to the questions and comments that will come from the audience.

Now, what I want to try and do today is talk about what it means to argue that the democratic imperative, the drive for democratic accountability around the world should be at the heart of our foreign policy. What it means, though not just in theory, but in two of the most tough test cases, Afghanistan and Pakistan, which for reasons that I'll explain, are the number-one priority when it comes to British foreign policy and also, some sense of the British national interest and some of the big issues that confronts us.

There's a terrible quotation from your second president, John Adams, who said “Democracy never lasts long. It soon wastes, exhausts, and murders itself. There never was a democracy yet that did not commit suicide.” And those words, fortunately, have proved to be spectacularly untrue. Democracy has been the great survivor and in the last quarter of the 20th century, democracy marched across swathes of Africa and Latin America, from 25 or 30 percent of the globe being covered by democratic governments, moved to 65 percent.

But recently, and this is why there's been some comment, the march seems to have slowed. In some cases, gone into reverse, the questions have multiplied, the idea that the marriage of economic and political freedom has come under question. We've heard talk and articles in learner journals about not democratic growth, but about a democratic recession, and some of the youngest and most fragile democracies face cynicism in their own countries and fatalism abroad.

And my plea today is that with a great deal of humility and with a great deal of care, we hold on to our idealism and our belief in democratic values, a belief in the equal worth of human beings, their freedom to pursue a life of their own choosing, and the need for political systems to give vent to these aspirations. And I want to argue that this isn't just morally right, it is actually in our self-interest as well.

It's morally right because actually, despite all the talk of how democracy is somehow a Western invention, or that Asian values make it– make Asian countries inimical to democracy, eight out of 10 people globally say that they want to live in a democracy. Countries like Afghanistan, 8 million people turn out to vote, 70 percent of the electorate turn out to vote. And in countries like Indonesia and Turkey, they're

finding ways to marry democracy and Islam. I think it is right, therefore, to assert a universal moral value. But I think it is also right to assert self-interest as well. Democracies, as Amartya Sen famously argued, are much less likely to suffer from famines. Democracies, at least the record shows, are much less likely to go to war with each other, and I think we all have an interest in that.

And the argument I want to try to put is that we have to think about the capacity of the state to offer protection, welfare, and justice to its citizens on the one hand, and on the other, to offer accountability so that it acts as their servant, not as their masters, two sides of the same coin. Without a functioning state, lawlessness and disorder prevail and citizens' liberties are at the mercy of powerful forces outside the state. Without accountability, without elections, without a free press, without voluntary association, without legal protection for human rights, then the state's power is unchecked. And actually, that is a force for instability in the modern world because strong states as well as weak – states that are too strong as well as states that are too weak are a threat to stability.

I think I should say a word about why I've chosen Pakistan and Afghanistan as the focus for this discussion about democratic advance and democratic values. Eight-hundred-thousand Britons, 800,000 British citizens have Pakistani heritage. Migration has enriched both of our countries, but it has created profound risks as well since the majority of the terrorist incidents that we investigate have links back to Pakistan.

Our past connections, I think, will be well known to you, and in some ways, Pakistan, which I was – in my second trip as foreign secretary to Pakistan last month – in some ways, it's still defined by the systems and structures of the British Empire, the provincial structure, the division of the Pashtun tribal areas from the rest of Pakistan, the Durand Line, and of course, on the other side of the border, Afghanistan was at the heart of the so-called "Great Game" between Britain and Russia in the 19th century.

So it's important to us, as a country; it's important to our history, but it's also important to our citizens what happens in Afghanistan and Pakistan. Why I'm making this speech in Washington, and not in London? I think it's important to address that as well. And the reason is that your decisions and the decisions of your government are critical to the future of Pakistan and Afghanistan, and therefore very important to us. As the biggest bilateral donor in each country, as Pakistan's largest trading partner, as the largest contributing nation in ISAF in Afghanistan, you have influence in this region like no other nation.

And notwithstanding what John Hamre said about the debate in Washington, I think what's striking, is that from Senator Biden's visits and proposals to John Negroponte's recent speech at the National Endowment for Democracy, this country is actually one that debates Afghanistan and Pakistan in a serious and considerate way, or at least in some of the circles that have been drawn together, today, it is debated in a serious way. But I think that the current situation in both Pakistan and Afghanistan does demand our attention if we're serious about investigating the argument about the virtue and the

value of democratic accountability because I think it illustrates, in stark form, some of the most tricky dilemmas that exist worldwide.

You'll know that Pakistan has spent 60 years oscillating between military dictatorship and elected civilian government. It took almost nine years for a constitution to be agreed; less than two years later, it was swept away in a military coup. It's enjoyed only 28 years of civilian government out of the last 60. Its latest return to democracy, which did infuse the country with a spirit of optimism that I can report from my visit, occurred after the assassination of one of the country's political leaders, Benazir Bhutto.

If anything, in Afghanistan, the challenge is greater and the situation is more fragile. It's been torn apart by decades of conflict. A Cold War clash between the West and the Soviet Union was followed by disintegration into civil war. It's now become the frontline in the battle against terrorism. The consequence, I would argue – not the cause – the consequence of that history, is that it's the fifth-poorest country in the world – 174th in the World Development Index. A whole generation has missed out on education and talent has been lost to the Afghan diaspora around the world. It has the lowest female literacy rate in the world and it has a state that has never effectively governed, a central state that has never effectively governed outside Kabul.

Now, facing that litany of the situation in Pakistan and the situation in Afghanistan, I think it's tempting for some people to say that democracy is beside the point, that actually security or state capacity are all that matter. But I think that Benazir Bhutto, before she died, got this right. She said "Democracy is not just morally right. It's the only viable way to contain the growth of extremism, militancy, and fanaticism that now threatens the world." "Our goal is to ensure," she wrote, "through empowerment, employment, and education, regions of my country cease being the Petri dish for international and national terrorist plots that threaten us all." And the same, I think, can be said for Afghanistan as well.

What I want to do is to draw out what I think are five important lessons that can be learned from engagement with Pakistan and with Afghanistan that I think are central to whether or not we can make democracy the ally of stability in the way that I think is important.

The first lesson is that we need to reject forced choice of political reconciliation versus military engagement. Afghanistan and Pakistan both need effective security forces. They need to take on, with international help when necessary, those committed to violence. But there's no military solution to the problems of the Federally Administered Tribal Areas, or of the Gereshk Valley in Afghanistan. Over 800 members of the Pakistani security forces have been killed in the border areas since 2002. Yet, in that time, the extremist threat has grown. So we need to separate those determined to impose their views by force of arms, from those willing to accept the freedoms and limits of the constitutional order.

And in the Afghan parliament today, Mullah Rocketi, formerly a Taliban commander, sits in the same debating chamber as military commanders from the communist era. Security measures can deal with the symptoms of the problem, but politics is required to address underlying causes. And that's why I welcome what President Karzai is trying to do, in his attempt to reconcile all parties of the Afghan constitution. It's why I welcome what the new Pakistani government is trying to do in presenting those who threaten that country with a very clear choice: come within the constitutional political system and play by the rules, or face the full force of the security establishment of the security forces.

There will be elements who resist democratic principles and the rule of law and remain committed to violence. The governments of Afghanistan and Pakistan, with our support, must be able to defend their people. But in both Afghanistan and Pakistan, there are people who have been recruited to violence, not out of ideology, but to further their interests. If you could include these people in the political process, by persuading them the voice in the political process is open to them, I believe that you can strengthen the state rather than weaken it.

The second lesson is about the credibility of the state, alongside the credibility of its democracy. Both Afghanistan and Pakistan suffer from the weakness of the state in each country. They struggle to perform basic functions. They compete with networks outside the state accountable not through elections but through kinship networks and tribal structures. So while elections are indispensable, they're never enough. Without effective state capacity to provide protection or to administer justice, democracy is superficial.

We've been doing some polling in the Federally Administered Tribal Areas and people live there, not just in fear from the Taliban and from terrorist attack, but from basic criminality. A strong police force and an independent judiciary are accepted by the population are critical to ensuring that differences are settled on the base of rules, not force, and the British inheritance is a hindrance, not a help. The Frontier Crimes Regulation, which was introduced in 1901 to subjugate and discipline the Pashtun tribes along the Durand line, and which legitimizes collective punishment, is something which the majority wish in FATA is to see reformed or abolished, but this is the first government in Pakistan has pledged to do so.

In Afghanistan, corruption within the police and their failure to tackle serious crime corrodes the trust of Afghans towards their government. The progress made in establishing an effective Afghan National Army, which has been serious, needs to be backed up by a credible police force.

But it's not just on the security side that the functions of the state need to be effective. Less than 2 percent of the population of Pakistan pays tax, the basic democratic bargain, taxation in return for representation and accountability, is therefore undermined. Of the money the government does have, only 9 percent was spent on social development last year. Meanwhile, Pakistan has the seventh-largest army in the world, is

the eighth nuclear power, and comes 130th in the Human Development Index. That weakness of its basic services compromises its security. And we've all seen how when there's no alternative to schools, madrassas can fill the gap. By investing far more in education, including in the tribal areas, in the FATA, the female literacy rate is less than 2 percent – 1.9 percent. The new government can provide a choice, a new choice for the Pakistani people.

On the Afghan side, the same case could be made. I think you'll know that it used to be illegal under the Taliban for girls to go to school. Now almost 2 million girls are receiving primary education. I think the case is simple and straightforward.

I think the third lesson, in a way, is an ironic one to have to give either to a British audience or to an American audience. It's ironic because our own democracy was not built from the top down, but was built from the bottom up. In countries like Afghanistan and Pakistan, it seems to me essential that we do build democracy from the bottom up not just from the top down because central government is as remote from the daily concerns of Afghans and Pakistanis as international governments sometimes.

In Afghanistan, that's why we've sponsored the National Solidarity Program, which has led to the development of 20,000 community development councils around the country which plan, manage, and monitor development projects such as rural roads, wells, and schools. So while 8 million people voted in the Afghan national election, equally significant, I think, are the informal mechanisms of democracy in those 20,000 community development councils.

In Pakistan, the legacy of British rule was the dominance of the Punjab within national politics. The answer, when one looks at a tribal belt of ungoverned space, is to strengthen the capacity of district and provincial government and its connection to central government. I think it's no coincidence, but it's widely known, that in the Federally Administered Tribal Areas of Pakistan, where levels of health and literacy are well below the Pakistani average, and where 23 out of the last year's 57 suicide attacks took place, political parties have been banned for the past 60 years. That's why the new government is right to emphasize the need for more economic and political development in the FATA, as well as more effective security.

The fourth lesson is that democracy and democratic accountability requires a balance of power between the institutions of civil society rather than a monopoly of power, be it in the army or in the executive. Stability requires equilibrium in the distribution of power, with the different arms of the state, parliament, judiciary, and army, held in balance and between the state civil society and individuals. The imbalance of power between the military and civilian dimensions of the Pakistani state have been a source of continuous instability, I would argue, in the 61 years since that country gained independence.

The army's strangled hold on politics has prevented democratic government from maturing and moving beyond personality politics to proper policy-based debate. Given

the nature of Pakistani society, the army will need to play an important role. But its commitment to stay out of politics that has come from Chief of Staff Kayani needs to be sustained. It needs to accept civilian administration, even when that involves rebalancing the budget away from defense to allow more money to be spent on economic and social development.

The final lesson that I want to mention is that Afghanistan and Pakistan need to stop blaming each other for their problems and recognize the shared interests that bring them together. If the terrorist threat continues to be shunted back and forth between the Afghan-Pakistan border then democracy will have little chance of success. This requires a genuinely historic reassessment of the priorities in each country.

Pakistan has traditionally focused on the threat from India, but India and Pakistan's relationship in the last five years has improved markedly and earlier today, in Pakistan, Indian Foreign Minister Mukherjee met the new Pakistani Foreign Minister Qureshi. Afghanistan, Pakistan, and India, together, have agreed in principle, to a gas pipeline that would bring gas from Turkmenistan, through Afghanistan and Pakistan, and on into India. The hope is that the shared risks that those three countries face will actually overwhelm the sense of distrust that they have historically had between each other.

I want to – in the closing part of my remarks – talk not about democracy within Afghanistan and Pakistan, but what's our role, if any, in supporting it because the perceptive criticism of the case for democratic governance comes not from those who contest whether democracy is in our national interest or whether it represents a universal value, but from those who argue a completely different and pragmatic case, namely that democracy is driven from within countries, rather than through external influence, and therefore, that democracy cannot be forced or even, quote, unquote, "promoted."

We know from our own history, that democratization happens primarily because of local dynamics and pressures. A state concedes representation when it needs more resources or when a growing middle class demands political power commensurate with its economic weight. But outsiders have a legitimate interest and make a difference for good or ill, and I want to pick on three areas where we can do so.

The first may seem paradoxical: A commitment to democracy sometimes requires military support, not its denigration or denial. In Pakistan, the new government and the chief of the army staff recognize the need to strengthen counterinsurgency capability of the army and I think we should be ready to respond to any request from them for assistance. In Afghanistan, we need, along with our allies and partners in NATO, the EU, and the international community, to provide longtime commitment to both military and civilian capacity. Troops will continue to be needed to provide the space for diplomatic and civilian efforts, but we must speed up our efforts to switch our forces from combat, to a training and mentoring role with Afghanistan's own forces leading the struggle to secure the state.

Second, our aid budgets can provide a significant platform by allowing, by enabling democratically elected governments in both Pakistan and Afghanistan to respond to the needs of their people. If government capacity is a fundamental prerequisite of democracy, our investment in state-building and in infrastructure must be as important as investment in military assistance.

The U.K. has, over the last year, decided to double development spending in Pakistan to about \$1 billion over the next three years. We're prioritizing good governance and the delivery of basic services. In Afghanistan, almost 80 percent of our funding goes directly through the government system to deliver schools, teachers, hospitals, doctors, and other services. In Pakistan, the figure is 83 percent. Aid flows need to be timely and transparent and sustain state capacity rather than substitute for it.

The third is about diplomacy. Many in the region – and this is something that has come through to me in my successive visits in Afghanistan and in Pakistan – many in the region overestimate our influence, and if I'm honest, your influence as well. They believe that behind the scenes, we continue to manipulate events and determine the political path. And that is counterproductive for our own interests and for the two countries' concerns. It undermines their sense of ownership and responsibility for their own affairs.

In Pakistan, supporting democracy means supporting principles, not personalities, supporting institutions, not individuals. Politicians come and go; some are more helpful to our agenda, some less. But it is the independence of the judiciary, the professionalism of the armed forces, the impartiality of the electoral commission, and the authority of the police that will guarantee responsible and accountable government in the long term.

In both Afghanistan and in the FATA, we need to accept that government reconciliation efforts will reach out to people we are uncomfortable with. We have a right and duty to say clearly when we think the governments of Afghanistan or Pakistan are putting our forces in the region or our citizens at home at greater risk, making deals which leave extremists with too much freedom. But the process of reconciliation will be infinitely more legitimate and effective if it is locally owned and it is cognizant of our red lines for our own citizens.

But in the end, the choice has got to be for the local leaders, and I think that it is significant that both Prime Ministers Zardari – I beg your pardon, Senator Zardari and Mr. Sharif should have spoken so clearly about their determination not simply to shunt a terrorist problem, from the Pakistan-side of the border to the Afghanistan-side of the border. That now needs to be seen through. A month ago, on a visit to Peshawar, I sat and talked to the relatives of some of those who'd been killed while attending political rallies in Pakistan. These were Pakistanis who suffered from terrorism, not Westerners.

I was struck by the fact that they all wanted to talk about politics. Some of them wanted voice frustration at Western influence in Pakistan, others wanted an effective

attack on the conditions that gave rise to radicalization. But they all had views, they all wanted a say, and they all wanted the power to shape their own lives accordingly.

I think the same deep desire for a voice exists in Afghanistan as well. The first elections in Afghanistan for 30 years were greeted with a high level of public enthusiasm. Every wall and lamppost in Kabul was festooned with campaign posters, rural areas saw large numbers of women, nomads, and elderly men eager to take part in elections and try hard to understand voting procedures with guidance from polling station staff.

This democratic transition is not an overnight sensation. It takes years, sometimes tens, or even in our own cases, hundreds of years. It suffers setbacks, periods of crises, descends into danger, threats from within and without, but it survives because it's the will of the people. And by supporting it, I think we do right by ourselves, and right by people in those countries. That's why it's so important. Thank you very much indeed.

(Applause.)

JULIANNE SMITH: Well, thank you very much, Mr. Secretary, for those remarks. My name is Julianne Smith. I'm the director of the Europe program at CSIS and I'll be moderating a short Q&A session. We're very fortunate that the foreign secretary has about 30 minutes or so to take some questions. I'll group them in threes. I'll ask you to wait for the microphone and introduce yourself before you state your question and I'm going to give myself a chance to ask a question as well.

I think that everyone in this room would agree with the main crux of your argument today about the importance of enhancing state capacity, building civil society over the long term, and the need for more resources in this area. But if you look at, say, in Pakistan, the countries that are already contributing on the ground, you do see, indeed, how difficult it's been for some of these countries to either contribute on the military side or on the development assistance/civil society/judicial side of the equation, in part, because our publics at home tend to be skeptical that we either have what it takes or that, in fact, change is, indeed, possible in some of these faraway places. And I think there is some skepticism about the consequences of failure in some of these places that can, to public audiences, feel very far away from home.

So I am wondering, how do we continue to make the case to our publics back home that this mission does need both the reconstruction and development assistance, and it will in some cases, as you pointed out, need military contributions, as well? And if, in fact, the contributions at the national-government level are limited, is it better for us to try and encourage international institutions to take on a greater role, institutions like the European Union, the U.N., the World Bank, the Asian Development Bank, the list goes on and on. So I would be interested in your comments in that regard.

All right, but I do want to grab two other questions, so that we can give him a couple – yes, Esther, you will be the first one. And do wait for the microphone, please.

Q: Thank you.

MS. SMITH: It doesn't seem to be on. You will have to shout.

Q: I will shout.

MS. SMITH: (Chuckles.)

Q: Esther Brimmer, Center for Transatlantic Relations at Johns Hopkins University. Thank you to CSIS. Foreign Secretary, thank you for your remarks today. I wanted to ask you a bit about who the "we" is. You talked about our role. And in a sense, I wanted to ask, is there a particular responsibility for democracies to support these issues, for the international community, the European Union? In a sense, who is the "we," as you try to think about the larger community advancing these values as we go forward? Thank you.

MS. SMITH: Yes. Wait for another microphone coming up from behind there. Thank you.

Q: (Unintelligible.) Mr. Secretary, you said a few words in the beginning of your speech about Turkish democracy. So as you know, there is a closing – (inaudible) – case in the Turkish constitution court. What is your reaction on that? And what do you think Turkey's model role in the region and on the transatlantic relations? Thank you.

MS. SMITH: Thank you.

SEC. MILIBAND: I think that in respect of the battle against cynicism and skepticism, it might be different between our two countries. In our case, it is a very passionate subject of debate within the Pakistani community. The media is actually the same media in London as it is in Lahore. I mean, there is real commonality there. So that sustains it.

Secondly, because it is so central to our own security, our own exposure, we don't have difficulty emphasizing its importance. I think in terms of whether that slips into fatalism, that is not our experience because I think that people can see that there is a struggle for progress. And people often say to me, is it going well or is it going badly? And the truth is that some things are going well and some things there are reverses. And so I think that, certainly from our own perspective, it is not a doomed struggle for engagement. I think what is important and the most difficult thing is the mutual responsibility that you hinted at in your remark, in your question. People want to know there is a partner there to work with, and that is an issue that is raised in respect to Afghanistan and is raised in respect to Pakistan, as well.

And that is why the debate about the future of the coalition in Pakistan – people are going to raise this – is very, very significant. It seems to be a very high priority for the coalition to sustain itself. And I spoke to both Senator Zardari and to Nawaz Sharif

when I was in Pakistan, and also in London 10 days ago. And it seems to me that they both have a lot to lose from the failure of the coalition government on this issue of the judges.

Esther asked who is the “we,” and the “we” in my speech was we, the British government. But I think you are raising a broader question, which I think is good, and which links to Julianne’s question about World Bank, international institutions, et cetera, because the we, as the British government, is also represented in the World Bank, has a role in the IMF, has a role obviously in the EU, where actually the EU election monitors were quite important in the election process. And so I think that if you are saying, does the international community have to find more concrete form to its identity? I would agree with that. I think there is a division of responsibility between different institutions. I think the European Union can play a strong supportive political role. I think it will still be individual countries that are the main sponsors of aid development.

But in the end, there is a real orientation that has to go on within Pakistan society. On the Afghan side, I think it is slightly different, obviously, because of the presence of ISAF there through NATO. There is a different “we.” And also through the coalition that is supporting its development. But the meeting that is taking place in Paris on the 12th of June is, I think, an important chance to reestablish the partners to the Afghan development process, both from the international side the Pakistani side.

In respect to your question, sir, about Turkey, I was in Turkey last week. And I think that the right thing to say is that the people who should decide the government of Turkey are its voters, not its lawyers. And what you see is a constitution court challenge that goes to the heart of that question. The Turkish system must see its way through. It has got a debate about how it balances private religious choice and the public realm and the public sphere. But my visit to Turkey last September convinced me they actually had crossed a – (inaudible) – in that regard and were ready to move on. And that is why I am a very strong supporter of Turkey’s accession to the European Union, which I think is the best anchor of the secularism that people talk about as being an important part of Turkish identity.

MS. SMITH: Yes? And then I will get to the back of the room. Please go ahead. Do introduce yourself.

Q: Sameera Daniels, Ramsey Decisions. As an observer of Pakistan politics, one of the crucial problems, as I see it, has been – and I would like your opinion about this – that we have in these 30, 40 years, conflated the problem, the politics of foreign aid to Pakistan and to other countries, including the United Nations, and democracy. And as a consequence, a lot of what I see as a real incapacitating phenomena in the democracy-promotion stuff is this. And I am wondering if you have attempted to sort it out or see it as a problem?

MS. SMITH: Reggie, and then the gentleman all the way in the back. Go ahead, Reggie.

Q: Yes, I'm Reggie Dale at the Center for Strategic and International Studies. There is some debate that you hear these days about whether Islam or some strings of Islam are, in fact, compatible with democracy, and even some Islamists would reject Western democracy. So my question is, in talking about democracy promotion, are you thinking of just the Western model – is that a universal model? Or can there be adaptations in some circumstances?

MS. SMITH: Great. And then the gentleman standing in the back – just get a microphone to him.

Q: Thank you very much. My name is Mike Kellerman. I'm with APTVS Television. Mr. Secretary, if I could stay in the region, but just change the subject for a moment, on Iran, you mentioned to Charlie Rose recently in an interview that everybody watched that Iran can be integrated into the international system under certain conditions. I would like, if you could, to expand a little bit on that, please, and let us know what you think about that.

And in addition, your meeting with Secretary Rice this afternoon – is Iran going to come up? And what are you going to recommend to her? Thank you.

SEC. MILIBAND: I think the question about the confusion between what you call the politics of foreign aid and the politics of democratic accountability and reform within Pakistan, that is not – there isn't much politics to the foreign aid that we give to Pakistan. I mean, there are issues about the level of it, but it is pretty clearly directed for humanitarian purpose. It is done according to our own development principles. It is done in partnership with the government of Pakistan. And it has always been very clearly focused on development, on aid. So I think you could make an argument – if you wanted to make the argument that we should have had more conditionality, you could make that argument. That is not an argument that we have put. We have put – we believed that Pakistan's poverty demanded support, and that is the way we have approached it.

I think that in respect to – was it Reggie's question? First of all, there isn't one model of Western democracy. I want to be slightly careful about that. But there are a set of principles that, I think, we see in some of our own societies – or in our societies that are very important. And they are to do with both governmental institutions and how they are accountable. But also, the buttressing institutions of civil society, be it a free press, be it independent judiciary. And I think that as long as one defines democratic accountability in that way, I think it has universal application. I wouldn't want to say the Westminster model of democracy as universal application. It would somehow seem that yours wasn't a democratic model.

And as I tried to say, I think one has to have a richer concept of democratic accountability than a quinquennial election because I think if one simply has that, then I think one loses – that is part of the story, but it may be the end of the story, not the beginning of the story. And I think one has to have a richer definition, and that is really

what I was trying to talk about. I also think that it is not a – governance exists at many levels. And I do think the importance of local governance is something that has been underestimated.

In respect of the two questions about Iran, I think that the important thing is that Iran would be able to exercise its full rights as a member of the international community if it lived up to all of its responsibilities in the international community. And at the moment, Iran is in violation of four U.N. Security Council resolutions, as well as being unable to satisfy the International Atomic Energy Agency in respect of important aspects of its uranium enrichment program. And it's the abrogation of Iran's responsibilities that means – there is a sanctions package, which you know about. We have always been clear, and this is something that has been taken forward by three European countries, but also by the U.S. and Russia and China, that the dual-track approach is right, that Iran should be made very clear there are costs to Iran of its refusal to abide by its international responsibilities, but that if it did, there would be benefits, economic, scientific, and technological benefits.

And so Secretary Rice and I met in London with the four foreign ministers from the other two European countries and Russian and China on the 2nd of May to agree a new package that we were affording to Iran. And I am sure we will talk about that today, as well, when we meet.

MS. SMITH: Great. Okay, yes? Hand way in the back there. Yes, sir, go ahead.

Q: Mark Asquino from the U.S. Department of State, the Office of the Coordinator for Reconstruction and Stabilization. The PRTs, the provincial reconstruction teams, in Afghanistan were really conceived with the idea of combining military and civilian cooperation in reconstruction and stabilization. And I wondered if you could give us an assessment of your views on their success. And in connection with that, the British experience in Helmand, in particular. And finally, the last connection – you didn't mention anything about the drug trade in Afghanistan, but your thoughts on how either PRTs or other efforts might counter that. Thank you.

MS. SMITH: Great. Thanks, sir. Yes?

Q: Michael Allen with the National Endowment for Democracy. You mentioned a recent conference on democracy and security in Pakistan. The participants at that conference from Ambassador Negroponte, down through to the humble civil society activists from Peshawar and elsewhere that participated, all emphasized and frankly agreed with your point that democracy and security were not mutual alternatives or incompatible, but I thought mutual requisites. However, this view seems to be particularly an elite circle's commentariat, and political elites in Europe and in North America is something of a minority viewpoint these days and has clearly been something of a – should we say, backlash, against the notion of democracy assistance, democracy promotion, as a legitimate foreign policy objective.

How confident are you that this kind of narrative that you are trying to articulate has political traction at this time of something of backlash or a regression against democracy as a priority? And I thinking particularly in Europe, where frankly, you and maybe Ambassador Kushner (ph), or maybe Václav Havel, or one of a minority of voices that one hears from Europe that do articulate a democratic geopolitics – put it that way, in this way?

MS. SMITH: Yes, there was a woman right here. Yes. Get a microphone up. Just two rows up. Yeah, thanks.

Q: Caroline Vicini, Embassy of Sweden. You mentioned the support – the necessary support to the Pakistan armed forces. And at the same time, you also talked about the large amount of the Pakistani government's budget that goes towards the armed forces. And they have also had a role in the sort of undemocratic part of Pakistan's history. So how do you see this support that you, or we, should give to the Pakistanis? Should there be strings attached? Should there be conditions? Or is terrorism and the fight we have in these areas so important that we don't need to have those conditions?

SEC. MILIBAND: In respect to the provincial reconstruction teams, I mean, it is a really good question, which we were addressing yesterday at the U.N., when we sponsored a U.N. Security Council debate on post-conflict reconstruction. And there was quite a lot of discussion about the experience of the PRTs. And in a way, you said to me, what is our experience? And our experience is both good and bad. We have got good experience and bad experience. I always hate to when I ask my officials, what is the record? And they say patchy. And that is – it is sort of – I feel sort of it is not a very helpful answer.

I think there are three parts of the answer that are important though. One, is that it is clear, both at the national level and at PRT level, the fragmentation of the international communities and institutions has been a real problem in Afghanistan, and I think we should be open and honest about that. Secondly, the inflexibility of funding that has gone into Afghanistan has been a real problem. There has been insufficient fundability of funds between different budget items. And thirdly, and this relates to your point in Helmand, the civil military balance hasn't been right. And it is interesting that we have just – we have now combined our civilian and military teams in the Helmand PRT with a civilian lead of that. And I think that is the way of the future, certainly for the way that we are trying to do our work in this area.

I think that – I mean, it is a whole separate lecture on the drug trade in Afghanistan. My short answer is that I believe it is a function of first, above all, of security. I mean, in our experience, when security is established, the drug trade is really – goes down. I think when that is coupled with the rising wheat price, which you have seen over the last 18 months or so, you get pretty quick market decisions made by Afghan farmers. I mean, the reason that production has fallen by about half over this season is the combination of better security and different economic incentives for what you grow. And I think – that is the short answer.

Michael, your – it's not bad company – Václav Havel and – (inaudible) – Krushner but it is – I don't think it should go to my head. I mean – I don't think it is – I don't feel the backlash in quite the way you described. What I think is that there is some learning of lessons. And I think that it is important not to see – this really goes back to the question that was asked to me by Reggie here. If democracy is seen as a quote, unquote, "export," then it is something that – I think that is the wrong model really. We are not in the export business. I actually took a line out of my speech draft over the weekend. I said democracy is a great American export. It is wrong to think of it as prehistorically wrong, but it is also not the right frame, I think.

And I think people are pretty pragmatic. But what I think is important is that you do emphasize – that we do emphasize what you call democratic geopolitics, what I say, the democratic imperative because I think that if you care about corruption, you need a Krushnerstate that is accountable to the people, not just accountable upwards. If you care about the political stability, I think you have got to care about democracy, as well, or democratic accountability, as well. And so I think it is important to continue to make the argument.

I think in respect of the role of the Pakistan army, there are two key dimensions to this. One is who does it think the threat is from. And it is a fundamental, structural deep choice for Pakistan about whether it continues to see the threat to its security coming from India or not. And when it decides that, in fact, the threat to its security does not come from India, it will be a liberation of a fundamental kind in terms of the way the country thinks about its own security, and the way that it thinks about the deployment of its armed forces. So that is the first axis.

The second axis is about the role of the army in politics. And here, I think, we come back to the importance of the coalition holding together. Because if the coalition does not hold together, the obvious implication is that the only people who can hold it together are those who are not elected. And so I think it is – I think those are the two dimensions in which it is important. I mean, all support for any army is always conditional. So I don't think that is really the dimension of choice on this.

MS. SMITH: Well, I want to make sure that the foreign secretary can get to his next engagement on time. So we will do one quick round. I ask that you be very brief. There was a question right here, then you, sir, and then all the way in the back there.

Q: Hi, my name is Thomas Rid from the Rand Corporation. In some respects, the threat level, terrorist-threat level in Europe is worse than in the United States. I believe in the U.K., in 2001, there were 250 suspects under investigation, and that number has nearly increased tenfold in six years. European intelligence services also point to the situation in Pakistan and Afghanistan as a motivator for the increased threat in Europe. How do you think the connection can be explained in the context of what your presentation and Western operations in those regions? Are they actually contributing to that increased threat or not?

MS. SMITH: Great, thanks. If you could just pass the microphone down to –

Q: David Smith from the United Nations office here in Washington, D.C. Foreign Secretary, you mentioned the fragmentation or the patchy effectiveness, I think you said, of the PRTs in Afghanistan. Pretty straightforward, how best to deal with the fact that you have got the Pentagon, you have got NATO, you have the U.N., you have got the EU, and the diffusion as it were of commander control. How best to make that operation in Afghanistan the sum of its parts?

MS. SMITH: Great. And then all the way in the back there on the aisle.

Q: Quentin Hodgson, office of secretary of Defense. Right back here, sir. For better or ill, democracy has been most associated with elections. And I wondered if you could address the argument, which at least personally, I think is a little facile, that if you have elections, you get Hamas, you get Hezbollah. How do address that kind of argument that is thrown back in the face of democratization?

SEC. MILIBAND: Let me start with that. I think it is important. I mean, the first thing to say is that there was a debate about how inclusive the Pakistani elections should be, who should be allowed to stand by the Pakistani authority. And my view was always that the more inclusive the electoral choice, the more marginalized would be the religious parties. And it is striking – someone here will have the exact figures, but I think I am right in saying that between 2000 – between the last election and this election in Pakistan, the vote for the extreme religious parties went down from about 9 percent to 2 percent. And so I think that – my – (inaudible) – will always be that you are better off trying to have an inclusive political system

Secondly, though, you have then got a choice about – depending on who gets elected – what relations they have with the international community. And so in respect of Hamas, our opposition has always been that the – I actually answered this in a previous meeting this morning – that we didn't deny that Hamas had been elected. But equally, we didn't believe that it was right to open negotiations with them, unless they renounced violence, accepted the existence of the state of Israel, and accepted previous Palestinian agreements. And so I think that that is the right way to play it. The other point about Hamas, obviously, is that there is a directly elected leader of the Palestinian people in the form of President Abbas. And he is the person who I think needs to be in the driving seat. So I think that inclusive political systems are right, but then neighboring and other countries have to make a decision about how they deal with the consequences of an election.

I will go in reverse order. David Smith's question was about – what is the answer to fragmentation? Well, better coordination. It becomes – it is slightly sort of simplistic. I spoke to Kai Eide, the new U.N. secretary general's representative in Afghanistan, on Sunday just before I flew out, who I think is doing an outstanding job. And I think that in terms of – he can – first of all, and I hope it is okay to say this if you are from the U.N.,

the U.N. doesn't just need to coordinate with other organizations, the U.N. needs to coordinate all of its own different arms and legs and bits. And so there is a job to do to make sure that the U.N. itself is properly integrated.

Countries of the EU, and the EU itself, can then make it much easier to work with organizations like the U.N. Personally, I am strongly in favor of double-hatting of commissioned EU representatives. And I think that reducing the number of people that are involved around the table helps. I think that the most important thing, though, is to have a clear plan. And if you have got a clear plan as to what people are doing, then you are holding people accountable for delivery, rather than arguing about the strategy.

The final point – I should come back and do a different lecture, I think. I think it is hard. There is no question that there are significant numbers of people both in Britain and in Pakistan or Afghanistan, who disagree profoundly with British government policy, whether it be in respect to Afghanistan, Pakistan, or in respect of Iraq or anything else. But I think it is very important not to confuse – not to occlude the distinction between people who are strongly opposed to government policy and become terrorists. And I think when you use the term “radicalization,” you are talking about people who actually turn their opposition to policy of some kind into violent extremism.

And our experience is not that foreign-policy concerns are what drive people into violent extremism. I think that the work of David Kilcullun, amongst others, has really got into the guts of this in a very profound and important way, and I think shot down some of the more simplistic ways that people think about this. And I think that thinking about the radicalization process as a distinctive process is important. In our own country, we have now got experience with people, who did support radical terror groups, turning their back on them. And I think their story speaks to rather more personal issues, rather than international, political issues.

MS. SMITH: Well, this has been just a terrific and very timely exchange. Unfortunately, we are out of time. Before we go ahead and thank the foreign secretary, two quick things. One, I am going to have to ask everyone to stay in their seats until he is able to depart. And I also want to thank the British Embassy and the German Marshall Fund for helping make this event possible. But let's thank our speaker today, the foreign secretary.

(Applause.)

(END)