

JPRS-NEA-92-015  
21 FEBRUARY 1992



**FOREIGN  
BROADCAST  
INFORMATION  
SERVICE**

# ***JPRS Report***

# **Near East & South Asia**

***PAKISTAN***

19980113 257

**DTIC QUALITY INSPECTED 2**

**DISTRIBUTION STATEMENT A**

**Approved for public release;  
Distribution Unlimited**

REPRODUCED BY  
U.S. DEPARTMENT OF COMMERCE  
NATIONAL TECHNICAL  
INFORMATION SERVICE  
SPRINGFIELD, VA 22161

# Near East & South Asia

## PAKISTAN

JPRS-NEA-92-015

### CONTENTS

21 February 1992

#### POLITICAL

##### INTERNATIONAL AFFAIRS

Wide Range of Leaders Attack U.S. Senator's Statements [DAWN 15 Jan] .....	1
Editorial Attacks U.S. Senator Pressler for 'Ignorance' [DAWN 15 Jan] .....	1
Press Continues To Attack U.S. Senator's Statements .....	2
Seen Alarming [THE FRONTIER POST 13 Jan] .....	2
Seen Biased [THE FRONTIER POST 15 Jan] .....	3
Ignorant of Facts [DAWN 24 Jan] .....	3
Expressed Hostility [DAWN 21 Jan] .....	5
Holds Anti-Muslim Viewpoint [DAWN 21 Jan] .....	6
Foreign Secretary Claims U.S. Pressure Refuted [MASHRIQ 2 Jan] .....	7
U.S. Urged To Deliver Paid For F-16s [NAWA-I-WAQT 10 Jan] .....	8
Impact of U.S. Aid Suspension Analyzed [JANG 13 Dec] .....	8
Government Urged To Heed U.S. Concerns on Human Rights [AMN 11 Jan] .....	10
U.S. Criticized for Opposing Aid to Kashmiri Militants [MASHRIQ 10 Dec] .....	10

##### REGIONAL AFFAIRS

Use of U.S. Weapons Supplied to Afghans Viewed [AMN 4 Jan] .....	11
Iranian Revolution's Significance, Influence Analyzed [TAKBEER 16 Jan] .....	12
Azad Kashmir President Interviewed on Independence [ZINDGI 27 Dec] .....	13
Government Urged To Join Islamic Bloc of Powers [NAWA-I-WAQT 7 Jan] .....	15
Muslim Countries Asked To Boycott India [JANG 28 Dec] .....	16
Political, Geographical Importance of Nation Analyzed [JANG 13 Dec] .....	17

##### INTERNAL AFFAIRS

Conflict Between Prime Minister, Opposition Examined [AKBAR-E-JEHAN 19 Jan] .....	18
President Khan Claimed Enjoying Unlimited Power [THE FRONTIER POST 7 Jan] .....	20
Proposed Meeting of Sharif, Bhutto Claimed 'Sabotaged' [DAWN 5 Jan] .....	21
Sharif Attacked for Cynical View of Press [THE FRONTIER POST 3 Jan] .....	22
Leader Urges Division of Balochistan [AMN 13 Dec] .....	22
Movement To Divide Balochistan Said Growing [JASARAT 31 Dec] .....	23
G.M. Syed Claims Sindh Needs Liberation From 'Punjabistan' [DAWN 18 Jan] .....	23
Writers View Sindh's Intractable Problems [ZINDAGI 13 Dec] .....	24
JUP Leader Advocates Testing Nuclear Device [DAWN 15 Jan] .....	27
Dissident ANP Group Facing Internal Division [DAWN 5 Jan] .....	27
Government Urged To Make Open Nuclear Declaration [JANG 28 Dec] .....	28

#### ECONOMIC

Spiraling Prices Eroding Purchasing Power [VIEWPOINT 9 Jan] .....	30
Inflation Said Depriving Middle Class of Savings [VIEWPOINT 2 Jan] .....	32
Economic Situation Claimed Degenerating [MUSAWAT 2 Jan] .....	34
Economists Interviewed on Prospects of Development [THE FRONTIER POST 3 Jan] .....	34

#### SOCIAL

Explosive Growth in Population, Illiteracy Viewed [MASHRIQ 17 Dec] .....	41
Expedient Justice Claimed Absent in Country [DAWN 13 Jan] .....	41
Increasing Unemployment Seen Due to Overpopulation, Illiteracy [THE FRONTIER POST 7 Jan] .....	42
BCCI Scandal Said To Reflect Pakistani Mind Set [VIEWPOINT 9 Jan] .....	43

## INTERNATIONAL AFFAIRS

### Wide Range of Leaders Attack U.S. Senator's Statements

92AS0531C Karachi DAWN in English 15 Jan 92 p 10

[Quotation marks as published]

[Text] Lahore, 14 January—Various political leaders have strongly reacted against the threats Senator Larry Pressler has hurled against the country's peaceful nuclear programme and said the Senator's statement was not only an interference in the internal affairs of Pakistan but also exposed Washington's designs against this part of the world.

President of the Awami National Party [ANP] Ajmal Khatak described Mr. Pressler's statement as a 'blue-print' of the proposed New World Order for the region for which Washington intended to impose its dictates. "But Pakistan is not Iraq, any measure against our country in particular and the region in general may backfire in the long run," he said and added a new world should not be based on old confrontational behaviour but on amity mutual understanding and fraternity.

Mr. Khatak also criticised the government which, according to him, had pushed the country to the brink of disaster in its desire for closer ties with Washington. The remedy was that Islamabad joined the process of making of a new world in an honourable way through mutual cooperation and bilateral amity and give up the attitude of enmity in the region.

The ANP president said while the country was facing threats, particularly in the wake of Mr. Pressler's attitude, to its stability, the political parties had not risen above petty political interests. "It is regrettable that instead of inculcating amity and friendship and promoting understanding for a national cause, we have been indulging in confrontational politics," he said and added if the present political attitude was not changed, the country would suffer.

PDP [Pakistan Democratic Party] leader Farooq Hasan has said the "threat" by Senator Pressler had not only exposed sheer lack of perception of foreign affairs by the rulers in Islamabad but also showed the hollowness of diplomatic endeavours, including as an Ambassador to Washington, Government had been making to cultivate closer ties with the U.S. He said that the foreign policy of the country had exposed its incapability to grasp the world affairs.

PPP [Pakistan People's Party] Leaders: PPP leaders Khawaja Ahmad Tariq Rahim, Salman Taseer, Malik Ahmlad Saeed Awam and Iqbal Tikka attributed the U.S. Senator's statement to the refusal of the prime minister to give an audience to Mr. Larry Pressler.

Speaking at a news conference here on Tuesday, they said Islamabad showed a sheer lack of perception of international relations by refusing to meet the U.S. senator.

Had they (the rulers had a little political and diplomatic acumen, they would have persuaded Mr. Pressler by apprising him of the violation of human rights of which India was committing in Kashmir.

"The responsibility of Mr. Pressler's statement lies on the prime minister, who badly lacks the understanding of foreign affairs," they added.

The PPP leaders also condemned the government for doing away with the nuclear reprocessing plant deal at a time when the prime minister was to tour France showed that it did not accept the government at Islamabad as a truly representative and democratic government.

They said the deal of reprocessing plant was struck by the late Zulfikar Ali Bhutto and it was revived during the 20-month PPP government. At that time France did not yield to any outside pressure. But now it had cancelled the deal of even nuclear power plants that were to start functioning in 1993, according to an agreement with the Benazir Government.

### Editorial Attacks U.S. Senator Pressler for 'Ignorance'

92AS0531A Karachi DAWN in English 15 Jan 92 p 11

[Editorial: "Senator Pressler's Logic"]

[Text] As the author of the Pressler Amendment, the legislative device responsible for blocking American aid to Pakistan, Senator Larry Pressler enjoyed till the other day a near-mythical status in this country. Everyone knew his name; no one had heard or seen him. Then at last on Sunday came the chance to make up for this omission. But the experience, alas, has been less than edifying. Senator Pressler may be a great man in the U.S. Senate, although there are doubts on that score too, but he does not come across as a great student of South Asian affairs. His views, expressed with a rare abandon in New Delhi and the gist of them restated in Islamabad, are of what you might call the gullible kind. He believes that Pakistan possesses a nuclear device, a belief not all that surprising in the author of the Pressler Amendment but one calculated to arouse some astonishment when it is coupled with the stout claim that India possesses nothing of the sort. He also believes that what is happening in East Punjab and Kashmir is terrorism and that Pakistan is responsible for inciting it. Not content with this, he expressed strong fears about the emergence of an Islamic bloc comprising the Muslim states of Central and South-West Asia—"a new strategic group with fundamentalist overtones" and nuclear capability—which could pose a threat to India and the rest of the world. His formula for easing tension between India and Pakistan is the holding [of] a Camp David-like meeting between the two countries.

Senator Pressler is, of course, entitled to his opinions but it is a bit thick that Pakistan should have to suffer for them when they are based on such a wide blanket of ignorance. Pakistan's nuclear programme has not developed in a vacuum. It was taken in hand as a direct response to India's flirtation with a nuclear explosion in 1974. The claim that India's nuclear programme is peaceful is one that even knowledgeable Indians hesitate to make with any degree of conviction in private. But Senator Pressler, unburdened by any doubts, seems to see things in black-and-white. If in his mind Pakistan's nuclear programme is weapons-oriented, then India's is necessarily peaceful. The Senator makes a strange distinction between the two countries by asserting, as he did at his Press conference on Monday, that India did explode a nuclear device in 1974 but has since abandoned that path, while Pakistan is "going forward" with the development of its capability and must "roll back" its so-called nuclear weapons programme. Should this be done, Pakistan would qualify for a resumption of U.S. aid. There is no cure for such determined selectivity.

About the situation in Kashmir, more and more Indians agree that it is a problem whose roots lie within Indian-held Kashmir and that the responsibility for satisfying the aspirations of the Kashmiri people rests on India. But Senator Pressler, serene in the world of his own ideas, places blame for it squarely on Pakistan's shoulders. His view on the emergence of a bloc of Islamic states are similarly quaint. But Central Asia is in a state of flux and the Afghan problem remains to be solved. But Senator Pressler—looking so far ahead that he loses himself in the clouds—is afraid of a danger conjured up by his heated imagination. As for his recommendation for a Camp David-type meeting between India and Pakistan, it has been rejected even by the Indian Prime Minister who could be expected to have some sympathy for his visionary ideas. So there is little left for Pakistan to say or do on the subject.

Pakistan has always maintained that the Pressler Amendment was a selective piece of legislation—fastening its tentacles on Pakistan but leaving India alone. But now comes some light on the making of this policy. Senator Pressler has a passionately selective view of the world—or at least this part of the world. How could anything that was his brainchild not partake this selectivity? If President Ghulam Ishaq Khan refused to meet him, he did the right thing. A Pakistani head of state should not, ideally, have the time to meet every Don Quixote from the United States. At any rate, Senator Pressler's all too short visit to this country was not without its uses. It underscored, as probably nothing else could, the biases written into America's non-proliferation policy. As such, it confirms the wisdom of the course Pakistan has been following on the nuclear question.

## Press Continues To Attack U.S. Senator's Statements

### Seen Alarming

92AS0581A Peshawar *THE FRONTIER POST*  
in English 13 Jan 92 p 10

[Editorial: "Pressler's Alarmist Views"; quotation marks as published]

[Text] Senator Larry Pressler has been saying all the wrong things in India in his 'personal capacity', but since he is a member of the Senate Foreign Relations Committee on Near East and South Asia, what he says in this part of the world is going to have effect. That he has come out saying that Pakistan is involved in terrorism inside India is not surprising. Many Congressmen have said that before him, just as a number of them have condemned India for violating human rights and letting loose a reign of terror against the Kashmiris. It is his raising the bogey of an aggressive Islamic bloc in New Delhi which is unstatesmanlike and is likely to raise the temperature of anti-Americanism in the region. His conjecture that Central Asian Republics, Turkey, Afghanistan and Iran, will band together to make an aggressive nuclear bloc against the world in general and US-Indian interests in particular, does not stand the test of evidence. Central Asian Republics are a part of the Commonwealth of Independent States and are seeking links with Turkey because of the latter's Turkic identity and ability to trade. Had the intent been to create a military bloc, they wouldn't have plumped for a constitutionally secular state within CENTO, seeking membership in the European Community. As for Iran, its growing trade relations with India don't indicate that it wants to involve the region in a new Islam-related conflict. It has joined the international consensus under a UN scheme to resolve the Afghan crisis against the interests of the fundamentalist forces. The greatest hindrance to the creation of an anti-West Islamic bloc is Iran's quarrel with the Arab states across the Gulf and its own internal economic compulsions. But if there are more people of Pressler's mind in the United States, the Americans might succeed in creating such a bloc. And as many partisans of the conspiracy theory think, Pressler might benefit from the next conflict by selling arms to the other side and thus pull the American economy out of its current recession.

Pressler should go home and consult the Administration once again on what kind of 'new world order' Washington wants to create. So far, the signals were that the new world order would help defuse regional tensions, pressure, if it can, traditional rivals to disengage from militarisation, open up economies to become part of the global free market, adhere to democratic governance and observe human rights. Pakistan's nuclear programme may upset Washington more than the Indian one does, but Pakistan's progression towards democracy and free-market economy should not be ignored. The emerging

conflict in Pakistan between the economy and the Federal Shariat Court should also signalise that fundamentalism cannot serve the national interest and Islamabad's commitment to economic reform. As for Pressler's view on Indo-Pak relations, he seems to be recommending a course that would surely lead to war rather than peace. So far Washington's approach to regional denuclearisation seemed rational because it sought to apply pressure on both India and Pakistan, but Pressler now probably wants to set up an economically troubled India against the fantasy of an Islamic nuclear bloc. It seems that not only the bankrupt states of South Asia need to rethink their world view; people like Pressler in the United States too need to wake up from their old dreams, now that the Soviet Union is no more and the creation of some new 'ideological' conflict appears so seductive to run America on the old lines.

#### Seen Biased

92AS0581B Peshawar THE FRONTIER POST  
in English 15 Jan 92 p 10

[Editorial: "Pressler's Bias"; quotation marks as published]

[Text] One reason why the prime minister and the president of Pakistan didn't meet Senator Larry Pressler is that he wants to roll back the policy adopted by the Bush administration on the question of nuclear proliferation in South Asia. He says that India has 'changed' its nuclear programme after exploding the device in 1974 and is therefore no longer subject to the punitive provisions of the Pressler Amendment. On the other hand, according to him, the Bush administration and the CIA are convinced that Pakistan is in possession of nuclear weapons. His recommendation is that Pakistan should destroy its nuclear installations if it wants the American assistance released. Pressler is obviously going against the Washington policy of involving India and Pakistan in a regional denuclearisation programme with which Pakistan, unlike India, is in complete agreement. Perhaps he foreshadows the American policy change in this part of the world: an alignment with India to isolate Pakistan and coerce it to throw its security concerns overboard at the risk of internal chaos and external drift that may realise many of Pressler's remote nightmares about Islamic revivalism.

American scholar Leonard S. Spector, whose calculations in relation to Pakistan's nuclear ambitions are taken as gospel in the United States, has this to say about the India's progression towards the acquisition of nuclear weapons: 'India has for years portrayed its own nuclear programme as entirely open and transparent, and thus presumably peaceful. In contrast, it has cast Pakistan as a nuclear outlaw bent on obtaining nuclear arms by hook or by crook. Now that India has been shown persuasively to have relied on clandestine nuclear purchases to expand its nuclear weapons capability, New Delhi has lost its claim to transparency and has created grounds for deep suspicions about its intentions'.

Spector is of course referring to the heavy water theft from Norway, Romania and West Germany when its own facilities were incapable of meeting the weapons' requirement. India's pro-bomb lobby, led by K. Subrahmaniam, wants India to put the bomb it has already made 'on the shelf' and sign the NPT [Nonproliferation Treaty] as a nuclear weapon state. The Indian press and foreign experts have calculated that India already has several scores of nuclear bombs in storage. India's development of the Agni missile, which it tested successfully in 1989, can deliver a thousand-kilo payload over 1,500 miles, and no one in the world believes that the missile is meant for 'delivering non-nuclear weapons with great precision over long ranges', as India claims. Pressler has succeeded in getting the US assistance to Pakistan turned off, and Pakistan has accepted this discriminatory action because it cannot sacrifice its security for dollars. But it seems that Pressler wants to go further than that: he wants to cancel the Bush administration's efforts to get Pakistan and India to agree to a nuclear regime, set India up as the regional nuclear power and military hegemon, to fight his imaginary battles with equally imaginary enemies (Turkey, Pakistan and the Central Asian Republics) of the United States. Pressler should go home and cool off because the policy he is trying to construct for South Asia is bound to create more mischief in the region than peace.

#### Ignorant of Facts

92AS0581C Karachi DAWN in English 24 Jan 92 p 11

[Article by Shameem Akhtar: "Selective Nuclear Non-Proliferation"]

[Text] The US Senator Larry Pressler during his recent "fact-finding mission" to New Delhi and Islamabad said that he was convinced on the basis of assurance given by India that although the latter detonated a nuclear device more than seventeen years ago, it had halted its weapons manufacturing programme. And before his arrival in Pakistan the omniscient Senator divined that Pakistan, which had not even test-fired any nuclear device, was in possession of one.

He cited the findings of the CIA, State Department and the US ambassador to Pakistan in support of his allegation. He made this utterance in New Delhi evidently for the consumption of the public there. The question is that if Pressler was so sure of the authenticity of the information gathered by the US agencies, why did he have to take the trip to Pakistan at all?

He apparently believes in the assurances of the Indian leaders but rejects similar assurances by Pakistani authorities. Why? Because the CIA, State Department and the US ambassador say so. While the intrusive, terrorist and clandestine activities of CIA are notorious the world over, the role of the US ambassador in this context, as mentioned by the Senator, raises question about its compatibility, with diplomatic privileges and immunities.

Put bluntly, is the US Embassy in Pakistan engaged in espionage as it had been in Iran after the Islamic Revolution? We hope not but this is the only inference of Senator Pressler's statement. The senator is very bitter about the US experience in Iran which made distinction between the diplomats and spies. How does the US law treat the spies? Not with mercy, judging from the Rosenberg case.

Senator Pressler was otherwise very modest about his role as a legislator and his expertise on things nuclear. He could not even draw the line between nuclear capability and the lack of it. Neither a diplomat nor an executive, and yet he chose to give what, doubtless, sounds like an ultimatum to the Government of Pakistan to publicly dismantle its nuclear facility, thus subjecting Islamabad to public humiliation. Which government—least of all an elected one—would swallow this insult?

Like Rome, nuclear weapons programme is not made in a day. How long did it take the US to acquire nuclear capability? Assuming that Pakistan has been embarked upon a weapons manufacturing programme, it must have been after the bomb for more than a decade, a period coinciding with the Afghan war and the windfall of the US military and economic aid to the country then being used as a conduit for weapons supply to insurgents in Afghanistan.

It was after the US-Soviet rapprochement that President Bush woke up to the fact that Pakistan had all but made the bomb. Hence, the sanctions. The embargo was not limited to military assistance but extended to economic and humanitarian co-operation. The ongoing training programme of Pakistan's military officers and scholarships to students were abruptly discontinued. The reason given was that Pakistan had asked for it by not abandoning its nuclear weapons programme.

It may be recalled that in the sixties the US cut off all assistance to Pakistan on the ground that it concluded border and aviation agreements with the People's Republic of China. Then it was not the Islamic bomb scare; it was sinophobia. As compared to this, Moscow did not suspend its assistance to the construction of steel and tractor plants despite undeclared proxy war between the Soviet Union and Pakistan in the neighbouring Afghanistan.

About a decade ago, reports appeared in a section of local Press that the US had worked out contingency plan with a wide range of options including air strikes of Kahuta facility by Israel, India, or commando action or sabotage. It is typical of the state terrorism practised by the US. Recently, at the behest of the US, the South Korean Defence Minister, Lee Jong Koo, threatened North Korea with commando raid against its nuclear facility in Yongbyon, about 40 kilometers north of Pyongyang. The US Defence Secretary, Dick Cheney, has refused to rule out attack on North Korea's targeted site. And to carry out the pre-meditated piracy against a small Asian country, the US and South Korea had

planned a large-scale joint military exercise similar to the one the US had done in the Libyan waters preparatory to the assault.

It was due to the determined resistance of the Korean people and the diplomatic pressure of China that the proposed military manoeuvres were suspended. The Democratic People's Republic of Korea agreed to open its facilities to the IAEA [International Atomic Energy Agency] inspection only when the US offered to withdraw the stockpiles of its nuclear weapons on the territory of South Korea. The US tried to set South Korea against the North when the process of reconciliation between the two had begun.

The same tactics were adopted by Senator Pressler when he raised alarm in New Delhi that Pakistan had been hatching a conspiracy with the fundamentalist Iran, Afghanistan, Turkey and five or six Muslim republics of the former Soviet Union, some of whom being nuclear powers, against India. It is paranoid if not mischievous. For it is a common knowledge that these republics are strongly opposed to Muslim fundamentalists and their leaders back the Najib government at Kabul. They made their views known to Sardar Assef Ali, Pakistan's Minister of State for Economic Affairs, during his recent visit to those republics.

Uzbekistan's ruling party, the former Communist Party, renamed as the People's Democratic Party, has banned the fundamentalist Islamic Renaissance Party. Turkmenia is still supplying food and fuel to the Kabul government. With the exception of Azerbaijan all Muslim republics are opposed to the November Moscow-Mujahideen accord since it neither mentions about the cease-fire nor the need for an intra-Afghan dialogue nor the UN 5-point peace plan. Does not Pressler know that the Muslim republics are still being ruled by diehard communists? Haven't the CIA, State Department and the US ambassador told him that perceptions of Pakistan and the Muslim republics differ on Afghan question?

In this respect India and the above-mentioned republics see eye to eye with one another. Afghanistan under the Kabul government is at war with Muslim fundamentalists and any one having any elementary knowledge of contemporary Turkey knows how deeply imbedded is secularism in that nation's body-politic. What makes Senator Pressler think that some holy alliance among the above-mentioned countries is in the making?

Senator Pressler's alarmist attitude towards Pakistan and Muslim states is contrasted by his benign neglect of Israel which, according to Seymour Hersh, has several hundred nuclear bombs in its arsenal. Why did not the anti-nuclear crusador rush to occupied Jerusalem to issue ultimatum to stern gangster, Yitzhak Shamir, to undo the bomb? It is ridiculous and malicious to penalise Pakistan which has not made the bomb and condone—nay reward—Israel which possesses the nuclear weapons—thanks to the covert American assistance.

Washington has been habitually slandering the governments of the Third World, especially, when they seek to acquire industrial technology that would reduce their dependence on the US-based multinationals. They accused Libya of manufacturing chemical weapons at its pharmaceutical plant although the German experts found no evidence to support the allegations and Tripoli invited international observers to inspect the plant. In November 91, US Secretary Baker went to Beijing, demanding the stoppage of missile-11 delivery to Pakistan and restoration of right to dissent on threat of raising tariff on imports from China.

Given the US non-proliferation offensive, Islamabad does not have many options. First, it could unilaterally renounce the nuclear option regardless of India's compliance but such an option would be resisted by the nation which has set its heart on the nuclear autonomy. Second, instead of tying its denuclearisation plan with New Delhi, it should take the position that it would sign the non-proliferation treaty only on the basis of equality, that is, when nuclear powers also denuclearise themselves and cease the research and development of their nuclear weapons. The non-proliferation treaty is discriminatory in that it prohibits only the horizontal proliferation but permits vertical proliferation. This militates against Article II(1) of the UN charter which provides for the sovereign equality of all nations.

But mere assertion of this principle will not do. Pakistan will have to join forces with Iran, India and the rest of the Third World countries and refuse to submit to nuclear blackmail. Then no Larry Pressler would talk the way he did.

### Expressed Hostility

92AS0581D Karachi DAWN in English 21 Jan 92 p 11

[Article by Mushtaq Ahmed: "Pressler's Indiscretion"]

[Text] The American Senate was once reckoned among the world's most powerful legislatures—a reputation it still retains though not in the same measure. It owed its authority and influence to a variety of factors, the constitution being one of them. The pre-eminent place accorded to it in the political system was, however, compromised by the nature of its composition.

The system of indirect elections had given it the nickname of millionaires' club. Before 1913 when the electoral procedure was changed, its membership used to be bought wholesale through corruption of the state legislatures by rail road, oil and steel interests for whom state policies on a higher plane were matters of secondary interest.

Money has always played a crucial role in politics. In capitalist America, its role is far more crucial than anywhere else in the world. From its contagion we, too, in all our feudal backwardness, are not immune. With all its claims to a highly advanced democratic dispensation and a system of direct elections, millionaires still fill a

large number of seats in the Senate which also contains the cream of America's political talent. The long tenure of membership confers upon the Senators the benefit of training and experience denied to Congressmen in the House of Representatives. Regarded as a recruitment centre for the selection of Presidential candidates by the political parties, the politically ambitious Senators treat it as an ideal forum for building a leadership image.

Sponsorship of legislation and policy statements on problems of national and international importance to the United States, are considered the most convenient vehicle of popularity in their own constituencies and the country at large. The Taft-Hartley anti-labour law for the pacification of the capitalist class passed in the early quarter of the century, and the Symington and Pressler amendments to the foreign and legislation are outstanding enactments with which the name of their sponsors are permanently linked. If one was intended to ensure industrial peace at home by browbeating the working class, the other was apparently aimed at coercing small states refusing to align themselves with American policies abroad. Of the latter we have been identified as a specific target, although we were not given the most-favoured-nation treatment of the loans partially or substantially written off but treated as hard-pressed borrowers made to repay the loans with heavy debt-servicing charges.

The aid was advanced when America was in need of our assistance and support against communism in South-East and South Asia and West Asia, and of late in Afghanistan, to checkmate expansion of Soviet power, and suspended to appease our larger neighbour for maintaining the so-called international balance of power.

American attitude towards Pakistan has throughout been conditioned by its concern to secure and sustain India's dominance in the region. Washington's policy of appeasement of New Delhi was obvious from its connivance at India's aggression in Sri Lanka, its bellicosity in Nepal, its frequent incursions into Bangladesh, its armed encounter with China, and as for Pakistan, it has been permanent eyesore to its rulers and people alike.

The Pressler episode is not an isolated incident of the outburst of a solitary individual in American politics. After all, he is the author of the amendment under whose provisions Pakistan's aid has been withheld. He may not speak for the administration, but he has spoken as if he had the authority of the administration to speak on its behalf.

Whatever its constitutional position and powers the Senate is a part of the law-making machinery and not a law-enforcing authority. Law-making is a function of the legislature and law enforcement, a responsibility of the executive. However great the share of the legislature in the formulation of foreign policy and ratification of treaties with foreign powers, they or their representatives do not deal directly with the foreign governments.

Visits of the American Senators which has now become more frequent than ever before, even if officially sponsored, are not official. They are not here in a negotiating or diplomatic capacity. While entitled to all ceremonial courtesies and state hospitality and a free exchange of views on problems of mutual interest in an atmosphere of cordiality, it is not their business to lecture to the government, the people and the Press on how to run the international and external affairs of the country.

Senator Pressler went far beyond his entitlement in his unbecoming outpouring of hatred and hostility towards a country that has throughout been most conscious to American sensibilities and sensitivity on issues that disturb our conscience, whether it is discrimination against the blacks in their own country, an unrepentant violation of human rights or denial of the right of self-determination to people in Pakistan smarting under terrorist rule of Israel which it has armed to the hilt and taken under its protective shadow. From the kind of statements he made in New Delhi and Islamabad, it seems, like the Bourbons the Senator has learnt nothing and forgotten nothing.

No illuminating ray of light of breath of fresh air could emanate from a mind warped by studied briefing he received across the border. He looked at the problems of international import with abandon through borrowed spectacles and not his own contact lenses. For him the burning inferno of Kashmir was in the grip of terrorists sent out by Pakistan to destroy its tranquillity and peace, whose subversive activities the Indian armed forces were engaged in crushing and not the uprising of freedom fighters battling against the occupying forces for their liberation from an alien stranglehold.

His thoughts did not go back to the war for America's own independence fought with unprecedented ferocity to throw out the British overlords. The population of America's thirteen colonies at that time was barely three million, less than the population of Kashmir.

Through India's secular glasses he also conjured up the spectre of Islamic fundamentalism raising its head like a Leviathan in Pakistan striding across Afghanistan, the heart of Central Asia and throughout the Muslim World, which is not visible to our eyes in Pakistan or, to the Muslim states in the Middle East, who jealously guard their national sovereignty and if necessary go to war against each other in defence of their political and territorial integrity.

While in Pakistan Senator Pressler was too preoccupied with his own discovery to look dispassionately at the world we live in. He should be happy that the President and Prime Minister of Pakistan declined to meet him to save his illusions from being pricked by their modernism if he had not already met Pakistan's Ambassador, Begum Abida Husain, who on her arrival in New York, described herself as an up-front politician. Issues that are extraneous and irrelevant have been intentionally injected into controversy and their import blown out of

all proportion, to poison the American mind which has no time for the study of world politics and is readily taken by the hysteric vituperations of scheming politicians.

Senator Pressler was apparently kept so busy by his overzealous hosts with their prepared briefs on Islamic fundamentalism and the Islamic Bomb, that he had had no time to have even a cursory glance at the fundamentalist moorings of Indian political behaviour. Adjoining the Capital where he was staying, is India's largest province, Uttar Pradesh, as large as Pakistan itself, where the Bharatiya Janata Party [BJP] is in power. Its tentacles are spread far and wide in the Union and in the Indian Parliament itself, it is the largest party in the opposition which in the political terminology of the West is a repository of the shadow government.

So deep are the roots of Hindu extremism that the prospects of the BJP becoming the ruling party of India in the future cannot be altogether ruled out. India is free from fundamentalist trends and is not possessed of nuclear bombs, are the fundamental assumptions on which Senator Pressler has built his pet thesis to scare his countrymen of a potential threat to its value system.

The Senator, and the like of him in the country, have made a fetish of the nuclear weapons, whose proliferation in their judgment must stop at the frontiers of Pakistan. It is the height of political naivety to ask Pakistan [to] destroy its nuclear capability when Pakistan is internationally committed to sign the Non-Proliferation Treaty in a nuclear-free zone in Asia. To leave India out of the Treaty commitment is a veiled invitation for it to join the nuclear club and imperil the peace of the entire region.

For Pakistan, the possession of a nuclear weapon, if it ever succeeds in forging it, can at best be deterrent device while for a large and resourceful country like India, it can be a menacing instrument of aggression. In no event can a self-respecting country allow itself to become a sacrificial goat to satiate the territorial appetite of its neighbour, or to subserve the end of a Senator pinning for a political niche for himself. It was a former Congressman, Frank Smith, who had observed that: "all members of the Congress have a primary interest in being re-elected. Some members have no other interest." Senator Pressler is too much of a politician not to think of the next election, or even aim higher, in saying what he said during his whirlwind visit to the subcontinent. Courage in politics is a laudable virtue, but if allowed to run away with discretion, it can prove to be a hazardous venture.

#### **Holds Anti-Muslim Viewpoint**

*92AS0581E Karachi DAWN in English 21 Jan 92 p 11*

[Article by Omar Kureishi: "The 'Islamic Bomb' Syndrome"]

[Text] Until the late Soviet Union went nuclear, the worst obsession of the Western world was: what would



happen if and when the Soviet Union went nuclear? What happened, in fact, was that nothing happened and we arrived at a modus vivendi which came to be known as the "balance of terror."

It was always assumed that the United States, which happened to be the only nuclear-power at the time, could be trusted with the Bomb. That Hiroshima and Nagasaki was a closed chapter and these cities had been nuked to save lives, both American and Japanese, a rather convoluted argument subsequently used in Vietnam where it became necessary to destroy a city in order to save it. I kid you not!

There is now a similar obsession with what is called the "Islamic Bomb." First it was Libya, then Pakistan, followed by Iraq and the latest is Algeria. Iran is being mentioned also and the Muslim Central Asian countries also figure. Meanwhile the Central Intelligence Agency Director, Mr Robert Gates, in his testimony to a Senate committee has said that he has not been able to corroborate reports that nuclear, chemical and biological weapons experts and military officials from the former Soviet Union had begun to sell their services abroad. Who would be the buyers? Obviously the possibility exists and the C.I.A. chief's testimony would suggest that they have been snooping around. It would be interesting to know who are the likely suspects.

There is no mention nor any fear of Israel or the "Jewish" bomb because like the "Christian" bomb, this is in the safe custody of saints and no nut is likely to press the button. Israel having already established its credential and bonafides as a peace-loving country, shooting a Palestinian here and there does not constitute menacing behaviour and occupying his land is only fair compensation for the Holocaust, to which, the puzzled Palestinian may ask: but then why not occupy the land of those responsible for the Holocaust? But doesn't ask because, in any case, who will listen?

The "Hindu" bomb is non-violent and has been certified as such by Senator Larry Pressler and he has the word of the Indians for it and that is good enough for him.

The "Hindu" bomb has also done the Indian rope-trick. It no longer exists. India had exploded a nuclear device in Rajasthan in 1974 but like all military adventures undertaken by India, Hyderabad, Goa, Kashmir, Sri Lanka, this nuclear device was peaceful in nature. Non-violence, after all, is their creed. Senator Pressler has been persuaded that even the path of a peaceful nuclear device has been abandoned.

There has, incidentally, been a change in direction in the fears about the bomb we might be producing or may have already got, hidden away in some basement. In the beginning, we were being funded by Libya and would have handed the bomb over to Gadhafi who would then proceed to terrorise and blackmail his enemies, of which he had many. He was public enemy number one before he was upstaged by Saddam Husayn.

Now according to Senator Larry Pressler, we want to use it on India. There is about Senator Pressler something of another Senator, the celebrated Joe McCarthy who was able to pin-point the exact number of communists who worked in sensitive jobs in the State Department without having, and, therefore, coming up with any evidence or even a shred of it. Pressler like McCarthy seems to be a compulsive conspiracy-theorist. He says, in all sincerity and seriousness that there is a danger of India being encircled by a "fundamentalist bloc of nine geographically contiguous Muslim countries with nuclear capability—the five Central Asian republics of the former Soviet Union, Pakistan, Afghanistan, Iran and Turkey." Who writes the scripts for visiting Senators?

In a recent column, I had written about the dilemma created for the West by the demise of the Soviet Union. It had led to the elimination of an external enemy as well and there would be need to create such an alternative enemy. The qualifications needed is an ideology with a universal appeal backed by a credible military capability. Since it will be hard to convince even the most gullible that any country or group of countries can match the conventional military capability of the United States and the West, the introduction of the nuclear element is exactly the sort of alarm-mongering that will make the enemy credible.

Just as well Senator Pressler's views have been disowned as not representing those of the US government or even the US Senate. This makes him his own man rather than a ventriloquist's dummy.

#### **Foreign Secretary Claims U.S. Pressure Refuted**

*92AS0513B Peshawar MASHRIQ in Urdu 2 Jan 92 p 1*

[News Report: "Pakistani Will Not Accept U.S. Pressure for Aid—Zaki"]

[Text] Islamabad (Monitoring Desk)—General Mohammad Akram Zaki, secretary of foreign affairs, has said that close friendly relations and cooperation between the new Muslim nations in central Asia and China are an important step in Pakistan's future foreign policy. In his interview, broadcast on Pakistan radio on Wednesday evening, he detailed plans on Pakistan's future foreign policy. He said that Pakistan's independent foreign policy, which was designed by Prime Minister Mohammad Nawaz Sharif, has a primary goal of meeting the needs of national prestige, national interests, and development. "No actions that could hurt national prestige, unity, or development will be taken. Pakistan is fully trying to resolve the Kashmir issue, which is the cause of tension and the danger of war in the subcontinent. As a result of Pakistan's efforts at the international level, the whole world is aware of the seriousness of this problem." He further said that Prime Minister Nawaz Sharif wanted to make this region a peaceful one by solving the Kashmir problem. "He wants peace, independence, and prosperity there. To this end, the prime minister presented a plan for a five-nation conference to

declare South Asia free of nuclear weapons." He referred to the U.S. Deputy Secretary of State Mr. Bartholomew's visit to Pakistan, and said that the United States has begun to better understand Pakistan's stand now. "He has told us that the United States is willing to call a five-nation conference, and that it will cooperate fully in this effort." Referring to Pakistan-United States relations, the secretary general for foreign affairs said that Prime Minister Nawaz Sharif's government has reviewed the whole situation, and after lengthy consideration, has decided not to accept U.S. conditions and pressure for economic aid, because Pakistan was following a policy of economic independence. He added that Pakistan desires friendly relations with all countries, and that it wants long-term friendly relations with the United States of America. "Pakistan will not change its principled stand on its peaceful nuclear program, however, just to get economic aid from the United States of America. Pakistan will not accept a discriminatory attitude. Pakistan was willing to sign the nuclear nonproliferation treaty; however, it does not want to do so individually. It wants other countries in the region to sign the agreement." Mr. Zaki said that the new situation emerged because changes in the former Soviet Union call for a resolution of the Afghanistan problem. "We will be able to establish better relations with the Russian republics and other newly independent Muslim republics. Pakistan is already trying to improve relations with Turkey and Iran. There is a plan to call a conference of the leaders of these countries. He further said that these three countries and the Muslim republics of Central Asia can join forces to establish a peaceful atmosphere in this region and cooperate in every sphere. He said that after the basic problem of Kashmir is resolved, then Pakistan's relations with India could also be cooperative and friendly, and SAARC [South Asian Association for Regional Cooperation] can be made an effective organization. Mr. Zaki continued that the recent visit by Rast Koi, vice president of the Russian republic, to Islamabad, indicates that friendly relations between Pakistan and the Russian republic are possible. "Pakistan desires trade, economic, cultural, and political relations with the Russian and Muslim republics in central Asia. Pakistan is not only thinking about a bright future of collaboration with the Middle East, but also with Central Asian Muslim republics." He said that Pakistan was working on establishing close relations with Africa, the Far East, South America, and Europe. "New directions will be given to relations with African countries, and Pakistan will supply technical assistance to these countries, as well as educational opportunities for students from those countries. Similarly, Pakistan will start cooperative efforts in the area of science and technology with the European community." He referred to Prime Minister Nawaz Sharif's proposed tour of France in the middle of January, and said that this would help strengthen relations between France and Pakistan.

#### U.S. Urged To Deliver Paid For F-16s

92AS0512A Lahore NAWA-I-WAQT in Urdu 10 Jan 92  
p 5

[Editorial: "F-16 Planes and the United States"]

[Text] According to a news report, Pakistan is making quarterly payments to the United States of America for

72 F-16 planes. It is possible that Pakistan will never receive these airplanes. According to high-level sources in the U.S. State Department, of the 12 planes sold during General Zia's time, six will be supplied in March. Because of the restriction on the provision of weapons, however, these planes are being stored. The coolness in U.S.-Pakistani relations is common knowledge; however, our nation is now slowly realizing that the difference between the two countries will result in the United States ignoring required trade etiquette. It is ironic that the United States is dreaming about becoming the world's top leader through its new world order. But the situation is so bad that it is unwilling to provide the airplanes that have already been paid for by Pakistan.

Even worse is the fact that according to a report, Pakistan is also being charged with parking fees for these airplanes. The U.S. Government appears to be able to admit the contribution of Pakistan's efforts in helping to end its rival superpower's influence in this region. It does not even consider that Pakistan deserves good relations because of past cooperation. Still, it should avoid such high-handed dealings in trade. Otherwise, no country will be able to trust the United States, and the U.S. tendency to take advantage of opportunity will influence its dealings with other countries. Pakistan's Chief of Army Staff, Asif Nawaz Janjua, will visit the United States now. He will definitely discuss these issues with the U.S. Government, and will try to impress on it that Pakistan's importance in this region is no less than it was in the past. The United States may need Pakistan in the future, and it should, therefore, not make problems for Pakistan, and provide the planes according to the pact, since we have already paid for them.

#### Impact of U.S. Aid Suspension Analyzed

92AS0514A Karachi JANG (Supplement) in Urdu  
13 Dec 91 p IV

[Article by Altaf Pirzad: "The Effects of U.S. Aid Suspension: Pakistan is the Only Country Hit by the Pressler Amendment"]

[Text] Since the passage of the Pressler Amendment, U.S. aid to Pakistan has remained an issue and, as a result, U.S. economic pressure on Pakistan has increased significantly. Under the amendment, Pakistan cannot receive any economic or military aid nor can any technology be sold or transferred to Pakistan unless the U.S. President gives a written assurance to the Speaker of the House of Representatives and the Chairman of the Senate Foreign Relations Committee that Pakistan does not possess nuclear explosive devices. On this basis, the United States suspended economic and military aid to Pakistan starting October 1991. Pakistan is thus the only country to fall victim to this U.S. law on the basis of a nuclear program. Nevertheless, Pakistan continues to stand firmly on its principles in regard to the peaceful nuclear program. In response to this economic pressure,

the Pakistani Government has adopted a policy of self-sufficiency. Last month, a round of high-level talks on the nuclear program was concluded between the two countries and another is due to begin in February 1992 during which matters relating to bridging the gap between the two countries will be discussed. Political observers regard the second series of talks as decisive, for the nuclear program issue has brought relations between the United States and Pakistan to a critical point.

Meanwhile, the U.S. press attache in Islamabad, Miss P.V. Angier arranged a meeting between a group of that city's senior journalists and the head of the USAID [U.S. Agency for International Development] mission, Mr. James Norris, during which the latter discussed certain important issues relating to U.S. economic aid and the performance of the USAID mission. At present a number of development programs are in progress under the auspices of the USAID mission, which are suffering deeply owing to the suspension of aid. The basic purpose of these programs is to help to strengthen Pakistan's economy as well as to provide training facilities in the development sector; assistance in social welfare sectors; agriculture and rural development programs; electrical facilities; and health, education, and population planning. Several projects have been completed in the field of education and in the agricultural sector, in addition to improvement in the irrigation system, and work is in progress on several other projects as well. In 1990 when aid was stopped, there were \$674 million in the pipeline of which \$210 million was spent in the course of a year. There are now \$464 million left, which will help to keep the projects mentioned working until the end of 1994.

James Norris is a well-known economist and during the press briefing he reviewed the various U.S. aid programs in Pakistan. He said that with the suspension of U.S. aid under the Pressler Amendment, the funds remaining in the pipeline would finance the current projects until the end of 1994 or the early part of 1995. He said that at present 20 development programs of various kinds were in progress and that if talks between the two countries regarding U.S. aid failed, all U.S. aid programs would be ended by 1995. He detailed the various development projects and said that reduced U.S. aid was effecting not only development projects but mission employees and other related individuals as well; almost 1,000 employees had been laid off including Pakistani employees, contractors, and U.S. citizens; that if the restrictions under the Pressler Amendment continued, the staff would be further reduced; 20 percent of the staff including both Pakistani and U.S. citizens would be laid off by May 1992; 58 percent in 1993; 31 percent in 1994, and 12 percent in 1995.

James Norris said that the \$125 million allocated by the U.S. Congress for aid to Pakistan in 1991 was not paid because of the Pressler Amendment but that if an agreement was reached between the two countries in regard to the nuclear program, aid would be reinstated. He said that it was decided to reduce aid to Pakistan even before the suspension of aid because a change in U.S. priorities

was natural after the changes that had taken place in Eastern Europe and Russia. He said that under the U.S. aid program, Pakistan had received \$2.8 billion since 1982 but there was a reduction of \$1 billion because of the Pressler Amendment; talks were in progress between the leaders of the two countries that would enable them to understand the issues better; if the issues were settled in future negotiations, the U.S. Mission would resume work as in the past. In answer to a question, Norris said that 10 years ago the situation in Afghanistan was critical and as a result the United States had decided to take counter measures to deal with the situation, but conditions had changed now and a political solution was being sought; similarly, the situation in Eastern Europe and Russia was important and economic conditions within the United States were also affected by certain factors; economic conditions internationally were undergoing change; and in the United States itself, people were expressing worry over the economic situation; these factors also had had an effect on foreign aid.

In answer to a question, Norris said that Pakistani authorities had dealt with the situation in a fully professional manner; that they had not only used their resources most efficiently but had adopted a policy of making the best use of funds for each project and were progressing towards the goal of self-sufficiency; that the aim of U.S. aid was to enable the countries receiving it to progress towards self-sufficiency and such efforts were regarded with appreciation; in this regard, Indonesia, Thailand, and Korea, which had achieved economic self-sufficiency, could be cited as examples. In answer to another question, Norris said that democratic values were advancing in Africa and Eastern Europe; that the USAID mission encouraged human rights activities and kept in view human rights values. In answer to a question about drugs, he said that the [drug control] program was started in 1985 and steps were taken to end opium poppy cultivation; that voices of opposition were raised at that time in provincial and national assemblies, but gradually the people of Pakistan realized the importance of the problem and today the drug problem was well understood; thus, a basic change in thinking had taken place. He said that the United States would encourage Pakistan's efforts towards progress and that the United States had not pressured other countries to stop aid to Pakistan; that the United States would continue to support the strengthening of a democratic government in Pakistan and the efforts to improve economic conditions. He said that it was not true that the United States was trying to make an example of Pakistan over the nuclear issue by ending economic and military aid; that it was not true that an example was being made and that the United States expected its policy regarding the reduction of nuclear weapons to succeed.

Under the USAID mission program, the improvement of agricultural irrigation, help in agriculture research on the university level, increase in productivity, and forest development projects are included. Area development programs are devoted solely to rural development and

one such program is under way in Balochistan and two tribal areas aimed at improving working conditions in backward rural areas including highway construction, supplying water, electricity, and communication facilities to make these into model villages. Three major projects are being completed in education and training, which include promoting education at the primary level especially of girls in Balochistan and frontier areas; the enforcement of the education policy; and raising the level of primary education.

### **Government Urged To Heed U.S. Concerns on Human Rights**

*92AS0512E Karachi AMN in Urdu 11 Jan 92 p 2*

[Editorial: "Worries of the U.S. Congress"]

[Text] U.S. President Bush has finished a successful trip to Japan where, during a reception, he fainted because of stress and CNN almost went on the air to inform us of his death. Now he will have to face more pressure upon his arrival in Washington.

The White House has confirmed that the chairmen of four subcommittees and various committees of the U.S. Congress have written an important letter to the President. They have asked him to pay attention to the neglect of human rights in Pakistan and its government's unilateral political oppression. They have also raised some critical questions about bias and justice.

This letter was issued by Representative Les Epstein and is signed by the chairmen of three other committees. In this letter, they have written that they want the President to pay attention to the serious condition of human rights in Pakistan. According to them, the situation was worsening, and they felt that he must try to resolve the nuclear program issue involving Pakistan. The military and economic aid to Pakistan was also stopped because the President had failed to issue a certificate required under the Pressler Amendment. The purpose of this amendment is to stop the spread of nuclear weapons in South Asia. They wrote in this letter that the Pakistani Government had increased atrocities against the opposition during the last one and one-half years, and that this was increasing their concern. "The objectionable approach taken in declaring Madam Benazir Bhutto and her supporting assembly members to be ineligible, and the legal action being taken against them, are endangering the democratic system in Pakistan. It is possible that all opposition Parliament members may resign in protest. In this situation, even if the problem of the Pressler Amendment is taken care of, international attention regarding U.S. aid to Pakistan will be increased."

The arrests of opposition members on a large scale and danger to the life of Benazir and other opposition leaders were also detailed in this letter. We have to see if President Bush will give any importance to the letter written by the chairmen of congressional committees. In the past, some congressional representatives had

expressed their concern about the serious situation in Pakistan; however, neither the U.S. President nor Pakistan's Government had accepted any recommendations. Recently during the combined session of Parliament when the president was to address the meeting, the opposition shouted slogans continuously, then walked out. The people of Sindh are outraged because of the conflict between the prime minister and opposition leaders, and the resulting situation, in which opposition leaders were arrested. It is natural for the world's eyes to focus on Pakistan in such a situation. These feelings have been expressed by the committee chairmen in the U.S. Congress in their combined letter to President Bush.

It does not matter whether the U.S. President gives any importance to this letter. It is important that Pakistan's Government gives attention to alleviate the situation.

### **U.S. Criticized for Opposing Aid to Kashmiri Militants**

*92AS0454A Peshawar MASHRIQ in Urdu 10 Dec 91 p 6*

[Editorial: "Deterioration in America's Stand on Human Rights"]

[Text] The director in charge of the Sri Lankan, Indian, and Nepalese desks in the U.S. State Department, George Griffin, told a delegation of Indians who are U.S. citizens that the new U.S. ambassador to Pakistan, Nicholas Platt, conveyed a warning to the Government of Pakistan to the effect that the United States is greatly concerned at India's complaint that Pakistan is helping Kashmiri freedom lovers with weapons and training, and that the United States pressured Pakistan to end such aid. A similar warning was issued by U.S. Deputy Assistant Secretary of State for Foreign Affairs, Teresita Schaeffer, during his visit to Islamabad. George Griffin disclosed that he had gone to London in connection with this matter and had told Amnesty International that human rights violations by both sides in Kashmir should be taken into account and India alone should not be blamed because Kashmiri skirmishers were also guilty of the worst kind of human rights violations and that Pakistan was supplying weapons and training. Amnesty International pointed out that they could only monitor human rights violations by governments upon which George Griffin angrily advised them to change their method of work.

The report mentioned above gives one an idea of the level of propaganda to which U.S. authorities have descended in their efforts to please Indian public opinion. We have no objection if the United States strengthens its relations with India but the United States should also keep in mind two things: First, Pakistan has been its ally from the very beginning and if, as a reward it has received U.S. economic and military aid, Pakistan has also been the target of the anger of the Soviet Union and the entire communist bloc. India has enjoyed the protection of a Russian veto on the Kashmir issue

because Pakistan has been the defense ally of the United States. If now the United States wishes to seek India's friendship, it should at least not do so by ignoring Pakistan or by harming any of Pakistan's legitimate interests. Second, principles cannot be entirely ignored in international relations and, since the United States claims to be the leading champion of human rights in the world, and, as the only superpower left, upholds a new world order under which all nations are to be treated with equal justice, the United States, in particular, should not demonstrate any departure from principle in matters of the violation of human rights and the right of self-determination of people in any part of the world. In view of these facts, it is not appropriate for the United States to give the independence movement of Kashmiri freedom lovers the contemptuous name of sabotage. When the people of Afghanistan took up arms in defense of their freedom, it was the United States that supplied them, through Pakistan, with large quantities of modern weapons. Was this U.S. action in violation of human rights? If not, then in the first place, Kashmiri freedom lovers deserve similar arms aid from every freedom-loving country in the world; and second, even India cannot prove its charge that Pakistan is supplying arms and training to the Kashmiris. As for the Kashmiri freedom lovers, if they resort to arms in response to the brutality and savagery of the Indian Army, then such action by the Kashmiris is legitimate according to the principles of the UN charter. But the United States is calling the counteractions of Kashmiri freedom lovers violations of human rights. When the United States descends so low, how can it be considered any longer the guardian of human rights?

## REGIONAL AFFAIRS

### Use of U.S. Weapons Supplied to Afghans Viewed *92AS0513A Karachi AMN in Urdu 4 Jan 92 pp 2-5*

[Editorial: "Miracles of U.S. Weapons Supplied to Afghans"]

[Text] It appears that the United States and the Soviet Union have implemented the agreement to stop providing weapons to the Afghan mujahidin and the Najib government, effective 2 January. They have also stopped supplying all kinds of ammunition to both sides immediately. This agreement was signed on 30 September of last year, and it was considered the first step toward stopping the war in Afghanistan and establishing peace there.

An interim government will be established according to the five-point plan approved by the United Nations. This interim government will hold free and fair elections in Afghanistan, and then transfer power to the elected representatives. Pakistan, Saudi Arabia, and Iran have started efforts to develop agreements and cooperation between various groups of mujahidin. A delegation of the mujahidin visited Moscow recently. Mr. Sewan, a

representative of the UN secretary general for Afghanistan, is trying to establish talks between the Najib government and the Afghan mujahidin. So far, no progress has been made. Meanwhile, Mr. Hamid Karzai, foreign secretary of the interim Afghan government, said that they would now be able to focus on solving the major problems in Afghanistan. This situation, however, is not as simple as it appears to be at first sight. Afghanistan is divided into so many groups, and there have been so many people involved in the Afghan issue that there can be many hurdles in uniting this nation.

Now that military aid from the Soviet Union and the United States has been stopped, the Najib government can get military aid from the republics of Tazhikistan and Uzbekistan, and this can cause serious problems for the freedom struggle of the Afghan mujahidin.

Mr. Nawaz Sharif, Pakistan's prime minister, has stated that Pakistan has nothing to do with the U.S.-Soviet Union agreement. Referring to this statement, a U.S. official said that Pakistan does not support the continuation of the war in Afghanistan, because its whole attention is focused on the defense problems related to India. In addition, the United States itself has suspended aid to Pakistan since October 1990. The Americans say that the United States had supplied American weapons to the Afghan mujahidin through Saudi Arabia. Now, who will guarantee that the weapons given to the Afghan mujahidin will be returned to the United States of America? It has been common knowledge that the Afghan mujahidin have sold these weapons and ammunition on a large scale in Pakistan. They sold them at a very low price. This has caused the stockpiling of extremely dangerous weapons in Pakistan, and the law-and-order situation in various areas of Pakistan has become extremely serious. The government does not seem to be able to control this situation.

THE GUARDIAN, the British newspaper, has reported through its correspondent in Peshawar, Cathy Evans, that weapons traders in Peshawar told her that the Afghan mujahidin were selling their weapons in a hurry. This was causing a rapid drop in the price of weapons. These weapons are moved to Karachi via Peshawar. Meanwhile, the Afghan military commanders are not paying salaries to the soldiers, and the soldiers are selling their weapons to buy food. The Afghan mujahidin have modern weapons, including Stinger missiles, which can be fired from the shoulder by any person. These Stinger missiles are very popular among the active terrorists in Pakistan. How can the Afghan mujahidin be willing to return all those dangerous weapons to the United States of America? These have become a regular source of business. The commanders of the mujahidin have declared loudly that whoever has a weapon owns it. He is free to use it, and no one can take it from him.

It should also be kept in mind that the United States of America provided \$600 million in economic aid to the Afghan mujahidin to fight against the Kabul government. The United States should be ready for results now.

The genie that it let out of the bottle will not be returned to it, because the other party, which was giving military aid to the mujahidin is not a superpower any more. The Soviet Union has disintegrated, and 13 or 14 of its republics are fully independent now. Most of these republics are Muslim, and the United States cannot buy their loyalty, because it is facing an economic crisis now. Unemployment and recession have increased so much that the American people, especially the youth, are suffering. The U.S. weapons industry cannot help either, and it will have to look for weapons markets everywhere.

It would be immature to think that the Afghan crisis started by the United States, the Soviet Union, and their allies, will be resolved soon, or that a government will be established there that will be able to unite the groups divided by various ideologies and beliefs. The United Nations could not be very interested; it did not pay much attention to this problem. It has not been successful in resolving old issues such as Palestine, Kashmir, or South Africa (racial problems). This international organization is fully controlled by the United States of America. This was proven by the Gulf war and the UN stand on Iraq. It has also been proved that the United Nations is not a fair and just organization of independent nations. Instead, it is controlled by the United States of America and follows the old adage of "might is right." Islamic nations that consider the United States to be their supporters, and have been following its orders, should open their eyes now. The government of Pakistan should also think of ways to control the problems that will be caused by the weapons that were given to the Afghan mujahidin and have arrived in Pakistan.

### Iranian Revolution's Significance, Influence Analyzed

92AS0510B Karachi TAKBEER in Urdu 16 Jan 92  
pp 21-22

[Editorial: "Iranian Revolution—Shi'a, Sunni, or Islamic?"]

[Text] When the Iranian revolution happened, the Islamic world was overjoyed. Even though the majority of the people in Iran at the time belonged to the Isna Ushri sect and the life and soul of the Iranian revolution, Ayatollah Khomeyni, also belonged to this sect, the Islamic world in general, and the Islamic movement in particular, welcomed the Iranian revolution with open arms. This was a time when the Muslims of the world had ignored religious sectarianism, and were ready to support the Iranian revolution just because it was Islamic.

Recently, a delegation of Iranian religious groups visited Karachi. They met with TAKBEER and shed light on the situation in Iran and the attitude toward the Sunnis. According to this deputation, Iran was ruled by Sunnis before the Sufi Dynasty took over. The majority of the people were also Sunnis; however, when the Sufi rulers came to power, it forced the people to embrace the Shi'a

religion. The Sunnis were badly treated, and they were forced to either change their religion or migrate to other countries or border areas in large numbers. This is the reason that Sunnis are living in these hilly or desert border regions of Iran, where the army of Sufi rulers cannot reach them. Before that, some large cities like Nishapur, Asfhan, and Sheeraz were cities with Sunni majorities, and many famous scholars were born there. At present, Sunnis are almost nonexistent in these areas.

Before Khomeyni's revolution, the Shah of Iran, who belonged to the Shi'a sect, did not make a distinction between Shi'as and Sunnis. Western culture prospered during his rule. When Khomeyni started his revolution, he made Islam the subject of his campaign. He did not mention sects; therefore, Sunni young men, scholars, and common people all supported Khomeyni. Ilama Ahmed Mufti Zada, a renowned scholar from Karustan, was a teacher of the Koran. His school, starting with education about the Koran, changed into a movement. Many of Ilama's disciples were martyred during the Iranian revolution; however, Ilama made support of the revolution a requirement because the Shah of Iran was merciless. He hoped that when Shia's and Sunnis agreed, a pure Islamic government could be established in Iran. He made Khomeyni make many promises in this context. It was agreed that the revolution would not be Sunni or Shi'a; instead, it would be a purely Islamic revolution. When, during the revolution, the Shah of Iran tried to divide Iranian Muslims into various sects, Mr. Mufti Zada got the people of Iran to agree on one religion through his speeches. After the success of the revolution, Mr. Mufti presented a program to Khomeyni in which he suggested that they ignore their mutual differences and establish a joint government of Sunnis and Shi'as. Some time later, the government established a committee to write Iran's constitution. In this constitution, they wrote that Iran's approved religion was "Shi'a Isna Ushri," and that it would remain so until the end of the world. They wrote about other people who led their lives according to their religion. Mr. Mufti met with Khomeyni and asked him that since they had agreed to call it an Islamic revolution and not a Shi'a revolution why did he mention Shi'a in the proposed constitution.

The constitution also requires that the president be a Shi'a. As a result of these one-sided laws, even one minister is not a Sunni, much less the president or prime minister. The revolution is 12 years old now, and the situation is so bad that no Sunni holds an important position. Even teachers in schools are not Sunnis. When this situation was revealed after the revolution, Mr. Mufti called Islamic scholars and formed a central shura (shamsh). The purpose of this shura was to protect the rights of the religious people. He tried to build a mosque in Tehran for the Sunnis people, because there are over 100,000 Sunnis in Tehran. They do not have even one mosque. Some people used to pray in the school in the Pakistani Embassy. There is no regular mosque there; however, a special place is reserved for prayer. Some people prayed in the Hizb-i Islami offices. The majority

of the people, however, were deprived of a place of worship. There are Christian churches in Tehran, as well as "fire worship" and prayer places; however, Sunnis are not permitted to build mosques. This causes dissension. In areas where the population is 100-percent Sunni, mosques are built even for a few Shi'a government employees. Thus, Mr. Mufti Zada collected donations to build a mosque in Tehran. He collected enough money; however, the government confiscated it, and he was refused permission to build the mosque. Mufti Zada wanted to build a mosque and publish a magazine to defend various religious principles. When the government saw that Mr. Mufti had a great influence among Sunnis, and his campaign was against the government, it jailed Mr. Mufti, his supporters, and disciples. All the members of the shura were also arrested, and the campaign of the Sunnis was totally halted. When the Islamic society, Jamaat-i Islami, and several other organizations protested against these arrests, the government initially denied that Mr. Mufti was in jail. When the arrest was obvious, however, the government said he was arrested for specific reasons. Mian Tufail wrote a letter to Khomeyni, requesting the release of Mufti Zada. Mr. Khomeyni said that it was Iran's internal affair, and that he wished that others would not interfere in it.

Khomeyni once wrote a letter to Mufti Zada, saying that he would free him if he did not start his campaign again. He replied that he was bound to his religion, and that he would not give it up. Khomeyni responded that all Zada had to do was to write in his agreement, and he would be free to do whatever he wanted to. Zada replied that he did not want to lie. His disciples were freed after a year or two; however, Mr. Mufti was never released.

A year after the revolution in Iran, there was a war between the Karustan government and the Kurds, who were mostly communists. Mr. Mufti played an important role in government support during this time. His disciples fought battles against these people in support of the government. Mr. Mufti and his disciples were even accused of being agents of the government. Later, he felt that the government was not providing him with any help or ammunition. In addition, Ayatollah Taslqani, who was not prejudiced, told him that the government wanted him to continue fighting the communists so that both would become weak. Thus, he left Sattaj, the center of Karustan, and moved to Karman Shah. He formed another shura after his move and broke all relations with the government. Later, the government started propaganda against him, claiming that he was spreading problems among the Sunnis and Shia's, and that he was an agent of Saudi Arabia. When the religious campaign stopped in Iran, large numbers of young people began to leave the country. Students used to go abroad for education during the time of the Shah of Iran. Iranian spies reported that when these students returned to Iran, their habits and goals changed. Upon their return, they were arrested, asked what they learned, and what their opinion was of the government. Those who were suspected to be antigovernment were jailed, and the rest

were let go. No Sunnis were hanged for eight years in Iran; only one Sunni shakuri who had changed from Shi'a to Sunni was hanged. After eight years, however, when the government felt the Sunni movement was gaining momentum, it started to hang them. A number of people were sent to their deaths.

### **Azad Kashmir President Interviewed on Independence**

*92AS0511A Lahore ZINDGI in Urdu 27 Dec 91  
pp 27-28*

[Interview with Sardar Abdul Qayum Khan, Azad Kashmir's prime minister, by Irshad Mehmood; place and date not given]

[Text] Sardar Abdul Qayum Khan, prime minister of Azad Kashmir, participated in the Kashmir Conference in the United Kingdom recently. The "third option" (independent Kashmir) was also discussed there. This caused some misunderstanding among Pakistani and Azad Kashmiri people. ZINDGI contacted Sardar Abdul Qayum Khan directly to learn the facts. Mr. Khan was leaving for the conference of Islamic leaders and was extremely busy; however, his effective and well-organized press secretary managed to obtain time for ZINDGI.

[ZINDGI] You participated in the Kashmir Conference in Great Britain recently. What was the purpose of this conference?

[Sardar Qayum] I want to explain to the whole world the problem of Kashmir through these conferences. The second purpose is to communicate Indian atrocities to the whole world. Even though the world press gives some indication of these abominations, India has put an iron curtain over the facts in Kashmir that I want to expose. The third purpose is to get international support for the Kashmir issue. In addition, we want international relief agencies to provide assistance to Kashmir. These are three or four goals for which I am working. This conference was called for these same reasons. Another international Kashmiri conference was held previously in the United States. It helped to start other conferences. We want to call more conferences. This is a form of political, moral, and diplomatic pressure. It is also a kind of economic pressure that we are putting on India.

[ZINDGI] What effect did this conference have in Great Britain?

[Sardar Qayum] We had very good results. The way the discussions were carried out makes it appear that India was under pressure. This pressure is being increased by international newspapers and communications media.

[ZINDGI] You have "owned" the third option (full independence) in Great Britain. This caused great confusion. You are supposed to be in support of annexation to Pakistan.

[Sardar Qayum] The situation is very confusing. Neither the people of Pakistan nor did the people of other countries tried to understand the situation with full attention. People who talk about Kashmir's annexation to Pakistan or its association with India are those who were present at the time of India's partition. The next generation does not understand it. This includes Pakistanis and people in other countries. We do not have to consider the foreigners' opinions. Our attitude should be that we should tell them that we are interested in understanding something that is worth understanding. In our opinion, there is no other solution to the Kashmir issue except the UN resolutions. No one has any other solution to this problem. If there is one, they should tell me about me. The "third option" does not mean some kind of solution. It includes 12 or 15 ideas, which will be presented at various occasions. The third option is a comprehensive solution; it is not a single idea. Those who suggest these ideas to us are told that if they consider it to be a viable solution, then they should prepare India to accept it. We have rejected all these suggestions in the past. For example, arbitration is part of the third option. India has rejected this, too. We tell these foreign friends that India has rejected all suggestions. Tell us, what is the "third option"? We have thrown the ball into India's court. When India rejects this suggestion, too, then we will tell the world to explain to us what India is doing now. I did not say that on my own, and I did not say it after talking to other people. It is just a matter of principle. When I offer opinions in my conversations with foreigners, then they think that there is no third option. If I refuse to get into arguments with them, then they blame me for backing out and say that I do not agree to anything and that India is a great democratic nation. However, when I explain to them the real situation, then they understand it very well.

[ZINDGI] One basic question is that India is not willing to accept any third option. Will we be in any position to accept a new proposal?

[Sardar Qayum] We shall see. I want to tell you something. An independent Kashmir is one option. When the people who presented this option talk to India, India wants the division of Kashmir. When we discuss division, then India says that there should be no division or independence. India suggests that both countries should be in control. But when we discuss control by both countries, India asks what kind of army or civil administration will be, and so forth. India is wasting time with this. It speaks of one thing now and something very different later. Now, if someone presents a third option, then we will discuss it. But it is not practical. The suggestion is presented in one way, and it changes when we begin to discuss it. We just cannot commit to anything. We are committed only to the UN resolution. We do not want to talk about anything else. Someone should try to tell me what else can be done. We do not want to say anything, nor do we want to understand anything. We believe that the solution to the whole problem is in the UN resolutions. If this is not the case, then someone should tell me if human intelligence is below par.

[ZINDGI] The English press in Great Britain did not cover the conference held there. Only the Urdu service and Urdu newspapers did. Did you have any benefits from all those expenses?

[Sardar Qayum] The government of Azad Kashmir did not spend a penny on this conference. All the expenses were paid by Kashmiri citizens living in Great Britain. If we spend money on such a conference, then it would be a good expense, because Kashmir cannot be obtained in charity. Is money more valuable than the lives being lost there? We did not, however, spend any money on this conference. Perhaps its organizers could not collect enough money to publicize it adequately. At the same time, there were pressures from India. Therefore, the English press did not publicize this conference. But it got publicity all over the world. The BBC, for example, mentioned it in two or three broadcasts. Similarly, the Voice of America, German radio, and several other broadcast services mentioned it.

[ZINDGI] On your return to Pakistan, you said that the United States had stopped aid to Pakistan because of Kashmir. The Americans, however, say that the aid was stopped because of the nuclear plant.

[Sardar Qayum] U.S. aid was not stopped because of the nuclear plant, and this is a blatant lie. The real issue is Kashmir, and the United States is pressuring Pakistan to surrender over Kashmir.

[ZINDGI] One of the campaigns in occupied Kashmir is political in nature. For example, Tehriq-i Hariat Kashmir and the 11-party political alliance. What have you done to encourage these activities?

[Sardar Qayum] There are simply no political activities in Kashmir now. All political leaders and volunteers are in jail. I want a political solution to this problem, and not a military one.

[ZINDGI] What about the military campaign going on there?

[Sardar Qayum] It will continue. There is no alternative to it. This military campaign is a by-product of Indian atrocities. We did not start it.

[ZINDGI] In the Azad Kashmir campaign, what is the role of the Azad Kashmir government on the military and political level?

[Sardar Qayum] Azad Kashmir is playing a regular role in it—sometimes less, sometimes more. The people of occupied Kashmir are our brothers. They share our flesh and blood. They are citizens of Kashmir, just as are those of Azad Kashmir. The United Nations has given us this right. According to the UN resolution, Kashmiris can go to either side. We help them to this extent. We are helping the Kashmiri people's struggle for independence morally and politically all over the world.



[ZINDGI] The Azad Kashmir leadership does not agree. They are fighting among themselves. What are you doing for national unity for Kashmir's freedom?

[Sardar Qayum] We are trying. God willing, we shall be successful.

[ZINDGI] Who are the people of occupied Kashmir that you are sending abroad? What will be the effects of this action?

[Sardar Qayum] These people represent Tehriq-i Hariat Kashmir (coalition of political parties). They will tell the world themselves how India has treated them and why they started their campaign for independence. I am expecting solid results from this effort.

[ZINDGI] It has been complained that Pakistan's Kashmir policy is not "national" in nature. The policy changes with each government. There are conflicts within the foreign, diplomatic, and immigration policies of the present administration also.

[Sardar Qayum] The truth is that Pakistan's policy has never been consistent. We could not form a policy the way India has done. I hope that when the IJI [Islamic Democratic Alliance] government follows the national policy, the Kashmir policy will remain consistent in the future.

[ZINDGI] But the IJI government is negotiating with the Indian Government over the Wooleer Barrage.

[Sardar Qayum] I wish there were no negotiations with India. But one has to look from Pakistan's perspective and wonder if it can have negotiations with India. We do put pressure on it to have negotiations on only the Kashmir issue, and nothing else. These are all tied to international brotherhood, however. What can Pakistan do for Kashmir? Only time will tell. It will also tell us about the skill of our leaders.

[ZINDGI] Do not the negotiations on Wooleer Barrage affect Pakistan's stand on Kashmir?

[Sardar Qayum] Pakistan is a partner in the Indo-Pakistan Water Agreement. Therefore, any problems related to water need to be discussed. The fact is that we must see what India gets from these talks. This is very important.

[ZINDGI] What major goals have been present in the freedom movement? What do you think needs to be done?

[Sardar Qayum] The main goal is the independence of occupied Kashmir. This has not been achieved yet; we are still trying for it. The second purpose is to keep Azad Kashmir independent and to maintain its identity. We have achieved this goal by the grace of God. The third goal is the unity of Kashmir and Pakistan. This is a good goal. The main goal is still the independence of occupied Kashmir which has unfortunately not been achieved.

[ZINDGI] What goals have occupied Kashmir attained so far?

[Sardar Qayum] It has started a full-scale war against India. Women, children, and old people—everyone has jumped in the battlefield against India and are fighting against that powerful nation. This is the greatest success in history.

[ZINDGI] Iran has changed its stand on the Kashmir issue. It said that Kashmir is an internal affair of India's.

[Sardar Qayum] Iran has denied saying that.

[ZINDGI] How many refugees are coming from occupied Kashmir to Azad Kashmir, and what is the government doing for them?

[Sardar Qayum] There are more than 6,000. We are doing our best to help them.

#### **Government Urged To Join Islamic Bloc of Powers**

*92AS0512B Lahore NAWA-I-WAQT in Urdu 7 Jan 92  
p 10*

[Editorial: "India-Pakistan Relations: Change in U.S. Stand"]

[Text] Ms. Teresita Schaeffer, the U.S. deputy assistant secretary of state, said that the United States hopes to end the tension between India and Pakistan in the changing world politics. She said that as a result of these efforts, the strained relationship between the United States and Pakistan caused by the nuclear program might be improved. The fact that U.S.-Pakistani relations are being tied to Indo-Pakistan tension is simply too much. Even worse than this is the fact that the United States did not hesitate even for a second when it took India under its wing, although the latter has been a strong supporter of the Soviet Union and has been "sitting in its lap" since its birth. Be it the affairs of the subcontinent, the so-called nonaligned organizations, or the UN platform, the Soviet Union and India have worked very cooperatively. India has never expressed any desire, nor has it tried, to join the U.S. camp. Now that the Soviet Union has fallen, India did not wait one second before falling at the feet of the United States, which showed no hesitation in offering its blessing. The U.S. deputy secretary is even trying to tell us that if Pakistan refuses to make changes in its nuclear program in order to improve relations with the United States, then India's supremacy in this region will be openly accepted. The U.S. Government has started an organized campaign to establish India's supremacy in the subcontinent. Pakistani and Indian intellectuals, newsmen, former diplomats, and retired generals are presented in various panels on U.S. government [as published] television channels. Meetings at unofficial levels are being encouraged. The United States calls this campaign an effort to end tensions between India and Pakistan; other times, it calls it an effort to establish trust among South Asian countries.

The basis of American thought is that if the United States and the Soviet Union can have talks, East and West Germany can become one, and problems between eastern and western Europe can be resolved, then India and Pakistan can also become friends. The main flaw in U.S. thought is that they are unaware of the 1,000-year history of Hindus and Muslims. The Americans do not have the experience of spending 1,000 years with the Hindus right here in India. The Hindus have never recognized the existence of the Muslims. They consider the Muslims untouchables. The main reason for the establishment of Pakistan was that the Hindus made it impossible for Muslims to live with them. As long as such fundamental conflicts are present, one can easily estimate what will happen to the U.S. efforts to end tension or to establish relations between India and Pakistan. The problem is not that the United States does not have a good idea of the enmity between Hindus and Muslims. The fact is that the United States is helping the Hindus because of its own animosity against Muslims. It is trying to establish India's supremacy in the subcontinent. What can be worse than the fact that while the U.S. deputy secretary accepts that Kashmir is a controversial issue, and the United States has recognized this controversy for 19 years, all UN resolutions on Kashmir were passed with its support, still the United States is advising us to solve this issue according to the Simla Pact.

We cannot do anything but express amazement at the way the U.S. Government has changed its stand after 19 years. On the same day the whole world supported the right of the Kashmiris to independence, the U.S. deputy secretary ignored all UN resolutions related to Kashmir and the right of its people to independence. The lady left no stone unturned in talking openly about the violation of human rights laws by Sindh's government; however, she totally ignored the Indian army's bestial acts against Kashmiri people's basic rights in occupied Kashmir at a time when governments representing colonialism, tyranny, and force all over the world are ending. According to Lord Aubry of Great Britain, India is the only country left in the world with a colony. Breaking up India is the only way to destroy its colonial ambitions. The United States should at least remember its former stand, and should not support the effort to force India on Pakistan and make India the supreme power in this region. Pakistan is an independent and democratic nation. The United States should respect Pakistan's freedom, independence, and security, according to the UN charter. It should also support the right of Kashmiris to independence. Pakistan never considered the Simla Pact to mean that the Kashmir issue would not be solved according to UN resolutions. Pakistan believes that there is room in the Simla Pact for it to retain its original stand on Kashmir and for it to improve relations with India on a bilateral basis. Pakistan has no other stand on Kashmir except that the issue be resolved through bilateral talks. As for the issue of the nuclear program, the United States is showing a biased attitude toward Pakistan. It has imposed the Pressler Amendment only on Pakistan and has given full freedom to its beloved India, just like it did

Israel, to explode nuclear bombs and the United States has no objection to it. It is clear from the recent statement issued by the U.S. deputy secretary that the United States is helping India unilaterally. The U.S. leaning toward India clearly indicates that its goal is to establish India's supremacy. This situation is totally unacceptable to Pakistan. If the United States does not change its ways and remains stubborn on its stand, then Pakistan should try to protect its freedom, independence, and security. It should join its friends and other Islamic countries to establish a new power bloc in the world. Other countries that have suffered because of the U.S. attitude will definitely support Pakistan's efforts.

### Muslim Countries Asked To Boycott India

92AS0454C Karachi JANG in Urdu 28 Dec 91 p 3

[Editorial: "It Is Necessary To Boycott India"]

[Text] Three prominent leaders of the freedom movement in occupied Kashmir have asked all Muslim countries to impose an economic boycott on India. These leaders, who are currently touring Islamic countries with the objective of obtaining public support for the jihad in Kashmir, also said that occupied Kashmir had been isolated from the outside world for the last two years; international organizations such as the Red Crescent, human rights organizations, and foreign communications media were not allowed to send individual representatives or delegations to Kashmir and the valley was under constant curfew. Occupying Indian troops were indulging in an orgy of cruelty and oppression in order to crush the struggle for freedom in occupied Kashmir; thousands were martyred and countless individuals were imprisoned in torture chambers. The major causes of the continuing Indian atrocities in occupied Kashmir are Indian intransigence and the support of certain influential world powers, upon which India is relying and is trying to crush by force the Kashmiri struggle for self-determination; however, the responsibility for the situation lies in large part on the shoulders of the Muslim nations as well. In these times, no country can live isolated from the community of nations; economic sanctions can force a country to change its aggressive policies and the best example of this is South Africa's racist government, which is changing its policies. Muslim countries have rich economies and constitute large markets for Indian manufactured goods. If these countries should boycott Indian goods, airlines and films, India will soon come to its senses. In the sixth Muslim leadership conference held in Dakar, Muslim countries supported the right of Kashmiris to self-determination and announced the intention to despatch a delegation to study the situation in occupied Kashmir. In view of India's intransigence, chances are slim that this delegation will receive permission to visit occupied Kashmir. Under such circumstances, it is the duty of Muslim countries to take punitive measures against India, for India will not bow to mere diplomatic and political pressures. If Muslim countries send back Indian nationals working in the Gulf, India will be forced to

change its position on occupied Kashmir. History imposes the responsibility on Muslim states to go to the aid of Kashmiri mujahidin and not to abandon them at this critical juncture.

### **Political, Geographical Importance of Nation Analyzed**

*92AS0514B Karachi JANG in Urdu 13 Dec 91 p 3*

[Article by Salim Yazdani: "The Political and Geographical Importance of Pakistan"]

[Text] Pakistan is situated in a geopolitical area the importance of which has been proved over the centuries. It is the cradle of ancient civilizations; the dazzling wealth of this area attracted aggressors and whoever came to this area plundered it. The British, French, and Dutch filled their coffers with the wealth of this land and used the heritage of its civilization to adorn their museums. In exchange for a handful of rupees, they used the youth of this land for their wars and shed their blood.

The arguments of those who say that the political and military importance of Pakistan has ended are based on their emotions and superficial suppositions. Pakistan is situated in an area that can never lose its political and military importance; in fact, Pakistan is now even more politically and militarily important than before.

It can be argued that the United States stopped aid to Pakistan because American interests are no longer as closely tied to those of Pakistan. This argument sounds plausible but if one tries to look deeper, one discovers no validity to the claim. The question then arises as to what the factors were that led the United States to end aid to Pakistan. My conjecture is that the United States ended aid after President Ghulam Ishaq Khan's visit to China where he entered into certain agreements that displeased the United States. The United States first ended aid to Pakistan then started to pressure China to stop cooperating with Pakistan in the fields of nuclear energy and missile building. China did not give in to U.S. pressure. Benazir Bhutto's government lost the elections in Pakistan and the new government started to strengthen relations with China, a step that was not in U.S. interests. The United States wants Pakistan to maintain only such relations with Iran and China that correspond to American interests.

The question that further arises and demands a moment of thought is, if Pakistan is no longer of any importance to the United States, why is the latter trying to create a strain in Pak-Chinese relations and why does it want China to stop transferring modern technology to Pakistan. Why is the United States attaching importance to relations between Pakistan and Iran? Why does the United States want to lessen tension with Pakistan and normalize relations? What deserves attention is the question whether the CIA is implicated in the opposition emerging inside Pakistan to President Ghulam Ishaq Khan. Who is behind the attempts to create successive political crises in Pakistan?

Even though amazing changes have taken place in international politics, the Soviet Union and its power have ceased to exist and world politics are unbalanced, the fact remains that Pakistan's military and political importance has increased. The United States needs Pakistan more than it did during the war in Afghanistan. At that time, the United States was worried because of Soviet intrusion into Afghanistan that endangered U.S. interests in the Gulf and Southeast Asia. Today an even greater danger is posed by the possibility that the establishment of an Islamic fundamentalist government in Afghanistan could bring the newly independent Central Asian states under fundamentalist influence. The presence of the Iranian revolution on one side and an Islamic fundamentalist government in Afghanistan on the other side would have an effect on all the Central Asian states and ultimately on the entire Middle East that would prove harmful not only to U.S. interests but pose a danger to Israel's existence as well.

China is Asia's most important country and the slightest mistake in U.S. policy could make China a rival power. Because of its importance, China could increase its influence in the areas comprising Pakistan, Central Asia, Iran, and the Middle East and try to fill the vacuum created by Russia's decline.

One should remember that when the Shah's government in Iran was on the brink of collapse and the United States realized that the fundamentalists were going to seize the reins of power, the CIA tried through certain means to persuade Iranian generals to overturn the Shah's government, send him into exile, and seize power thus putting an end to the grievances of the people and preventing the fundamentalists from coming to power. The Iranian generals, however, refused because they knew that they would have to confront the people and the army would lose.

The United States can use many weapons to keep Pakistan under its influence because U.S. influence runs deep in Pakistan society. The United States knows that Pakistan is as important in this region as Egypt is in the Middle East; in the same way that U.S. differences with President Nasser and British confrontation gave Russia a foothold in the Middle East and eventually in the world arena, a US confrontation with President Ghulam Ishaq Khan can make China an important political and military force in Southeast Asia, the Central Asian states and the Middle East.

That is the reason why the United States is trying to solve the Middle East problem and is exerting pressure on Israel. Israel's intransigence is temporary; it will have to yield eventually to the United States and the Arab-Israeli issue will be solved in 1992. Both the United States and Israel are aware of the fact that a continuation of the Arab-Israeli quarrel will endanger Israel's existence. An Islamic fundamentalist government established by means of force in Afghanistan would draw the entire region into an ideological conflict.

The United States undoubtedly wishes to avoid such a situation and that would be possible only if a democratic government remains in office in Pakistan and continues to cooperate with the United States.

Regarding the changes that may take place in Southeast Asia and the crises that the countries of the region face, these also make it necessary that the United States not leave Pakistan isolated. Pakistan constitutes a bridge for the United States; the latter used it first to reach Beijing and now is using it in an effort to reach Iran.

India is an effective military power in this region and the long-range policy of the United States has been to bring India under U.S. influence. The United States failed to do so and India remained an important country in the Soviet bloc. Now that the Soviet bloc has disintegrated and Russia has lost its international and super power status, India is isolated. If the United States should try to bring India forward speedily as a super power, China would regard this as a danger to its safety and relations between China and the United States would deteriorate and an atmosphere of conflict would ensue. It is thus in U.S. interests to avoid conveying the impression to China that India is being made into its rival power.

Normal relations do not exist between India and Pakistan and it is obvious that U.S. leanings towards India can create anxiety for Pakistan; but the farther Pakistan would get from the United States, the closer it would draw to China. Such a situation would be contrary to U.S. interests because it wishes, through Pakistan, to bring into office a representative government in Afghanistan that would be acceptable to all sides. It is obvious that the United States cannot achieve this objective by ignoring Pakistan nor can the United States overlook relations existing between Pakistan and China and those growing between Iran and China.

The destruction of Russian communism was the result of the Brezhnev doctrine. Brezhnev's mistaken policies and war of nerves destroyed the Russian empire and Pakistan played an important role in this destruction. But the United States is so devoid of any sense of gratitude that it has ignored this debt and started to work against Pakistan.

The relations between China and the United States were the result of Pakistan's efforts and Russia punished Pakistan for this by cutting it in half. Friendship between China and the United States was contrary to Russian interests. Pakistan's role against Russia in Afghanistan was a key factor in the destruction of the Russian empire and Russian communism. Russia had broken Pakistan into two and Pakistan avenged itself and destroyed the very existence of the Soviet Union. (As the verse says, O cupbearer, a little moisture will turn this soil fertile.) Today we Pakistanis lift our head with pride; our hearts are satisfied; those who wounded us are now themselves riddled with wounds.

The dagger that India plunged into our hearts is now turned against it in Kashmir, Punjab, and Assam and

inflicting wounds on its body. Our differences or narrow-minded views may lead us to call Zia ul-Haq a dictator or anything else; but by making Russia pay for dividing Pakistan, he made an unforgettable effort to apply salve to the wounds of the nation the true value of which will be determined by future historians.

It is ironic that our so-called politicians make the people pay for their failures and are inviting the military to seize power; and when the military does so, the politicians will curse it day and night. It is not the job of the military to run the government and therefore politicians should change their attitude and cease to look to the army to bring about a change in government.

While Pakistan is important to the United States, it is important to China as well, for it is only through Pakistan that China can gain easy access to the Middle East and the Muslim countries of Russia. Restoration of good relations between India and Pakistan may now be in U.S. interests but it is also in the interests of China that good relations exist among India, Pakistan, and China.

In conclusion, whatever the world situation, we have no calling to become God's policeman. Pakistan needs to adopt a quiet diplomacy; nothing will be gained by repeated harangues in diplomatic forums and coming forward with tall claims. We should mind our own business and keep our interests paramount. Objectives that cannot be gained by threats and force can be achieved through diplomacy and political planning.

## INTERNAL AFFAIRS

### Conflict Between Prime Minister, Opposition Examined

92AS0510A Karachi AKBAR-E-JEHAN in Urdu  
19 Jan 92 p 13

[Article by Sheikh Haq Nawaz: "Prime Minister Desires Accord With Opposition"]

[Text] As soon as the dust from the municipal elections settled, a meeting of IJI [Islamic Democratic Alliance] leaders was held in the state capital, and criticisms were issued from various circles over the decision to hold talks with the opposition in Islamabad. Most of the local political circles have praised the decision, declaring it to be a step in the right direction. The same way the important IJI political parties have declared talks with the opposition parties unavoidable for a healthy political atmosphere and the establishment of a democratic system, various other parties have also recognized that it is necessary to have talks between the government and the opposition. This will help the atmosphere of conflict and confrontation at the national level. The hope that the bilateral fights will end will help to run national affairs more effectively. The sentiments President Ghulam Ishaq Khan expressed in an address to a joint session of the National Assembly and the way the

president expressed his anger is an example of this situation. In addition to this example, the long-range negative effects of this situation at every level of our society have begun to emerge. As a result of all this, patriotic circles in our nation have started to feel that an end to tensions between the opposition and the government is essential to the existence of present democratic political systems. President Ghulam Ishaq Khan's advice to the opposition to change its present negative attitude and establish a good relationship with the government shows that he is also working toward this goal. The way the president is extending his hand to the opposition for a bilateral understanding is being emulated by some prominent members of the National Assembly and the Senate. They have contacted the president on one side and Mrs. Benazir Bhutto on the other side, and have explained to them the critical national and international situations, which demand that both of them work hard to end their mutual disagreements. This will aid in the removal of all the dangers that are threatening our present democratic system. Because of them, the whole nation is suffering from suspicion and doubts.

The political party within the IJI, which is relatively more interested in solving the problem between the government and the opposition and usually shows exemplary seriousness about critical national problems, and which gives priority to realistic solutions to these problems, is Jamaat-i Islami. This is the only party within the coalition that has been advising the government from day one to resolve its conflict with the opposition.

After the IJI platform demanded that talks with the opposition be opened, Mr. Nawaz Sharif's inner circle took an important step. This step has not been very effective, however, it shows promise. Both parties have started to contact each other, and those individuals that are helping establish contacts are playing an important role in this. These individuals have contacts with the president on one side, the armed forces on the other side, and with the prime minister on another side. There is no doubt that it is the result of the efforts of these people that the people in power read the writing on the wall in time and made the difficult decision to hold talks with the opposition, ignored their differences with the opposition just because of the impending danger. Because of this decision, specific responsibilities have been given to some people holding sensitive positions. These people are doing their duties diligently. Mr. Gohar Ayub, speaker of the National Assembly, met with opposition leader, Mrs. Benazir Bhutto, recently. This meeting was actually an important link in this chain of events. Mr. Gohar Ayub discussed ways and means to run the Assembly according to the rules, however, he kept his one-hour conversation focused on the opposition and its relations with the president. He succeeded somewhat in his effort to suggest ways and means to improve these relations. Mrs. Benazir Bhutto made it clear to him that the question of her reconciliation with the president did not arise, because most of the steps the president has taken do not give any constitutional, political, or moral

reason for his holding the position. Mrs. Bhutto's stand is in accordance with her party policy, and a very strict attitude has been adopted on this issue. Their demand is to reject the legitimacy of the president holding the position and have Senate Chairman Vasim Sajjad become interim president. In the political planning committee meeting of this party, it was decided that no agreement would be made with the present government unless the demand to remove President Ghulam Ishaq Khan was met. This decision was made to make it clear to the president that the opposition is extremely angry, and to demonstrate how far it could go against him. The main target of the opposition is the president, and not the prime minister. They are aiming all their shells at him. The opposition is angry at the prime minister also, and does not accept him. Right now, however, it is focusing on attacking the president. Its whole focus of criticism and all of its energies are being aimed against the president.

Efforts are being made both by the president and the prime minister to have the opposition agree with them; however, the atmosphere required for the success of these efforts does not seem to be there yet. The president is having the prime minister say the kinds of things that show that the opposition's conditions cannot be met. The prime minister's statements clearly indicate that he cannot do much more than what the president has limited him to, and his flexibility in dealing with the opposition will be considered crossing the set limits by the president. However, all signs indicate that until or unless the president accepts some of the conditions presented by the opposition, there will be no understanding between him and the opposition. It will be merely a dream that will never be realized. One thing is clear: the success of these efforts is more important to the government than it is to the opposition. Now we have to see what the government will do to attain this goal. What path it will take, and what kinds of strategies it will use?

At the order of Prime Minister Nawaz Sharif, a campaign has been started against adulteration of medicine and petroleum products in Punjab. As a result of this campaign, the adulterers have started some new tactics. They have created a false scarcity of necessary items and have increased their prices many times. As a result, the buying power of a common man has decreased dramatically. This has increased the daily problems of the people. The situation has made this campaign a negative one, rather than a positive and effective one. Now it seems that the campaign will not be able to achieve its goal. It is sad to say that all of this is happening after the government gave all kinds of help to these adulterers, in spite of their illegal actions. They would have taken the government's offer and relinquished their present condemned professions, and received the respect of the people. Unfortunately, their practices have continued, and they have even started with new and unfair tactics. It appears that these elements are determined to make the government's reformation campaign totally ineffective. They have apparently decided that come what may, they

will stubbornly continue in their path. It is a fact that Ghulam Haidar Wain, Punjab's chief minister, had met with representatives of all business organizations and discussed various aspects of this campaign. After learning from them about various problems, he provided them with amenities that would have helped them help the government to make this campaign successful. They would have played an important role in this campaign; however, most of them showed an attitude, which proved to be a major hurdle to the success of the campaign. It does not matter what effects this campaign against adulteration has; one thing is clear: Corruption in our society has spread so much and its roots are so deep that eliminating it has become extremely difficult. Any major reformation campaign is not successful here just because we do not want it to be successful with all our heart. We just do not have the desire to eradicate various ills, corruption, and unsavory practices prevalent in our society. If we wanted to do so, then we would not have results like this where, as the government starts a reformation campaign, we make sure that the campaign is unsuccessful. Right now, the things that are needed on a daily basis have disappeared from the market, or are extremely expensive.

### **President Khan Claimed Enjoying Unlimited Power**

92AS0531H Peshawar THE FRONTIER POST  
in English 7 Jan 92 pp 10-11

[Article by Kuldip Nayar: "Imbalance of Political Power in Pakistan"]

[Text] Pakistan has changed since I was there last, five years ago. It is more open, more articulate and more relaxed. The military is less overbearing and the public less restrained. And, for the first time, after the subcontinent's partition, the Indian rupee is weaker than that of Pakistan's: our 100 rupees fetch theirs 80.

How this happened and why is a long story. It spans Benazir Bhutto's regime when the army went back to the barracks, and Nawaz Sharif's rule when economic liberalisation set in. But if one development were to be pinpointed for the change, it would be the advent of democracy after a 40-year-rule by the military and authoritarian heads.

General Mirza Aslam Beg, former chief of the Army Staff, confirmed this when he said: "Had General Zia-ul-Haq not removed Zulfikar Ali Bhutto, the democratic process in Pakistan would have prospered and institutions stabilised."

Whether nascent democratic structure will be able to survive the various onslaughts it faces is Pakistan's dilemma as well as nightmare. The biggest onslaught is the unlimited powers that the president has come to enjoy after the eighth amendment which Zia added to the Pakistan constitution.

The amendment empowers the president to dismiss an elected government, not because it has ceased to enjoy a majority in the National Assembly, Pakistan's lower house, but because he has felt dissatisfied with the government's functioning. President Ghulam Ishaq Khan dismissed Benazir one and half years ago when he got "exasperated." Even if the Nawaz Sharif government does not face a similar threat, the basic question remains: who has the last word, the president or the people's representatives.

Already a piquant situation is developing between the president and the prime minister over the proposed unseating from the National Assembly of Iftikhar Gilani, a minister in the Benazir government, on "charges of corruption."

Nawaz Sharif is reportedly in favour of keeping the subject of disqualification pending. But if Ishaq Khan does not budge from his resolve to remove Gilani—the date fixed is 15 January—all members of the People's Democratic Alliance (PDA), which means the entire opposition, will resign plunging Pakistan into the worst constitutional crisis it has ever faced.

Nawaz Sharif, for that matter, the Islamic Jamhoori Ittehad (IJI), which rules Pakistan, wants to avoid that eventuality. But it all depends on Ishaq Khan. True, he is a lesser person than when he assumed office.

The allegation that his son-in-law, Irfanullah Marwat, is behind the rape of Veena Hayat, has damaged the president's moral stature. But legally he is still supreme, although Marwat's exoneration by the inquiry judge, not yet permanent, has left many questions unanswered.

Veena's father, Shaukat Hayat Khan, son of Sir Sikendar Hayat, chief minister of undivided Punjab, told me in Islamabad, that the inquiry was a "farce" and that Marwat was not even arrested when Veena named him in the first information report (FIR).

Nawaz Sharif has tried to remain distant. But he cannot afford to join issue with Ishaq Khan who can dismiss him straightaway. That explains why the prime minister did not meet Shaukat Hayat Khan even after ringing him from Dakar that he would do so.

Aitzaz Ahsan, interior minister in Benazir's government, favours the clipping of president's powers. But he blames Nawaz Sharif for not joining Benazir when she "offered him support for the abrogation of the Eighth Amendment."

Ahsan's comment is typical of the opposition's reaction; it reflects sharp political polarisation. The opposition puts the blame of every act of omission and commission on the ruling group which, in turn, finds fault with the opposition for not letting Pakistan settle.

Ghulam Mustafa Khar, former Punjab governor and a member of the opposition in the National Assembly, feels that both the PDA and the IJI should come to some

understanding—he suggests a national government—to end the state of confrontation which, he fears, will only benefit the army.

Not only Khar, most people in Pakistan apprehend another dose of martial law if political parties do not strike norms of behaviour: the government permitting dissent and the opposition allowing the majority to rule.

The armed forces are not, however, playing the role of an adversary which they did when Benazir was in power. One factor is Nawaz Sharif's equation with Ishaq Khan, who presides over the military that General Zia institutionalised. Another plus point is the stoppage of the U.S. military aid, which gave Washington veto in Pakistan's defence matters during the Benazir regime and before.

The military is now approaching and persuading the government on the purchase of new equipment. Nawaz Sharif told some Indian journalists that he is finding money to purchase the Russian or French planes now that America has said no further aid.

Another factor inhibiting the military is that it cannot take on the people once again, without being more brutal, more ruthless and more involved. With the Indo-Pakistan relationship as it is, it prefers to be left alone to defend the country's borders.

General Asif Nawaz, chief of the Army Staff, is a professional soldier, who has visibly curbed some ambitious top brass. The military doesn't want to take sides; it has also realised that Benazir's support is so wide that her return cannot be ruled out.

To the military's relief, ethnic uprisings in Pakistan have decreased considerably. The mohajirs (migrants from India) are less militant in Sindh because they share power in the state and at the Centre. The Awami National Party (ANP), which once demanded autonomy for the North Western Frontier Province (NWFP), has joined the Nawaz Sharif government.

The Punjabis, who constitute nearly 65 percent of Pakistan's 80 million population, feel mollified because they find a Punjabi as the country's prime minister for the first time.

The balance may not be ideal but it is working. Consequently, the Biharis are unwelcome and they may to languish in Bangladesh or wherever they are.

Economy wise Punjab has benefitted the most from liberalisation and privatisation. Out of the 170 odd public sector undertakings, which have been denationalised, the Punjabis have claimed the most. The province looks prosperous; the minimum wage for an unskilled hand is Rs.[rupees]60 a day. I was not accosted by any beggar either in Lahore or Islamabad. Nor did I see anyone in tattered clothes or sleeping on the pavements.

### Proposed Meeting of Sharif, Bhutto Claimed 'Sabotaged'

92AS0531D Karachi DAWN in English 5 Jan 92 p 1

[Article by Shaheen Sehbai: "Nawaz-Benazir Meeting: Move Sabotaged?"]

[Text] Islamabad, 4 January: Who sabotaged the scheduled meeting between Prime Minister [PM] Nawaz Sharif and Opposition leader Benazir Bhutto at a "neutral" place in Karachi on 1 January?

This question has been agitating both the ruling IJI [Islamic Democratic Alliance] and the PDA [People's Democratic Alliance] leaders, especially those who were involved in preparing the ground and completing the spadework for a new year gift to the nation.

Both IJI and PDA sides admit in private that the meeting was on until something happened less than 12 hours before the two leaders were to meet and discuss the future course of politics in the country.

According to one informed source, the news of the meeting leaked to some influential men in Lahore and they used the family card to persuade the prime minister to call it off, until a better climate was created.

The issues that were discussed between the political negotiators from the two sides included some that could bring about a sea change in the political climate, if they were agreed to by the government side.

One such point was the removal of the Jam government in Sindh in return for which Ms. Bhutto would have guaranteed that Mr. Nawaz Sharif completed his tenure undisturbed.

There was talk of a constitutional amendment to get rid of the controversial Eighth Amendment, release of Mr. Asif Ali Zardari and withdrawal of references against PPP [Pakistan People's Party] leaders, and end to harassment and victimisation of PPP in Sindh.

Those involved in the preliminary discussions were Senator Iqbal Haider and former Law Minister Iftikhar Gilani from the PDA while Special Assistant to PM, Choudhry Nisar Ali and PM's Press Assistant Hussain Haqqani were doing the talking from the government side.

Mr. Gilani, Mr. Haqqani and Senator Iqbal Haider had already arrived in Karachi on 31 December and they were expecting the prime minister and Choudhry Nisar on 1 January. but the "veto" from Lahore resulted in an indefinite postponement of the secret talks.

PPP sources said the Opposition leader was "incensed" at the last-minute backing out of the prime minister but she had already told her aides that she was not expecting them to come but had gone ahead with the process "to expose them."

Speaker Gohar Ayub Khan has openly been mediating between the two sides but sources say the progress achieved by the aides was greater than the efforts of the Speaker.

### Sharif Attacked for Cynical View of Press

92AS05311 Peshawar THE FRONTIER POST  
in English 3 Jan 92 p 9

[Text] Islamabad—Premier Nawaz Sharif's latest censure of the national press reflects a growing feeling within the government that journalists have assumed a role that is not only beyond their scope and ability but is also destructive.

The prime minister has, in fact, echoed the views which only a week before President Ghulam Ishaq Khan had also expressed while addressing the joint session of parliament. Accusing journalists of being political campaigners and urging them to be objective and mindful of national interests, the president asserted that it was not "within their prowess to sit in unilateral judgement."

Nawaz Sharif thinks there is too much of politics, in fact "dirty politics," in this country and blamed the press for overplaying it. He advised them to concentrate more on economic activity and development. He berated newsmen for sensationalising everything and portraying a dark picture of the state of affairs. "One gets depression while reading newspapers early in the morning which give a feeling that the country is aflame and sinking," he said, adding: "The Press is destroying the country with its own hands."

This harsh indictment of the press stems from the differing perception of its role by politicians depending on their own position and status. "The tolerance level of Pakistani politicians is inversely related to their proximity to the central seat of power," says columnist Maleeha Lodhi while underlining the fact that the same set of politicians expected the press to play a totally different role when they were in the opposition.

Insiders say the government genuinely feels that the press is promoting political uncertainty and economic chaos. The infighting within and the dissent outside is given undue coverage. The readers are told that everything is in a mess. Violence is up and morality down. Financial institutions are tumbling. Crime, sabotage, terrorism, rapes, kidnapping and drugs, get prominence. All this, the critics say, is vitiating the investment atmosphere in the country, and foreign investors, in particular, have been scared away.

Making the press a scapegoat for problems is often the favourite activity of politicians in power. There may be substance in what the press is being accused of and no one would like to defend irresponsible or "yellow" journalism. What is disturbing, however, is that those pointing an accusing finger at the press are doing so not because they think its reports are inaccurate but that [is] why a particular set of incidents is being reported at all.

Successive governments, civil and military, have tended to believe, without exception, that if the messenger did not bring any bad news, there wouldn't be any bad news: the fact that the press does report the good news as well is generally overlooked. Few realise that bad news will still be there if the press didn't report it, and its consequences will not disappear if it went unreported. There is also little realisation of the fact that if journalists report only the triumphs and not the failures, the development and not the want, the corporate successes and not the bankruptcies, if they fail to be more probing and sceptical and newspapers become just bulletins of pleasant, non-controversial and ordinary happenings, everyone will lose interest in the newspapers. There will be a loss of credibility and even the good news will not be believed.

While urging the independent press to be objective, no government, past or present, has ever thought of applying the same principle to its own institutions like radio and television and other media under its control. While most promised to free them of official control and patronage, in reality the stranglehold was tightened: one-sided and drab self-projection and praise were imposed and promoted.

The increasing tendency among top leaders in the government to criticise the press had added to the pressure on journalists, who already feel beleaguered. In recent months, several newsmen have become targets not only of criticism from political, religious, ethnic and social groups but even victims of actual physical violence. In fact the outgoing year saw Pakistan among the few countries in the world where newsmen were attacked, stabbed, bludgeoned, beaten and threatened with so much frequency. KHALEEJ TIMES own Karachi correspondent Zafar Abbas was the victim of one such attack.

The International Press Institute (IPI), the Committee for Protection of Journalists, PEN [Poets, Editors, and Novelists Association] and other organisations have raised their voice against these incidents and urged government to take effective steps to prevent a recurrence.

The prime minister has proposed a code of ethics to be voluntarily devised by the press. The press in general has welcomed it and hoped the government on its part would honour this code and submit itself to its provisions as well by avoiding any action that amounts to harassment and pressure.

### Leader Urges Division of Balochistan

92AS0512D Karachi AMN in Urdu 13 Dec 91 p 6

[News Report: "Balochistan Will Be Divided—Fariq Pushtoon"]

[Text] Karachi, 12 December (AMN News)—Rafiq Pushtoon advocate, central chairman of the Six-Point Committee To Establish a Fifth State From Sibbi to Zaub, has strongly condemned the statement issued by



Sina Allah Zahri, state president of the PNP [Pakistan National Party]. In this statement, he said that he did not want Balochistan to be divided. Mr. Rafiq Pushtoon said, "Zahri is so weak that he could not even stop the disintegration of his own party. How could he stop the division of Balochistan when it has almost been realized? Neither he nor any power in the world can stop it. The proof is the Pushtoonkhawah Party, which has made all Pushtoon representatives accept their six-point program. The government decided that the Pushtoons of South Pushtoonkhawah want the division of Balochistan, and if he does not happily accept this division, then God will bring a day when the areas from Sibbi to Zaub will be forcibly included in South Pushtoonkhawah. History is our witness that whenever Pushtoons have decided something, they have achieved it successfully. The story of Ahmed Shah Baba is known to the world. He added areas even in India with the force of his sword. When Pushtoons can defeat even India, what is this small area?"

**Movement To Divide Balochistan Said Growing**  
*92AS0512C Karachi JASARAT in Urdu 31 Dec 91*  
*pp 1,8*

[News Report: "Campaign for Pushtoonkhawah in Balochistan"]

[Text] Quetta (JASARAT Correspondent)—Nawab Ayaz Khan Jogzai, central leader of the Pushtoonkhawah People's Party and convener of Pushtoon Qaumi Jarga, has appealed to the Pushtoons in Balochistan to start writing the numbers of their homes and stores in the Pushtoon language, beginning on January 1. He said that efforts would be made to make the Pushtoon language the government, official, and trade language. He told a press conference in Quetta today that the Pushtoons in southern Pushtoonkhawah have been living in a state called Balochistan for the last 20 years. This state, he said, is unofficial and unnatural, and was established through illegal control by the Balochs. The efforts to make Pushtoons unequal and ignore their political, economic, and cultural rights is extremely unfair. He said that the Pushtoon Quami Jarga had made some important decisions during the month of November. These include getting the rights to a separate state, equal rights for Pushtoons, equal access to Pushtoons in every sphere of life, independence of Pushtoonkhawah if Balochs continually decline rights to Pushtoons, and independence of southern and northern Pushtoons.

**G.M. Syed Claims Sindh Needs Liberation From 'Punjabistan'**  
*92AS0531F Karachi DAWN in English 18 Jan 92 p 9*

[Quotations marks as published]

[Text] Karachi, 17 January—The veteran Sindhi nationalist leader and chief of Jeay Sindh Tehrik, Mr. G. M. Syed, on Friday pledged "to make Sindh a free and

independent nation, a land which is free from exploitation, state slavery and a cradle of peace."

Speaking at a public meeting at Nishtar Park on his 89th birthday celebration, he said "in South Asia there are certain nations, like Sindhis, Balochis, Seraikis, Pakhtoons, which should be given complete freedom."

The speech of the Sindh leader was read by Bashir Khan Qureshi, Senior Vice President of Jeay Sindh Tehrik as Mr. G.M. Syed was not feeling well.

Mr. Syed said that after "attaining freedom, the people of Sindh have a right to opt "for any group of countries in the United Nations."

G.M. Syed called for amending the UN charter in such a way that countries with identical problems and interests could coalesce into a bloc.

He said the UN in its present form was serving the interests of a few countries and this needs changes.

Mr. Syed said if the UN charter was not amended, world would not last long.

He said Sindh had for long periods in history been an independent state. "When the British occupied Sindh, it was an independent country" and therefore for liberation the Sindhis had to seek the support of Muslim League. "This proved suicidal."

Mr. G. M. Syed said the two nation theory suppressed "noble feelings of nationalism" and "divided India into religious groups."

The veteran leader said "in the name of Pakistan, we were enslaved by the Punjabi imperialist. However, we are determined to throw off the yoke of slavery. We are nearing our goal and God willing, it will not be long before Sindh attains independence."

He recalled the separation of Sindh from the Bombay Presidency in 1936 for which he had to wage a long struggle due to the "vested interests of Hindus and the local landlords."

He said when Sindh was a part of the Bombay Presidency it was ignored for decades and that "forced me to wage a struggle for liberation."

Mr. Syed said the British and "Punjabi imperialists dubbed me a traitor, but for the sake of Sindh and Sindhis, I have accepted the epithet with pride.

Gul Mohammad Jakhriani, President of Jeay Sindh Tehrik, speaking on the occasion said that "without any announcement Pakistan has been broken and now there is need to save Sindh. There is now only Punjabistan and we do not accept it."

Mr. Jakhriani further said: "You have to liberate Sindh. Sindhis cannot live in Punjabistan."

He praised the role of Mr. G.M. Syed during the pre-partition days and recalled his support to the Pakistan Resolution of 1940. "But the sagacious leader had foreseen that the amendments made in 1943 and 1946 were harmful and hence opposed the changes. Subsequent events have vindicated G.M. Syed.

Syed Ghulam Shah, chairman of Jeay Sindh Mahaz said Mr. G.M. Syed was a "philosopher and had devoted his life to the Sindhi nation."

He said every Sindhi had to "contribute his bit to the freedom struggle." He criticised those who were working against the "ideals of G.M. Syed," and recalled his promise that all those living in Sindh are "our brothers if they support our cause.

Syed Ghulam Shah urged the Sindhis living abroad to come "to their country. We are awake and you will have no problems and difficulties."

Qamar Bhatti, Vice-President of Jeay Sindh Qaumi Parast Party, said Karachi was the capital of Sindh, but "revenues generated here were not used for the province."

Other speakers included Mairaj Mohammad Khan of Qaumi Mahaz-i-Azadi, Hafiz Qureshi, a friend of G.M. Syed, Hussain (Bakhsh Narejo of Awami Tehrik (Rahu group), Qasim Sher Ishaq of Karakoram Movement, Taj Mohammad Langah of Seraiki Party, Muzaffar Hussain Hashmi of Seraiki Qaumi Movement, Ms. Rifat Sindhu of Sindhi Nari Sangat and Mohammad Jan of Pakhtoonkhawa Milli Awami Party.

Most of the speakers felicitated Mr. G.M. Syed on his birthday. The Seraiki Pakhtoon leaders supported Sindhis demands for independence.

Mr. G.M. Syed inaugurated the function by cutting an 89 pound cake.

Nishtar Park was decorated with Jeay Sindh flags and slogans of "Hamara Desh, Tumhara Desh Sindhudesh, Sindhudesh," Tumhara Rehbar, Hamara Rehbar, G.M. Syed, G.M. Syed" were raised again and again.

A large number of people had arrived in buses from the interior of Sindh.

The administration had posted a large contingent of police and Rangers near Nishtar Park.

A cultural programme was held after the meeting.

### Writers View Sindh's Intractable Problems

92ASO455B Lahore ZINDAGI in Urdu 13 Dec 91  
pp 31-33

[Interview with three Sindhi editors: "The Problem of Sindh: S.M. Shahid's Meeting With Three Sindhi Editors; Sindhi Intellectuals Are Asked Four Questions"; paragraph numbering, quotation marks as published]

[Text] Questions: 1. The common man in Sindh is greatly disturbed by the constant disturbances, linguistic tensions, and lack of political stability. What are your feelings on these issues?

2. What do you regard as the real causes of the breakdown? Are there any political elements involved?

3. Does irresponsible journalism bear any part of the responsibility in the problem?

4. What are your suggestions for improving the situation?

Hyderabad is the center of journalism in Sindh. Almost 18 newspapers and periodicals in Sindhi as well as several in Urdu and English are published here.

What are the views of the leaders of Sindhi journalism regarding the present situation in Sindh and what are their suggestions about reform? To find the answers to these questions, to understand better the situation in Sindh and to acquaint the people of Pakistan with the point of view of the Sindhi press, we arranged meetings with the editors of the newspapers that influence public opinion in Sindh.

IBRAT: This newspaper is regarded as the JANG of Sindh; prior to the creation of Pakistan, this paper was a monthly; then it became a fortnightly journal and later a weekly. At that time, the late Osman D. Palai was the editor. In 1958, the paper was purchased by the prominent Muslim League leader Qazi Mohammad Akbar and his brother Qazi Abdul Majid Abid; later it became the property of Qazi Abdul Majid Abid (former minister of information and broadcasting). Since 1958, IBRAT has been a daily newspaper and its editor in chief now is Qazi Assad Abed, Qazi Abdul Majid's son.

Thirty-nine-year-old Qazi Assad Abed has a degree in business administration from the United States. He said that he had studied the elements of journalism from 1971 to 1973 before going to the United States; from 1981 onwards, he was fully engaged in journalism. In addition to IBRAT, he brings out the daily SINDHU (evening newspaper); the fortnightly IBRAT MAGAZINE; the weekly SINDHU DIGEST; the monthly HAZAR DASTAN, and a monthly women's magazine BAKHTAVAR. He is also the member of a half-dozen organizations connected with the communication media and was the honorary general secretary of APIS [expansion not given] from 1987 to 1989. At present he is the secretary general of CPNI [expansion not given].

In answer to ZINDAGI's questions he said:

1. "Whether common men or prominent, we are all members of this society and are thus affected in one way or another. The present government has taken certain measures to improve law and order but these measures are only cosmetic; conditions in Sindh can be improved, not by such cosmetic actions, but by concrete measures. For example, the hoarding of illegal weapons; the enemies of society had obtained a small number of weapons,

now they roam around with licensed weapons. That is why I say that conditions may appear to have improved but this improvement will not be a permanent one.

2. It is true that political factors have also created frustrations. In order to show his importance, a politician makes a sharp statement, which gains the attention of the people. He will be satisfied but in the process he will have frustrated 50 other individuals. But I still maintain that politicians alone are not to be blamed; young men are greatly involved in the deterioration that has taken place and there are reasons for this. When city youths are unable to find jobs, they can still find some other means of livelihood. Thousands of youths can be seen in technical workshops learning various trades; but young men in rural areas have no such opportunities. They waste their time in tea houses and gathering places and create law-and-order problems. I received a 20-centimeter, 3-column advertisement soliciting recruits for bandit groups. The advertisement offered a 100,000-rupee monthly salary to young men between the ages of 16 and 25 who joined the bandits; those who became wounded [in action] would receive 250,000 rupees; those who became crippled 500,000 rupees and if killed, the members of their immediate family would receive 1 million rupees. The name of the bandit organization was given in the advertisement. We did not publish the advertisement but you can see how attractive the offer would be to unemployed youths. I regard the Sindh problem to be in fact economic in nature in which irresponsible politics is involved as well.

3. I am a practising journalist that is why I cannot hold journalism alone responsible for the bad situation. There are certain elements whom I shall not name who exert pressure on journalists to publish their views alone. An attempt was made to pour gasoline in our news editor's office and set it on fire; the perpetrators maintained that a special group had made itself prominent by putting pressure on newspapers in Karachi and therefore they wanted us to make them famous. But it is not our policy to give prominence to any narrow minded group. We may be forced occasionally to publish items of news or statements of this kind but Sindh newspapers still give greater coverage to federal parties with a national point of view.

4. One suggestion for improvement is that democracy should be preserved and continued; conditions do not improve under martial law or governor's rule. The results of the harsh measures of martial law from 1977 to 1983 were seen in the MRD movement [Movement for the Restoration of Democracy]; thus too much harshness does not solve problems. The MQM [Muhajir Qaumi Movement] enjoys a majority in Sindh's cities whereas the People's Party leads in the villages but that does not mean that illegal pressure should be exerted to crush either one. All should be treated equally.

2.[sic] All weapons, whether in the hands of law abiding citizens or the enemies of society, should be under supervision and control; seizing illegal weapons from

one group while allowing another to keep its arms will only lead to worse conditions.

3. Development programs should not be merely words written on paper but should be carried out. Economic problems can be brought under control by giving individuals their rights. The government established an organization called VIP [expansion not given] to give loans to young people; unfortunately, only certain favored individuals got the loans, thus defeating the very purpose of the measure.

4. Corruption should be ended. The police are the most corrupt of all, and the police and security institutions in rural areas are even more corrupt than the police in urban areas.

5. The status of landowners should be restored. The landowner was considered a good man and he preserved law and order in his area to maintain his good name and reputation. Now the status enjoyed by landowners has been ended and conditions are deteriorating. Landowners are falsely accused of harboring bandits; perhaps some landowners may be doing so but not the majority of them. The situation is such now that bandits have become the patrons of landowners.

I would like to add that the majority of the bandits would like to get out of their "profession." The government made some promises to them such as granting them general amnesty but it did not keep its promises. Those landowners who acted as mediators lost face and honor. The bandits destroy the honor and dignity of landowners.

We received a letter signed by 62 individuals; it was in fact an advertisement, which we did not publish in full. The letter in fact threatened that unless the promises made to them were fulfilled, they would advance towards the city of lights and spread destruction.

6. I would say in conclusion that when decisions are made, the people, especially the Sindhi landowners, politicians and editors of newspapers should be taken into confidence otherwise the fire raging in Sindh will spread to other provinces as well. We saw recently linguistic disturbances in Balochistan and disorder is increasing in Punjab. If all are kept informed about the measures that are to be undertaken, the results will be favorable."

Newspaper MEHRAN: This paper used to be published in Karachi in 1954 under the editorship of Sayed Sardar Ali Shah. After his death, the paper had various editors. Since 1959 it has been published in Hyderabad. Pir Pagaro is the real owner or inheritor of the newspaper; the managing editor is Haji Mohammad Ibrahim Hangurjo and the editor in charge is Haji Abdul Majid Maiman.

Haji Abdul Majid Maiman was born on 14 December, 1935, in the village of Mirpur Sakru in Tahtha district where his father had gone in search of work.

Haji Abdul Majid said that he was interested in writing even when he was a student. While in school, he used to publish a journal called MANZIL. He later became correspondent for IBRAT. After being transferred to Hyderabad, he occupied various posts in IBRAT and finally became the senior news editor. For a time he was editor of the newspaper SINDH NEWS and has been the editor of MEHRAN since 4 May 1991. He has a Bachelor of Arts degree and an M.A. in journalism. In reply to our questionnaire, he said:

1. "I am worried and with good reason. I live in this province where for many years people have looked upon each other as brothers. But now brother has turned against brother while professional criminals have full license to do as they please. Bandits have made life miserable for the people. I may not have suffered personally but my Muslim brothers are in peril; thus I am worried as well.

2. Economic, political, all factors have created the bad situation; and I also say that the objective for which this country was created has not been achieved. The ruling authorities did not establish an Islamic legal system for the sake of their own interests and the people lack Islamic consciousness.

3. Undoubtedly, the standard of journalism has fallen and the reason is that our educational standards are deteriorating. Educational institutions have become the headquarters of political parties and strongholds of professional criminals. If education and educational institutions had been reformed, today this state would not be in such a predicament. We are far behind in science and technology. In the last 44 years we have increased education by only 30 percent. We have the Koran, which instructs how to live, but we do not make use of it. Falsehood and dissension have taken root; newspapers publish false news or table news [sic]. The press can change the way people think but our journalist brothers have fallen prey to linguistic dissension. Newspaper owners are only concerned with increasing circulation. I would have to say that journalists and journalism also are responsible for the crisis.

4. Democracy needs time; the essence of democracy is that the opposition party tolerates the party in power and vice versa. But here, whoever attains office tries to exert legal and illegal pressure on his opponents. Parties should have the opportunity to work and all politicians should unite to encourage national and Islamic spirit. Freedom should be appreciated lest the enemy exploit our dissension or martial law be restored. Unfortunately, we have had three or four martial laws because of which democratic traditions did not gain strength."

**KHADEM-E-WATAN:** The sons of Qazi Mohammad Akbar, the prominent leader of the Pakistan movement, publish the newspaper KHADEM-E-WATAN, SINDH NEWS, and KAVESH as well as the Urdu newspaper SAFIR and the English newspaper SINDH OBSERVER. We interviewed Mohammad Ali Qazi, the 24-year-old

son of the late Qazi Akbar. Ali Qazi described himself as having been born into journalism; thus he was naturally interested in journalism from childhood. During his last year of high school, he worked for SINDH NEWS and SINDH OBSERVER. In August, 1987, the Urdu newspaper SAFIR was launched under his editorship. For the last two and a half years, he has been bringing out the newspaper KHADEM-E-WATAN and for the last 18 months, the newspaper KAVESH. The following are his answers to ZINDAGI's questions:

1. "I am a concerned citizen but I do not despair nor am I as worried as the average man.

2. There are many reasons for the crisis and economics is included among them but an important issue here is that Sindh's nonparticipation in national affairs was felt deeply and the feeling still persists.

Political parties did not have the opportunity to do anything during martial law; thus political training did not take place as it should have. The same restrictions promoted disorder; restlessness among the people increased and now conditions are such that anyone who attempts to put the genie back into the bottle finds it a difficult task.

3. What do you mean by the term irresponsible journalism? (Is it, for example, giving prominence to stories of crime, linguistic groups, and arson?)

As far as highlighting crime goes, we try, on the one hand, to guide the government and the people and, on the other, to make the police and security organizations conscious of the reason why such a major crime was committed. When 19 or 20 people are killed, it is going to be headline news. Recently, 19 people were killed near Kundyaro; these were not dogs; how we could ignore the incident?

We had a headline in KAVESH describing bandits as ferocious animals and the enemies of humanity. We offered guidance to the people in our editorial; as a result, villagers near Larkana resisted the bandits.

As for the charge of creating linguistic dissension, I blame the government and not the press. Here all kinds of organizations are at work and they call themselves Sindhi, Muhajir, Punjabi, Pathan, etc. Are there any restrictions placed on these people who are spreading linguistic prejudice and preaching bias? Why then are we questioned? If there are no restrictions on them, why should we not publish their statements? We publish what we see and hear. If the government should lay down rules of morality and we should know for certain that a certain report would not appear in any newspaper, then we will also observe the same restrictions.

In the present day, journalism has assumed the status of an industry. Thousands depend on us for their livelihood. Our job is to reflect conditions not to offer guidance. It is the duty of politicians and rulers to guide the people in the right path and to reform the situation.

4. The situation in Sindh cannot be improved by any executive changes, governor's rule or martial law nor with mounting any major operation. I do not believe in killing a certain number of people and arresting some others. The idea that force can solve problems was inherited from the British. That way one can bring about only a temporary improvement. No one will descend from the sky and solve the problem; the sense of participation should be instilled in the local people.

Democracy should be continued; politicians should not make mistakes and should promote a sense of tolerance; the freedom of the press should be assured; I should clarify that when a leader announces that he will come out with his shroud tied around his head and fight to death, the press will publish his statement. Journalism is my profession; I am not here to fight a jihad. I will fulfill the expectations of my readers."

#### **JUP Leader Advocates Testing Nuclear Device**

*92AS0531G Karachi DAWN in English 15 Jan 92 p 18*

[Text] Karachi, 14 January: Maulana Shah Ahmad Noorani, chief of Jamiat Ulema-i-Pakistan [JUP], has said it was time Pakistan tested a nuclear device.

Talking to a JUP delegation which is to take part in a conference in Baghdad, he wondered why when others could have nuclear devices Pakistan couldn't. "Pakistan should explode the device and become a member of the nuclear club," he added.

He vehemently condemned economic embargo against Iraq by the United Nations and said the UN had become a "tool of the Americans."

Maulana Noorani also criticised those Muslim countries which were supporting the embargo at the behest of the U.S.

He said it had become a known fact that the U.S. was not interested in protecting the freedom of Kuwait but wanted to destroy a power which posed a challenge to Israel.

The JUP chief said his party's stand in the Gulf crisis had been proved correct. He said Pakistan should be careful about the U.S. designs.

Referring to the recent visit of the U.S. Senator Larry Pressler to Pakistan, he said Mr. Pressler was against Muslims and his views reflected the U.S. policy towards them.

#### **Dissident ANP Group Facing Internal Division**

*92AS0531E Karachi DAWN in English 5 Jan p 6*

[Article by Ahmad Hassan: "New Group in NWFP (North-West Frontier Province) Showing Signs of Crack"]

[Text] Peshawar: The dissident group dubbed as anti-ANP [Awami National Party] group, which was

launched by the 16 "disgruntled" members of the Frontier Assembly, seems to have started showing signs of cracks within one week of its formation.

Although the leaders of the group had declared that it had no designs against Chief Minister Mir Afzal Khan and it has full confidence in his leadership still the provincial government felt the tremors and immediately started to reduce and erase its following. Two of the minority members were prevailed upon on the very first day of the publication of the Press conference by the dissident group and their statement was even issued through the courtesy of the information department, that they had left the group.

Even before the holding of the press conference by the leader/spokesman of the "anti-ANP group" Sahibzada Sabir Shah, the official circles tried their best to stop it and a highly influential minister of the cabinet was sent to the MPAs [members of Provincial Assemblies] hostel to urge the dissidents not to [the] form group. The government was in the meantime so much perturbed over the happening that it postponed and delayed the tentative session of the Provincial Assembly to 9 January from 2 January to avoid "embarrassment" in the House. A lot of manoeuvring has been witnessed to win over the group about which an ANP minister had said that the group was angry with its own leadership and it has nothing to do with the ANP ministers.

The group which had met with chief minister before going to the press had besides other things expressed its complaints against two sitting ministers at the meeting. However, they had no complaints against Finance Minister Nawabzada Mohsin Ali Khan.

The group asked the chief minister to arrange a briefing on Kalabagh Dam to end confusion. The chief minister, according to sources, had promised to do so [at] latest by 2 January but nothing was done on that account either. The members of the dissident group also lodged their complaints against the ANP ministers who, according to them, were not only interfering in their constituencies but were also damaging their political position by ignoring development work. All these demands were naturally beyond the powers of the chief ministers as he never interferes in the affairs of ANP minister. The government, therefore, undertook the other option that of breaking the group.

Two brother MPAs from Dera Ismail Khan, Sanaullah Mian Khail and Umar Farooq Khan Mian Khail come under the category of those members who have never opposed any government. The elder brother Sanaullah Mian Khail joined the dissident IJI [Islamic Democratic Alliance] group in the 1988 assembly and joined the Sherpao government although he was ranked as close friend of General Fazle Haq. Therefore, the government succeeded in persuading these brothers to come out against the dissident group and support the chief minister through a statement which was again circulated by the information department.

A Press report also claimed that the provincial government has ordered inquiries against some of the dissidents and even threatened to withdraw development funds to be spent in their constituencies. One of the complaints of the dissident group no doubt may be against the ANP, but the reason for their forming a group is said to carry other reasons. Most of these members are reportedly not happy with the attitude of the Chief Minister. Although he does not refuse to meet them but his availability remains uncertain. Some members even expressed their resentment against the chief minister in the assembly session and in the parliamentary party meeting which had decided that the C.M. will make himself available at least one day in a week for the MPAs exclusively. This commitment has not been fulfilled either. Some members in the IJI are angry because they are not in the cabinet.

Sahibzada Sabir Shah, the spokesman of the group, even was assured at a number of times that his services for the IJI would be remembered.

The government is now faced with a peculiar situation. If the dissident group further expanded, as its creators claim to attract some 'sleeping partners' it could become a potential threat to the government as well as the ANP. [quotation marks as published] The coming session will be very crucial as the insiders indicate that this group may bring a resolution in favour of Kalabagh Dam and make the ANP's stay in the government difficult.

### **Government Urged To Make Open Nuclear Declaration**

*92AS0454B Karachi JANG in Urdu 28 Dec 91 p 3*

[Article by Dr Rahim ul Haq: "The Nuclear World and Pakistan"]

[Text] In a rapidly changing world, Pakistan will have to determine its priorities once again.

After the disappearance of the Soviet Union from the map, a new world seems to be emerging. The dissolution of the Soviet Union could be regarded as a major catastrophe of this century, which has affected the whole world. The first catastrophe was World War I; the second, World War II; the third phenomenon was the end of the colonial system; the fourth phenomenon was the nuclear revolution and now the decline of communism and the end of the Soviet Union has upset the entire world order. The dramatic decline of the Soviet socialist order has changed everything and the factors hidden in this decline are causing sleepless nights for the leaders of most countries in the world.

The balance of power that Russia, as a world power, had established in many regions, now appears to be shaken. To deal with the situation, countries are setting up new goals. Pakistan also faces the same problem and the issue is even more important for Pakistan because it sits at the threshold of this international change. Russia is closest to Pakistan's borders. Standing as Pakistan does in the

middle of the world powers, Russia, China and India, it will have to enunciate a clear foreign policy.

After recognizing Azerbaijan's independence, Pakistan has extended recognition to the Russian Federation, Kazakhstan, Uzbekistan, Turkmenistan, Tajikistan and Kyrgyzstan, whereas world powers such as the United States, Britain, China, Japan, and Germany have adopted a cautious approach.

The most dangerous and worrisome aspect of the disintegration of the Soviet Union is the parceling of deadly nuclear weapons among the former Soviet republics.

The largest of the Soviet states, the Russian Republic, has approximately 19,000 nuclear weapons; Ukraine has 4,000; Kazakhstan 1,800 and Belarus has 1,250 nuclear weapons. Other newly independent Soviet republics such as Estonia, Latvia, Lithuania, Moldavia, Georgia, Armenia, Azerbaijan, Turkmenistan, Uzbekistan, Kyrgyzstan, and Tajikistan also have inherited many nuclear weapons. Thus, after the breakup of the Soviet Union, 15 new nuclear powers have suddenly appeared on the world scene.

In the past, the United States, Britain, China, France, Israel, and India were considered nuclear powers. Countries that were suspected of possessing nuclear weapons or nuclear capability were North Korea, Pakistan, Iraq, Argentina, Brazil, and South Africa. Germany and Japan possess nuclear capability and can build nuclear weapons if needed.

South Africa, Argentina, and Brazil have announced that they are increasing the effectiveness of their nuclear weapons producing program and have said that they would use nuclear energy for peaceful purposes only. Iran is also accused of engaging in the race to acquire nuclear weapons with China's help.

The sudden appearance of nuclear countries on the world stage has created a serious and worrisome problem for all countries including the United States. The United States, which had dreamed of a new world order, seems the most worried.

U.S. Secretary of State James Baker visited Russia recently and met Boris Yeltsin before meeting with Gorbachev. He wanted to discuss the control of nuclear weapons and visited five Soviet states in connection with this matter. It is said that the United States is trying hard to bring about some kind of an agreement on the nuclear issue among the four major Soviet nuclear states, which include the Russian Republic, Belarus, Ukraine, and Kazakhstan in order to achieve progress in the control of nuclear weapons. Towards this objective, the United States has offered financial, food, and various kinds of economic help to the Soviet states.

Reportedly, \$60 million worth of aid supplies have been sent to Russia and the United States has offered to buy at high prices the nuclear weapons in the possession of the former Soviet states. It is also being said that if the small

independent Soviet states should agree to destroy their nuclear weapons, the United States would give them all kinds of financial and economic help.

The new nuclear world, which is emerging after the disintegration of the Soviet Union, has incidentally shut the mouths of the critics of Pakistan's peaceful nuclear program. Those countries who used Pakistan's peaceful nuclear program as justification for announcing that they were stopping economic and defense aid to Pakistan now appear helpless in the face of the emergence of the new nuclear states.

The United States stopped military and economic aid to Pakistan under the Pressler Amendment while the United States and its supporting Western countries continued to increase their own nuclear capabilities. Israel, which is an nuclear power and is proved to have 200 nuclear weapons, continues to receive the largest amount of U.S. military and economic aid. India possesses 50 to a 100 nuclear weapons, but recently it received \$6 billion in economic aid from the United States. Even U.S. citizens cannot understand this two-faced policy; seeing that the United States itself is an nuclear power, that its friends include major nuclear powers, and it is giving aid to countries such as India and Israel that have expansionist designs; for the United States to stop every kind of aid to a small country like Pakistan that can never pose a danger to its neighbours, using the Pressler amendment, and accusing Pakistan of enriching uranium, is sheer injustice and coercion. It appears that the attitude of the United States and other developed countries is to give unlimited concessions to countries that have already succeeded in constructing nuclear weapons and to form close relations with them. Their attitude towards Israel and India, and now the 15 newly independent states of the Soviet Union are examples of this policy.

After both the United States and Russia relinquished Afghanistan, Pakistan has become comparatively unimportant to the United States; and after the dissolution of the Soviet Union, U.S. attention is focused in greater part on the Soviet states.

After the cooling of relations between the United States and China, the former seems intent on making India the

regional power. Only one course seems open to Third World countries and that is either to follow the policy laid down by the United States and its supporters or, with great work, effort, and courage, follow a policy of independence and self-sufficiency and by attaining modern technology, find their place among the progressing countries of the world and, in the twenty-first century, emerge as independent and progressive countries. Pakistan's repeated suggestions that South Asia be made a nuclear-free zone fell upon deaf ears. India has rejected this proposal.

The United States and the vice president of the Russian Federation supported Pakistan's suggestion but no practical steps have been taken towards its implementation. The five states of the former Soviet Union have announced that they will destroy their nuclear weapons by June 1992; nevertheless, in view of the existence of large numbers of nuclear weapons in the 15 Asian Soviet republics as well as in Israel, India, and China, the creation of a nuclear-free zone in South Asia alone appears to be impractical especially since Iran and Iraq are considered to possibly be the next nuclear powers. As the famous saying goes, "The best way to preserve peace is to prepare for war."

For the last 16 years, Pakistan has been in a state of uncertainty as to whether or not it should be an nuclear power and, as a consequence, Pakistan has had to face many difficulties. The country has had to formulate its policy under the legitimate or illegitimate pressures exerted by foreign powers and undoubtedly this situation has not benefited Pakistan.

Pakistan may now have only one course open and that is to join the nuclear ranks and prepare itself to resist foreign aggression.

Nature has provided Pakistan with a golden opportunity and we should give thought to whether this is not the historical opportunity for which millions of Pakistanis have been waiting for many years. Should we not take advantage of the present international situation and announce our membership in the nuclear club? There is no better time than now to announce whether or not Pakistan is an nuclear power; such an opportune moment may not come again.

**Spiraling Prices Eroding Purchasing Power***92AS0460C Lahore VIEWPOINT in English  
9 Jan 92 pp 13-15*

[Article by Zafaryab Ahmed]

[Text] Spiralling inflation is gradually eroding the purchasing power of the people, especially those with fixed incomes. The way things are moving, it is difficult to think of what the future holds for the nation. Record inflation, record increase in the cost of living, record unemployment and a record resort to deficit financing. Mr Nawaz Sharif's government seem to have had a quite a record-making first year in office. Prices of essential goods rose suddenly during the first week of the New Year. According to one survey, the retail price of certain items showed the following increases:

Pulse gram (40 kg) Rs [rupees]260 to Rs 300. Pulse Masoor (40 kg) Rs 860 to Rs 900. Grams (40 kg) Rs 250 to Rs 310. Rice (40 kg) Rs 300 to Rs 320. Pulse Moong washed (40 kg) Rs 360 to Rs 400. Coriander (one kg) Rs 24 to Rs 28. Bajra (40 kg) Rs 250 to Rs 400. Chillies (one kg) Rs 20 to Rs 40. Eggs (per dozen) Rs 15 to Rs 20.

Moreover, the recent load shedding has caused considerable rise in the price of candles, and the Government's drive against adulteration has resulted in scarcity of milk and milk products.

The President of the Lahore Foodgrain Traders Association has urged the Government to take measures to control the price-hike. Official economists are, however, busy as usual painting an all-well picture.

**Worried**

Independent analysts, on the other hand, are worried, particularly about the haste with which the Government has tended to function. The Government, which started its tenure with the flamboyant commitment to self-reliance has borrow \$2 billion in addition to the American aid package which was eventually released early this year. Prime Minister Nawaz Sharif has, on the other hand, made a string of rhetorical commitments and promises. Wherever he goes, he pledges more money in addition to that committed in the budget. In less than 15 months, he has twice promised more money to the armed forces. There doesn't seem to be any realization of the consequences of these royal features. Experts think that if the commitments and promises are really honored, they shall have made nonsense of the original budget. The advantage that the Government has on its predecessors is that it is not facing any reassurance from its own electorate, primarily because of the nature of the IJI [Islamic Democratic Alliance] and the way the elections were won. However, if someone dares to question the rationality of the Government's policies, he is at once accused of being opposed to national development if not an enemy agent.

One expected better things from the economic triumvirate—President Ishaq, a man with a lifetime of experience in financial matters, Prime Minister Nawaz Sharif the scion of one of the most prosperous business houses and Finance Minister Sartaj Aziz who has spent more years in business and industry than one cares to remember. The first few transactions of the only privatize bank, the Muslim Commercial, have been challenged in court. The buyers have not been able to meet the legal requirements of the purchase deed.

A partnership of experts which people thought would steer the country successfully into 1992 through privatization, appear to have let down the country.

Viewpoint takes a look on prices and related issues with a series of interviews with a cross-section of people representing public opinion. We begin first with an expatriate who returned home recently.

"We are a little hard up at the moment," said a retired low grade Government officer, "things will ease out if my two unemployed children manage to get jobs. I returned from the Gulf a couple of years ago, where I worked in the Khaleej Times press. The money I had I spent on this small canteen. It was not possible to get a proper job in any printing press. The salary which was being offered was not enough to maintain a family of four. I decided to set up this canteen. It was not bad when I started. Now it is becoming difficult. My customers are mostly salesmen from the adjoining market. They can't afford to pay more. I am finding it difficult to keep selling to them the same quantity and quality at the previous prices. I asked one or two of them if they had got a pay raise. They laughed and said they were working on the same salary which they got when they joined two or three years ago."

**What To Do?**

"The prices of everything have gone up. Electricity, gas, water, spices, lentils, vegetables, name anything. I don't know what to do. Then I try to buy unadulterated stuff. There are certain shopkeepers whom I trust and they do sell pure stuff, but for that I have to pay more. You will be surprised to know if you ask a shopkeeper for quality, he will immediately quote you a different price and ask the shop attendant to bring the goods from bags in the godown. I don't know how I am going to manage."

"The problem is that you don't get the goods you pay for," said a young lady doctor. "I got married last year. We both work and can manage a comfortable living. I have not made my life difficult by overwork. I teach in the morning and after that look after household work. I supervise my cook. In fact, I have taught her cooking, she is very young. When I go out shopping, mind you, I am not a haggler. The shopkeepers weigh less, the provision storewallah or the fruitwallah are all doing that. I went to buy fish from this old and famous shop the other day, and it didn't look like one kilogram to me. I weighed it on my own machine and it was 25 grams less and the



'vaisan' layer was so thick that I wouldn't be wrong if I said it was just half a kilogram."

"I had great hopes when the original policy of the golden handshake was announced. It is strange. Just this morning, my mother asked me when I was going to get an increment and now you are asking me about being able to manage with my salary."

"Alhamdolillah," said a bank accountant, "with the grace of God, I have a wife and two children, a college-going younger sister and my mother. I look after them all. Perhaps it wouldn't have been possible if my father had not left me a house. I used to buy investment certificates with the money I saved and encashed them in time of need. I have not been able to buy a single certificate for the last six months. Your question has scared me."

"Why should I hide things from you?" said a clerk in the same bank, "I buy warm clothes for my entire family from the Landa Bazar. Normally, I could shop within Rs 1,000. This year after buying some clothes for my wife and children I was left with nothing. It doesn't matter as long as the children are warm and happy. I can do with my old clothes."

#### Family of Nine

"I do dusting and cleaning in five houses in a day and I earn around Rs 2,500 a month," said this woman who lives with a family of nine at an open tract along the Wahdat Road. The only shelter they have is a small space with a cloth roof filled on bamboos. The family hardly has two cooking utensils and uses bricks to make a fire-place. God is gracious. I have never made so much money in my life. I even have some savings which I keep with one of the begums I work for. We eat meat once a day. None of her five children between the ages of 12 and two go to school. The eldest son has joined a mechanic's shop as an apprentice who does not get a salary but his 'ustad' gives him some weekly pocket money.

"The commuters are not willing to pay more," said a rickshaw driver, "there are some who do but not many. I have been driving this rickshaw since the early seventies. In those days rickshaw had fare meters and the distance between Regal and the New Campus used to bring Rs 2.70 and passengers happily paid Rs 3 without asking for the change. Now we can't afford to cover the same distance in Rs 30. They haggle and one is forced to take them for Rs 25. Then those who travel are also low-income people. Mehngai tey Kehndi aiy nerray na aao."

"People are tolerating all this and will continue to do so it for a while yet. Some of them might have some savings but for how long can they last?" said Tariq Lateef, ex-Punjab President of the ANP [Awami National Party]. "Our people have no concept of looking ahead. Most of our people don't have money for proper medical treatment but they keep on going as long as they can.

They don't have money to buy medicines or to pay the doctor. I doubt if the majority of them are ever able to complete their treatment for the commonest of diseases. I am saying all this because this reflects our overall situation. Then the political movement is also not very stable."

"Unrest is there," says Bashir Zafar a trade union leader, "but if the government decides to close its eyes to reality, what can one do? Naley hun mazdoor reha kitthey aiy? Jehra tikkya hoye aiy oh sabr shukr kitee baittha aiy. We ourselves are now scared of strike action because the employers don't care for us. So why make a person lose whatever little he is making?"

"Things are not going to improve and I am not making a propagandistic statement," said Tariq Lateef. "I also thought for a while that Nawaz Sharif might be able to bring about some improvement in the situation. But I am sorry to say there is no sign even on the distant horizon. He makes promises at a speed at which the President promulgates ordinances. This policy of giving a son to everybody is going to backfire, I am afraid. The promises aren't honored. Look at his anti-corruption and anti-adulteration drives."

#### Tax on Savings

According to Ms Anjum, an economist, the country is in a shambles. The Government's methodology is faulty. Just look at the pace at which it wanted to privatize. It is just too fast for our capital market, which is fairly thin. Now what the Government says that money is not forthcoming and that the rich have not responded. This is just not true. One hears that there is a big debate going on in official circles. The Government wanted to privatize around 25 percent of its given target last year. The feeling is that now it is going to suffer. The drive itself is facing a crisis today because of the Government's previous attempts at privatization. Look at the deal with the Tawakkal Group. The case is still in court. Even if someone does not naughty with the Government, this does not leave a positive impression on the public imagination or on the mind of the prospective investor.

Within the Government, different sections have started accusing each other of hampering the privatization drive. The debate has not yet become public and the Government is trying to cover it up but the intra-IJI differences are gradually beginning to surface.

Then there is this foreign exchange liberalization. Pakistan is a country with a high rate of capital flight. Go around the banks along The Mall and talk to people there and you will find that big sums of money are being withdrawn everyday and being transferred to banks in the Middle East. The irony is that the majority of those withdrawing their money belongs to the Government party. The flight of capital is one big reason for the lack of capital formation in the country.

### The Troika

One policy decision which has not been taken and which could have been taken despite the so-called disagreement by the financial troika (Nawaz Sharif, Ghulam Ishaq and Sartaj Aziz), was the savings policy.

Our Finance Minister, God knows for what reason, has introduced a 10 percent tax on savings. It is ironical that such a measure has been taken in a country with the lowest saving rate in the world. The policies which the Government is envisaging are extremely expensive-oriented but one does not know where the revenues will come from.

The tax on savings has already started having an adverse effect. There is no interest left to save. The value of the rupee has gone down. For instance, a person with Rs 10,000 knows this amount is not going to be the same in the coming month and, moreover, he will have to pay tax on it. He is left with no incentive to save. He will like to same money in some stable currency, say, the dollar. Instead of savings and investment, speculation reigns supreme. This is a very dangerous trend for a developing economy. Not only big industrial houses but ordinary people are speculating. The Government's philosophy is that people should help it now and then at some later date it will help them but people are not willing to wait for long.

The Government seems to believe that people will follow its policies the way it wants them or in the spirit in which a policy is introduced. True, the spirit of a policy is very important but the socio-economic situation also determines the effectiveness of that spirit. How can it expect a person to save for an indefinite period? The Government assumes that a person who saves in dollars will not withdraw or indulge in speculative deals. Again, it seems that the Government thinks that the people believe along with it that the rupee is not crashing. If you are a businessmen or an industrialist, you can see it for yourself. There are figures being given everyday by the local and international Press. You buy rupee, you sell it, you see your workers' wages bill and their demands for a raise. All this encourages a person to take advantage of loopholes. How can you force a person not to convert money into dollars or not reconvert in into rupees or any other currency for making a profit? If they do it, the Government says don't do it, it's naughty. There is a gap in policy and implementation.

### High Inflation

As for the prices, we are heading towards a very, very high inflation rate. I fear that dependence on foreign aid and deficit financing is going to increase. It has to, because even this Rs 45 billion farm package was not provided for in the budget nor indeed the rise in utility rates. The present situation is different boom what it was six months ago when the budget was passed.

Do you consider it to be a sort of mini-budget?

I can't call it anything like the original budget because every month there is a change or shift of emphasis. The day the Prime Minister sits in a tank the whole shift seems to be towards military expenditure and the next day if he visits a factory or sits in a tractor the farming sector gains prominence everything is so confusing. There is a very strong tendency especially with the Prime Minister to promise money which unfortunately is not there. That puts pressure on the Finance Ministry to generate that money.

The Government has no choice but to rely on foreign aid. True, the Government wants self-reliance but \$2 billion more have been procured in aid already and at an interest rate higher than that we pay normally. If the Government wants not to be caught in a labyrinth, it needs to withdraw this tax on savings. This is very very important to encourage savings. The policy of privatization must succeed because this is what the Government is banking in with the hope that it will have the trickle-down effect one day. The problem is that the trickle-down effect is only possible if domestic capital stays at home. The problem here, it appears to me, is that it is not going to stay here.

### Inflation Said Depriving Middle Class of Savings

92AS0459C Lahore VIEWPOINT in English 2 Jan 92  
pp 11-12

[Text] President Ghulam Ishaq Khan's Caretakers and the IJI [Islamic Democratic Alliance] Government during their first year have given a gift of the highest rate of inflation to the nation, the highest in 14 years since 1974-75.

The State Bank's [of Pakistan—SBP] Annual Report released on 21 December, after thorough vetting by the Finance Ministry, records that the Consumer Price Index rose sharply from 6 percent in 1989-90 (Ms. Bhutto's one full year) to 12.7 percent in 1990-91. On a 12-month average basis, it is the highest rise officially recorded. The Federation of the Chambers of Commerce and Industry believes the rate is even higher.

It may be pointed out that when Ms. Bhutto took over in 1988, inflation was running at about the current level and by economising in government spending, she brought it down to 6 percent. She had cut down the budget deficit to 6.5 percent of the GDP [gross domestic product].

### Main Cause

The main cause of the rapid increase in the rate of inflation is the extravagance in Government expenditure which caused an all-time high record in the budgetary deficit. The budget for 1990-91, prepared by the PPP [Pakistan People's Party] Government, had envisaged a total domestic bank and non-bank borrowing of only Rs.[rupees]10.55 billion. However, the actual figure is seven times of the budgeted amount, mounting to Rs. 72.94 billion—bank borrowing Rs. 43.37 billion (against

the PPP's Rs. 2.92 billion) and non-bank borrowing of Rs. 29.57 billion. With the external borrowing of Rs. 16.43 billion, the actual deficit comes to Rs. 89.47 billion, breaking all previous records. This deficit is about 8.7 percent of the GDP as against 6.5 percent in 1989-90. This level is considered much beyond safe economic limits.

In vetting the State Bank Report, the Ministry of Finance brought it down arbitrarily to 5.8 percent of the GDP without giving a fresh break-up of the borrowings. However, it tried to cover up its position by saying: this rate assumes "bank borrowing of Government of Rs. 12.68 billion. However, there are indications that the actual budget deficit has been larger than that reflected in the Revised Estimates." Actuals were, in fact, available at the time of vetting.

How was the burgeoning deficit created? The dismissal of the Benazir Bhutto Government had created a situation analogous to that of 1977 where either Bhutto or Zia could survive. Here, President Ishaq thought he would survive only if Ms. Bhutto was defeated. So, extremely hostile caretaker governments were installed in Islamabad and the four provinces. These governments and the personal commitments of Mr. Ghulam Ishaq Khan to eliminate the PPP required billions on buying large-scale support and creating a mechanism for massive rigging, and political campaigning. Horse-trading of the worst order was resorted to through ad-hoc allocations to the MNAs [Members of National Assembly] and MPAs [Members of Provincial Assembly] (with the dissolution of the assemblies, they no longer existed but in Mr. Ghulam Ishaq Khan's caretaker administration's estimation they did) for 'development' work in their constituencies.

#### After the Elections

After the elections, more funds were needed to keep together the newly-elected MNAs and MPAs. A two-thirds majority in Parliament and big majorities in the provincial assemblies have not given the confidence to the IJI governments that should have been natural in such a comfortable position because of the manner in which majorities were secured. Campaigning at the expense of the Public Exchequer continued throughout the year, each public meeting and procession of the Ministers cost millions of rupees.

Apart from the Government's extravagance, depreciation of the rupee by 10.2 percent and the impact of the Gulf War also contributed to an across the board rise in prices.

To raise additional revenues for increasing expenditure, prices of utilities (electricity, gas, etc.) were raised during the year which added to the inflation. Other measures to mobilise more resources, such as the withholding tax (raised by 2.5 percent), import surcharge (raised by 3 percent) general sales tax, tax on POL [petroleum, oil, and lubricants] (raised by 41 percent), etc., all shocked the flames of inflation.

Despite many concessions to the private sector, especially large-scale industry, its performance has been extremely poor. Large-scale manufacturing registered an increase of only 4.7 percent. It has been stagnating at this rate for the last several years. Small-scale industry, which has been totally starved of credit, has been doing comparatively better, growing at 8.4 percent.

Growth in the private sector (both corporate and household) investment was less than that achieved last year, being 10.4 percent against 10.8 percent during the only one full year of Ms. Bhutto's Government. Growth in the corporate sector investment was only 0.4 percent. Gross fixed investment as a ratio of the GNP [gross national product] also declined to 16.3 percent from 16.4 percent. National savings which are among the lowest in the developing countries, improved marginally from 13.4 percent to 13.8 percent mainly due to the better record of the public sector whose ratio in total savings improved from 9.1 percent to 11.9 percent. Growth in the public sector investment was impressive. It increased from 3.6 percent to 14.8 percent and this raised its share in total investment from 51.27 percent to 51.93 percent.

The increase in the overall growth rate of 5.6 percent from 4.6 percent last year mainly accounts for the agricultural sector which registered an increase of 5.1 percent against last year's 2.7 percent. The four major crops, wheat, rice, cotton and sugarcane yielded record harvests due to better weather conditions. The services sector also recorded a marginal increase of 0.7 percent from 4.8 percent to 5.5 percent.

#### Debt Burden

The debt burden is assuming alarming proportions. Already, debt servicing has become higher than the expenditure on defence—about 40 percent after total budgetary expenditure. The IJI Government's extravagance has added additional burden of Rs. 107.84 billion to the total debt during 1990-91, of which domestic debt was Rs. 66.14 billion and foreign debt Rs. 41.84 billion. The following is the break-up of the addition to the domestic debt.

Permanent debt—Rs. 58.24 billion  
Floating debt (net)—Rs. 5.95 billion  
Unfunded debt—Rs. 1.95 billion  
Total—Rs. 66.14 billion

Total outstanding debt on 30 June 1991 stood at Rs. 840 billion, which comprised a domestic debt of Rs. 440,322 billion and a foreign debt of \$15.9 billion (approximately Rs. 400 billion).

The SBP report recommended that the Government must reduce its budget deficit which could be done either by cutting down expenditure or increasing revenues. There are no indications that the Government intends to do either. On the expenditure side, extravagance continues unabated, and new liabilities are being contracted through a mass creation of jobs under pressure from political supporters.

On the revenue side, the Government seems to be helpless both in levying tax on feudal lords and other exempted classes or reducing evasion by businessmen, professionals and industrial tycoons by plugging loopholes. There are only two classes which are being continuously squeezed—the salaried people and those who have fallen into the tax net.

Other points which are emphasised in the Report are an unsatisfactory rate of savings and the population explosion. In an inflationary situation, savings are the first victim. Middle class savings have been totally wiped out by the increasing cost of transport and education. Today, these two items take away the bulk of middle class incomes which otherwise would have gone into savings. The Government seems to have abandoned these two sectors to the rapacity of the private sector.

#### **Economic Situation Claimed Degenerating**

92AS0511B Lahaore MUSAWAT in Urdu 2 Jan 92  
pp 3-4

[Editorial: "Calamitous Economic Conditions"]

[Text] The national economic picture presented by the State Bank of Pakistan for the 1990-91 year is not satisfactory from any perspective. Instead, it is extremely depressing. It appears that the cost of living has reached an extreme, and prices have increased by 12.7 percent. Five different reasons have been given for this. The major issue is that the items we import are very expensive. It is not possible to sell imported items at lower prices. We are also victims of the expenses of development projects. There were serious problems of inflation and an increase in the cost of living. Third, the rupee has been devalued unprecedentedly. The cost of our products has increased. An increase in prices in one area effects price increases everywhere. Therefore, it is important to make sure that prices do not increase and that steps be taken to stop this. According to the State Bank, the fourth reason for the price increases is the result of various events. The Gulf war has particularly shaken up Pakistan's economy. There are many reasons for the devaluation of the rupee. Developments in the international market have affected the rupee. The total effect is being seen in our economy. At the same time, the price of technology in the international market has increased, which has affected the prices of products in our country also. Another and final reason for the government's feeling that an increase in administrative expenses in the agriculture area results in increase in expenses in transportation. This contributes to an increase in production, and no department is safe from it. Charges for [utility] services have also increased. Increases in the rates of gas, electricity, and transportation contribute to the production cost increases. The government is also affected by price increases. The production department of Pakistan deserves special attention. As for agriculture, it requires modern artificial fertilizers, seeds, and agricultural implements and machinery. Due to the price increases of these items,

grain prices are affected. The electricity rates for tube wells [driven wells] have been increased, and farmers are forced to adjust grain prices because of this. The economy of Pakistan is going through a critical period. Our rupee is less than 7 paise of the 1950's. Any additional decrease could be catastrophic for our national economy. This is not good for the economy, even though the IMF has recommended it. It has suggested increasing electricity, telephone, and gas rates. This will affect costs in every sphere, and prices will go up dramatically. If we decreased the price of the rupee by five, then we would only be able to get \$100 million from our exports. The value of our loan, however, would increase, and our import expenses would increase to \$8 billion. This economic situation is just not satisfactory.

#### **Economists Interviewed on Prospects of Development**

92AS0531K Peshawar THE FRONTIER POST  
(Supplement) in English 3 Jan 92 pp 1, V

[Interviews by Imtiaz Alam: "Sharing the Caring"; first paragraph is THE FRONTIER POST introduction; quotation marks as published]

[Text] *Following a seminar recently arranged under the auspices of Lahore University of Management Sciences (LUMS), "Encounter" [column by Alam] held a discussion with some prominent economists and development experts on alleviation of poverty and development of the social and physical infrastructure.*

#### **Participants**

1. Gustav Papanek, professor of economics, Boston University.
2. Rashid Amjad, head of Employment and Manpower Planning Unit ILO [International Labor Organization], Geneva.
3. Asif Faiz, adviser on highways, infrastructure and Urban Development Department, World Bank.
4. Naveed Hamid, economist Asian Development Bank, Manila.
5. Ijaz Nabi, senior country economist, World Bank.
6. Abdul Hafeez Shaikh, Harvard Institution for International Development.
7. Omar Noman, senior research economist, Economic Policy Research Unit.
8. Mir Anjum Altaf, AERC [expansion not given].

[Encounter] In the sixties there was much talk of the differentiating strategy, with emphasis on the concentration of wealth. This, we were told, would produce a trickling down effect. It hasn't. Given the fragile nature of our economy and the present thrust on privatisation, what measures can be taken to build an infrastructure that helps the poor?

[Gustav Papanek] I start from one basic premise. The experience of countries like Pakistan has shown that the only way to alleviate poverty is by creating productive jobs for unskilled workers. No country in this region, except Sri Lanka has successfully transferred significant resources from rich to poor. Sri Lanka's success is in part due to the fact that the rich were foreigners and the poor, the Sri Lankans. If one is going to overcome poverty it has to be done through earned income rather than the income transfer. Since the poor earn their income from basically unskilled labour to increase the income of the poor you have to increase the demand for unskilled labour. And that means you also want a rapid labour-intensive course. The Pakistani economy achieved that to a degree in the 1960s. Indeed there was a substantial reduction in poverty in that period as well.

Though it is true and that some people got very rich and this wealth was visible the poor were definitely better off at the end of the 60s than they were at the beginning of the sixties. Distortions in the economy had been such that the growth was far less substantial than needed to meet the problem of poverty. It has been too slow and it has been far too capital intensive and as such its ability to alleviate poverty has been limited.

To my mind the question is whether the change in policy that has been taking place for the last three or four years has corrected that situation. Whether in fact we will now have a high enough rate of growth and enough labour intensive growth rate, so that it will benefit the poor, at least proportionately. In fact that's the key question. If you have a high enough growth rate, you can finance social services and you can also finance infrastructure investment. Because, even in Pakistan, when the growth rate is high you have somewhat more savings and you certainly have more revenues to finance social services. At least, to me the key question one needs to address is that not enough has been done to achieve a higher rate of growth and not enough [has] been done to achieve labour intensive growth in the last decade.

[Encounter] In the agriculture sector the construction industry machines are taking the place of workers. Due to the capital intensive pattern of development more and more of our work force (which is already a surplus one) is going to become unemployable. What options are open to us?

[Rashid Amjad] You can build a very alarming scenario through the numbers game. If you think that the labour force is going to increase at the rate of three per cent and the demand for the labour force is going to increase at something like two and a half percent, then some of the projections will come out with very high figures of ten to 12 percent of unemployment by the end of the 90s. Of course, that does not imply that open unemployment will be at that particular rate, but hidden unemployment may go to that level.

Pakistan is not a low cost and low wage economy as compared to other developing countries. Factors like

remittances and overseas migration have had their impact on the growth rate of wages as well as the fragmentation of the labour market; especially low participation rate has created shortages in peak season in the agriculture sector. So you have a number of factors emerging at one level; the capacity of the economy to shrink as the labour force growth rate gets higher and at the same time you will see shortages of skilled workers emerging in the economy.

I would really target three areas where I think we should concentrate to generate employment: First, I would concentrate mostly on the informal sector in terms of those areas which could exploit the export market. Second, in the rural areas I would again target the rural small scale industrialisation, as well as the development of rural infrastructure and social services. Because the formal sector is not going to provide even five to ten percent of the absorbing capacity in terms of employment, it has to be mainly in the informal sector. And, thirdly, you have the problem of the right kind of incentives and credits. There is another important problem which is that of the educated unemployed. Most of our graduates aspire for white collar jobs. In the absence of the public sector we will have to design a firm policy whereby we can accommodate these people, not by creating unproductive jobs in the public sector, but by employing them in the development of social sectors, especially in the education sector.

[Omar Noman] In both periods of 60s and 80s, when the growth was high, Pakistan's development in the spheres of human development lagged far behind. The implication is that even if we do achieve a high rate of growth, it is not a sufficient condition to accelerate human development. Even if we have the similar policy framework with a high growth rate, human development will remain a neglected area unless we have a special human development programme. Universal primary education and the primary health care would require some transfer of resources from the rich to poor. Iqra is right now being imposed on imports. Everything depends on the government, who receive these funds, as to how they will use them. Mobilisation of that kind will be quite important.

The second point I want to put emphasis on is the supply side of the population growth. It is being estimated that the population growth may remain the same in the next decade, which is even higher than 3.1 percent.

[Gustav Papanek] I would like to respond to some points, because on some points I agree, and on others I feel what I have said has not been fully understood.

I agree that intensive growth is an absolutely necessary condition. Without that nothing will work, because the rich will resist forcible transfer out of a relatively stagnant income. I think, large scale manufacturing for exports is a necessary condition. Otherwise, Pakistan cannot surmount its foreign exchange problem. I do not know of any country which has launched a rapid export drive without relying on large scale manufacturing units.

Although small scale units did play some role, actual exporting was done by relatively large units.

You have also touched upon the other elements needed for a comprehensive development programme. First of all, a labour intensive public works programme is needed. The large scale industry must also provide jobs to educated people. You need to tackle the role of women's participation in economic development. Unfortunately, women have not been encouraged to get an education, and the literacy rate among women has not changed in the last three generations. No country can develop when half of its potential labour force is not in the market. Spreading primary education has also proved to be a very effective way of dealing with poverty. Finally, I think is the question of perception.

The perception of the 60s was wrong. They had profound political consequences. The people saw that the only ones who were benefitting from the development were 22 families. What you need is a targeted tax programme, which imposes extremely high excise taxes on luxury consumption goods and services. You need to restrict conspicuous consumption by imposing progressively higher rates, in order to finance the programmes for the poor. Though not enough, these are the three additional elements you need to pursue. I agree that it is not enough to have a high rate of growth. We have studied six countries of income growth per capita, less than one and three quarter percent, the real wages of unskilled workers on average face stagnation or decline. If you have any percentage of growth above that, the real wages increase by 1.5 to 1.7 percent. The more rapid the rate of growth, the more rapid the wages of unskilled workers increase. This is a fundamental point to be taken into consideration.

[Naveed Hamid] You started off by talking about the 60s, the concentration of capital and the inequities that followed. Part of that concentration and inequitable distribution was a result of the structure of rationing of resources that was taking place. To the question you asked whether the present process of privatisation will create the same gulf, I would say no. Because, if you do not ration resources through this kind of administrative mechanism and allow the market to do it, the affluent will be able to get resources. But the other classes will not be totally squeezed out of the market.

What we found in our study of the small scale sector is that when you control through import control or credit control, the small scale sector does not get the resources. Then we found in agriculture, if you provide subsidised credit, the small farmers do not get credit. And if we do obtain resources for them, the small farmers have to pay a much higher price for that. So by increasing competition you do not solve the problem, but you at least provide access. This issue of access is critical. It is critical in education and in the infrastructure.

If you want to deal with poverty, the way to do it is to provide roads in the rural areas, education and primary

health care to all. The role of the government in the future should be concentrating on these areas; on social infrastructure and in areas where the private sector will not be going. And put in place a taxation system, which allows the mobilisation of resources that can be used for this purpose.

There is nothing inherent in the process of privatisation and deregulation that says the outcome will be a further concentration of wealth. Now the entrepreneurial classes are much broader and the danger of concentration and monopoly and then misuse is much less than before. In a sense, these policies may have not worked in the 60s, and if they do succeed in raising the rate of growth and if the state does shift its investment programme to health, education and rural development you will see a marked reduction in poverty and it will also lay the basis for a broad based growth. Pakistan, in some ways is different from most of the developing countries, even from most East Asian countries.

We were talking about how the present six percent rate is going to be maintained. The difference lies in the much broader base of growth. For instance, most of the growth in Thailand is concentrated in Bangkok, and Manila has 30 percent of the total population. Whereas in our case it is far more broad based. We have at least half a dozen cities which have the potential of becoming industrial centres. If we allow the present liberalisation, we will achieve much broader growth.

[Encounter] So far the private sector has been uncooperative in helping to create and strengthen social services. How realistic is it to pin our hopes on them?

[Abdul Hafeez Shaikh] Infrastructure constraints have emerged in the case of Pakistan. As you know there is a backlog of 750,000 telephones, load shedding is a permanent feature, higher and primary education is lagging far behind. But the issue is not so much over the possibilities of the private sector meeting its social obligations. Given the fact that the public sector failed to meet all these responsibilities, what other options do we have. We will have to invite the private sector to take initiatives in areas hitherto closed to it.

The notion of monopoly by the state of certain utilities has also been rendered obsolete. We should be talking about the whole range of possibilities rather than thinking in terms of the public or private sector alone. There are many avenues of collaboration in between in the public and private sector. There are other options of contracting out and some kind of collaborative ventures. The whole thing is tied with the pricing. If the present pricing policy, as we see in the case of utility services continues, the public sector will not have anything to spend on the expansion of social services. The role of the government as employer, owner and manager has perhaps diminished. Her role should be confined to that of a regulator. Therefore, the government has to set the

rules of the game and ensure that the rules are adhered to. Nevertheless, the government's role will still be quite important.

[Encounter] How do you view the state of the physical and social infrastructure?

[Asif Faiz] I am an engineer and planner and as a result I don't work with aggregates, as economists tend to do. I would like to clarify what we mean by the infrastructure. It is essentially an economic concept. We see it in the form of bridges, schools, hospitals, roads, telecommunications etc. It is not the physical nature of infrastructure we are concerned with, it is really the service the infrastructure provides. This is efficient movement of goods and people, provisions of clean water, provisions of universal education, etc. In Pakistan, investments in the infrastructure is quite low by international standards. On the other hand, the amount of public sector development funds that go into infrastructure is quite large. They account for 60 percent of the total development budget of the country. This is a fairly large chunk.

[Encounter] But nothing remains for the development budget after spending 53 percent of revenues on debt servicing and 38 percent on defence.

[Asif Faiz] Now you are asking the right kind of question. We are obsessed with a 'mai bap' syndrome i.e. the state is to provide all that we need and that, too freely. We have to change that mentality because nothing comes free. When trains run they cost money, when you produce electricity you need money, when you produce clean water it requires money. Somebody had to pay for it. The user of these utilities and facilities have to become aware that they have to pay for it. So we have make users realise that they must pay the user charges.

The problem is that the public sector agencies are incapable of producing an infrastructure, and efficiently delivering the services people want. So why should people pay for a service they do not get? It is a very valid question. The problem of infrastructure agencies is the same as those of other enterprises in the public sector.

The only differences is that the problems are greater in the infrastructure agencies. The same kind of device is to be applied to these agencies as it is being applied to other state owned enterprises.

We have to become more efficient. In terms of endowment and coverage, we are not that bad as compared to other countries with a similar level of economic development. In fact, in some areas we are much better off. We just misuse our resources.

We have to have greater reliability, more efficiency and greater quality in provision of infrastructure services. To expand rural infrastructure, I agree with Professor Papanek, but with a difference. The kind of public works we undertake in rural areas should ensure community participation either in cash or in kind. There has to be identification of projects at the level of the community

with their participation, so that they realise as they pay for something it belongs to them. Secondly, we have to strengthen the representative local government.

The strength of local government in the U.S. and other European countries has ensured progress at the grassroot level. It depends on how strong the local governments are and how accountable, responsible and representative they are. I think that is the direction we have to take. Instead of recruiting engineers, technicians and other personnel at the federal level we should employ them on the local level, so that they are responsible to the people and are in touch with reality.

The other point to look at is how these plans are executed. We should dispense with the present practice in which public works programmes are run by agencies whose affiliation is to the centre and hand them over to private contractors. These can be people who live on the road sides, as is the case in Kenya. It should ensure mass participation and support. Then it will make a lot of sense. Otherwise, the way the local work is going, we can forget about its success. You cannot afford to channel resources from the federal government to the local government for spending. Mechanisation is quite essential for agriculture and other sectors, the labour base methods will retard our progress. We have to achieve a combination of labour based methods as well as mechanisation.

[Naveed Hamid] I would like to comment on what you said about the mechanisation of agriculture and even of the labour processes in construction and shrinking of employment. This is a normal phenomena. Agriculture will shrink until it becomes ten percent of our economy. The construction industry will also be mechanised more and more. There is no problem with that. The problem arises when you go to the prices of capital. If you provide subsidy to capital, whether through cheap credit or cost reduction, then there is a tendency to use excessive capital prematurely. That is the thing one must guard against. Mechanisation will take place and if the price of the capital is right then the level of mechanisation will be appropriate to the resources of that kind. But if you provide very easy loans, you will exacerbate the problem of unemployment in agriculture.

[Anjum Altaf] I would like to comment on the labour intensive growth. As a micro economist I am concerned with whether macro objectives are always compatible with micro incentives. There is hardly any entrepreneur who is satisfied with a large labour pool. At the first opportunity they want to substitute machines for labour. We are in a situation in which micro sense may lead to macro madness. The objective of intensive growth is very fine, but we have to create an environment where it is compatible with the micro incentive.

[Encounter] Wouldn't it be more suitable for us to follow a labour intensive course in a capital scarce economy, as

this will promote informal and the small scale sector and develop social services to meet the problems of poverty and unemployment?

[Rashid Amjad] on the question of labour intensive growth, one element is the productivity of human capital. This can be achieved by increasing the level of education, health and skill levels of our human capital. The low level of human resources is a big handicap in Pakistan. High population growth rate is neutralising the growth of our national income. This is the area we have neglected in the past. And it is not just in terms of primary education but also in skilled training programmes that we are far behind. While we produce about 1500 apprentices a year, we need 20,000 persons trained in necessary skills for replacement purpose only. We have to encourage the private sector to undertake vocational training programmes on a wider scale. To break the trap of low level of human resource development, the key element in women's education, which is the most neglected aspect of human development in our country. If I had a one point agenda I would concentrate on the education of women more than anything else.

There is ample evidence to the fact that poverty levels in Pakistan did not decline in the late 60s, whereas they did decline in the 70s and the mid 80s. One thing is quite significant that Pakistan has had periods of high growth rates which did not have a major impact on poverty. On the other hand when you had periods of low growth rates you were able to alleviate poverty. This happened because of the remittances, which was an important element in the development of this country. No other policy variable has affected the poverty level than the remittances. Therefore, the economy has got used to living with a particular standard of living and standard of expectations, especially in terms of consumption and the wages. Now, when the remittances will be no longer available, it is going to accentuate the problem. Pakistan needs at least ten years of present transition to show its effects, and people may not have the patience to wait.

There is going to be a problem of foreign exchange distribution. The government should ensure that the fair rules of the game are observed. Finally, on the credit for small scale sector and the less privileged people, we should try to follow the example of institutions, cooperatives, group credits and other forms should be tried. We should help in developing NGOs [nongovernmental organizations], local organisations and the community initiatives at the grass roots level which could play a major role in the distribution of credit.

[Encounter] Where do you think are the resources going to be generated from for this purpose?

[Gustav Papanek] First of all I will go back to the earlier period when there was a lot of emphasis on the role of the private sector. I hope we are not advocating that the private sector should take care of family planning, rural primary education and rural primary health care. It is the government's job to provide these social services and to

provide them universally. Certainly the question is where the resources are going to come from. New bilateral aid is not going to be available in the quantity that was required. But there are billions of dollars of committed aid which has not been used. One of the ways of going over this period of transition in the next three to four years, when you need resources and you have not tapped them enough, you need to utilise them more efficiently. I think the World Bank alone has several billions of dollars in the pipe line. The total amount from many sources is very large. A second source of funds is the flight capital, i.e., the money the Pakistanis have taken abroad. There are many Pakistani entrepreneurs in South East Asia, some parts of Africa, in the Middle East and even in the United States and United Kingdom. They had moved out when their properties were nationalised. Some of them have done very well. I would bet that some of the famous 22 families have more money abroad than they have right now in Pakistan. They have already started repatriating some of their money back. I believe something in the order of a billion dollars is coming in from both resident and non-resident Pakistanis in the last six months or so. These figures may be wrong but even if it is half a billion it is a large enough sum.

[Naveed Hamid] The study we did on Pakistanis living abroad reveals that enormous amount has been retained by them. While they were remitting part of it, they were also retaining a portion of it abroad. About \$20 billion have been retained by migrant workers. This is not the money which went out in reaction to the nationalisation. So I think there is a tremendous amount of capital abroad which can be tapped. You find in East Asia that a lot of that money is coming back into Korea, into Taiwan, etc. Similarly once the people see the prospects improving here a substantial amount may come back.

[Ijaz Nabi] Pakistanis who got their money out of the country will respond the same way as foreign investors. Secondly, we were come to the financing of the social sectors which will still remain the government's responsibility. [sentence as published] Here we have the classic example of public goods, where we have market failures of all kinds and, where the private sector will not deliver. Therefore, even if Pakistanis living abroad bring their money back, it is not going to go in government's coffers to finance the development of the social sectors. I think we will have to think of some very innovative means of financing this programme.

A speaker at the Lahore University of Management Sciences seminar raised some very valid points. She proposed to combine public and private sectors in the provision of education. The example she gave was that the public sector provide the building and then the private sector actually impart education. This can be done in urban areas to make available the resources to be used in expanding education in the rural areas. This kind of innovative approach will become absolutely essential to make the social services much broader than they are today. But that will require the government changing its



role from being a provider of the sort to that of the regulator. And that is a difficult transition, but one that will have to be made.

[Encounter] But in the country's backward areas the people have no civic facilities nor the capacity to pay for them.

[Mir Anjum Altaf] The perception of willingness to pay is almost unshakable. I conducted the surveys in Shiekhupura and the Gujranwala, where people who do not have access to public services are providing these services out of their own pockets. Self-provisioning is the most expensive way of purchasing social services. In Karachi, for instance, the people pay between 30 and 80 times the price for the vended water than the people who are connected with the public system. When we were doing the site selection for this study, we went to a village in the Thatta district, one of the poorest in Sindh. It was a small village, where water is fetched by women from a stream, three quarters of a mile away. Each woman was carrying three pitchers. I asked one of the villagers that if you are provided with piped water, would you be willing to pay Rs.[rupees]50 a month. He said, 'of course!' Because, on average each woman breaks four pitchers a month the cost of which comes to Rs. 60 a month and, moreover, it is rather cumbersome and time consuming.

Actually he was saving Rs. 10, when he accepted my suggestion. Already people are paying a lot for the services that are essential, like water, primary health and education. Look at how much people are paying for private tutoring in the backdrop of breakdown of the public education system. I agree that more research has to be done. But, I am quite sure that they will confirm our findings about the people's willingness to pay for social services.

[Asif Faiz] Even at the Quranic schools in the villages, just calculate how much the villagers pay for that service in kind and money to the clergy. We need to educate the public.

[Ijaz Nabi] I suppose the reality on the ground may be quite different than the perceptions we have. The fact is that the rural people are quite aware of their agonies and the high price they have to pay for the non-availability of services.

[Encounter] How can we do all that without transforming a fragile agro-based export structure into a value added manufactured goods exports structure?

[Papanek] In the 1980s, Indonesia exported zero manufactured goods. Now they are exporting labour-intensive manufactured goods. While Indonesia did not need to do that as they have got the oil, you need to do that. If you think that the Pakistani entrepreneurs do not think in the long term, it's also true about the Indonesian entrepreneurs. People said that Indonesia would never be able to export manufactured goods. But now they are exporting shoes, diamonds, metal products and almost \$15 billion worth of manufactured goods. I think this is

the time to get easier investment from Japan and much easier from China. Pakistan should have an easier time to get investment from the Middle East and the Pakistanis abroad. I think you are right in saying that the Pakistani investors will not invest only for losing it.

Most of the money that is now coming into Pakistan is from the expatriate Pakistanis. People won't invest if they think their investment is not going to be secure. If they fear they are going to be kidnapped and not sure of their safety how would they invest? I think that the Indonesian success was due to the continuation of one policy. The investors were not worried about the sort of nationalisation threat as was in the case of Pakistan. I think the political stability is terribly important not only for the foreign investors but also for the local investors too.

[Rashid Amjad] I would like to respond to some of the questions you have raised about the nature of industrialisation, about the fragile structure of exports, etc. We have to recognise that the development paradigm has changed over the last 20 years; import substitution and industrialisation in depth are no longer considered as important as they used to be. Now people have realised that if you have an efficient industrial structure in terms of international competitiveness, you can earn foreign exchange and you can buy a lot of these goods on much cheaper rates in the open market than at a cost at which you have been producing the same at home. Initially what you need is to remove price distortions and you try to make your industrial structure more efficient.

I think we need to set up a mechanism to monitor the whole process of reforms in a better way. There is a dearth of data especially on the labour market, on wages, employment, levels of poverty, physical infrastructure and social services.

[Ijaz Nabi] I have deliberately underplayed the element of foreign assistance. It is the lack of it which has jolted the government into doing some thing on liberalisation. In the given circumstances let us not count on the foreign assistance at all. If it comes our way that would be a windfall.

#### [boxed item]

#### It Figures

Pakistan's economy in respect of people's welfare, employment generation, social services and physical infrastructure is living on borrowed times. The future seems to be mortgaged: 63% of agrarian population lives under 'unequivocal poverty'; 48% of the urban households fell below the poverty line; 62% people do not have access to potable drinking water; and 85% do not have sewage facilities. Only water-borne diseases cause 40% of total deaths. While the labour force is rising at 3.1%, employment generation capacity is declining by 11% in the large scale manufacturing. The displacement of labour is more rapid in agriculture. To keep

unemployment and under-employment at the existing level, over one million jobs need to be created every year. Pakistan tops the list of countries with high illiteracy rate; primary school enrollment rate being 42%. Infant mortality rate is as high as 115 infants per 1000. Almost nothing

remains for the development of social and physical infrastructure after paying the defence bill and debt installment. Load shedding to the tune of one third of the system's capacity, continues to bring a loss of \$500 million to manufacturing alone.

**Explosive Growth in Population, Illiteracy Viewed**  
*92AS0513C Peshawar MASHRIQ in Urdu 17 Dec 91*  
p 4

[Editorial: "Negative Effects of Population Explosion"]

[Text] The seriousness of the problem of explosive population growth in Pakistan can be estimated by a recent survey report. According to it, the population in the area currently occupied by Pakistan was about 32.5 million, which has increased to more than 110 million now. According to this survey, the population density is 106 persons per square kilometer, while the world average is 34.6 persons per square kilometer. About 45 percent of our country's population is below 15 years of age, which leaves the portion of the working population at 28 percent. The corresponding figures in the other Third World countries are between 35 and 41 percent. Because of the rapid population growth in Pakistan, there is increased migration from villages to cities and from one state to another. If the population continues to grow at this rate, then our country's population will double in 25 years. Obviously, there will be negative effects to this rapid increase in population on every sphere of life. Many economic, social, and environmental problems are becoming extremely serious. It is sad to say that government officials and planning experts are well aware of this serious situation, but that they have taken no concrete steps to alleviate it. The few efforts being taken to control population growth are ineffective, due to the ignorance of our masses. In some areas, there are unnecessary prejudices and reservations against family planning. In this situation, the government and intellectuals should start programs to increase social awareness on this issue. Continued neglect of this problem will lead to a loss of control of the population problem.

**Expedient Justice Claimed Absent in Country**  
*92AS0531B Karachi DAWN in English 13 Jan 92 p 7*

[Text] Justice is the foundation of all civilised societies. A country may be economically prosperous and militarily invincible, but its claim to being civilised will lack credibility if its systems and institutions do not guarantee its citizens justice that is both inexpensive and expeditious. Unfortunately, however, in Pakistan, as in most other Third World countries, this basic requirement of civilised existence is more a matter of chance than an assured prospect. The judicial system and legal processes inherited from the colonial rules have not only been retained but even nurtured and strengthened.

During 44 years of our existence as an independent nation we have done precious little to establish institutions, processes and traditions that are more in tune with the basic norms and exigencies of justice. Successive governments have been expressing their concern at law's delays, involved court procedures and so forth, and making tall promises to remedy the situation, but none has even done anything concrete towards that end.

Whatever exercises were carried out in the name of law reforms were either cosmetic or aimed at meeting the narrow exigencies, political or any other, of the government of the time. Some of these even amounted to further strengthening the powers of the agencies which were themselves the prime cause of delayed justice, thus defeating the very purpose for which these reformative measures were adopted.

One keeps hearing these days, for instance, that the government has referred such and such cases to special courts for speedy trial. Some of these cases pertain to heinous crime and no one will dispute that the criminals be brought to book without the least delay and given the severest punishment that the law provides. But sending up a score or two of cases for speedy trial does not answer the problem of delayed justice at all. For, after all, these cases do not constitute even a minuscule of the high total pending before courts. There are thousands of under-trial prisoners languishing in jails across the country for years. A staggering number of them have been in jail for far longer periods than the maximum prison term they would get if convicted of the crime they are accused of. The special courts for speedy trial cannot be expected to take up all these cases, for if they did they would cease to be what they are supposed to be, under the sheer weight of the number of cases they would be required to try.

It seems pertinent to suggest, therefore, that the establishment of a parallel judiciary is hardly the answer one ought to be looking for. What is needed, instead, is a thorough examination of the whole judicial scene and a clear identification of the causes of delays. Without doubt, a major one is the abjectly slow and indifferent pace of working of the police and the prosecutors, for it is invariably they who are responsible for delays. Charges are nearly never framed before months and, in some cases, even years have passed after the completion of investigations. And all this while the poor accused stay behind bars, even though some of them are later found innocent and set free by courts.

Till a few years back a creditable practice was in vogue—that of preparing monthly statements of crimes registered, investigated, tried and punished, and the career prospects of police personnel concerned depended in a large measure on the evaluation of these statements. But inexplicably this practice has been discontinued and, thereby, an effective device for monitoring the performance of investigating and prosecuting officials has been done away with. What is clearly called for is a complete overhaul of the system, right from the registration of a crime, through investigation, framing of charges and collection of evidence, to prosecution, trial and pronouncement of the verdict. Then and then alone can justice be ensured expeditiously without recourse to summary process of any kind.

### Increasing Unemployment Seen Due to Overpopulation, Illiteracy

92AS0531J Peshawar THE FRONTIER POST  
(Supplement) in English 7 Jan 92 pp 33-34

[Article by Fayyaz Baqir: "Employment Dynamics"]

[Text] Growth of unemployment in Pakistan is the result of two different trends. First: between the structural changes in Pakistan's economy as part of the global economy and corresponding structural changes in the quality, level of skills and composition of the work force. Second: lag between the rate of growth of job opportunities in the economy as a whole.

At the time of independence in 1947, 66% of the labour force in the areas now constituting Pakistan was engaged in agriculture. The literacy rate of the population at that time was 23%. There were only 9.5% of workers in the manufacturing sector and 8.4% in services excluding trade and commerce.

During the past four decades, due to high rate of growth of industry, urbanisation and decreasing labour requirements in the agricultural sector because of improvement in productivity, the share of the labour force employed in agriculture has come down to 49%, and the share of workers employed in industry and services has increased to 13.3% and 38% respectively.

The rate of growth of job opportunities has been the highest in the services sector. During the 1960s and 1970s, while the share of labour force in agriculture started declining, the employment generating role of large scale manufacturing industry was not very impressive. Large scale industry in these two decades generated only 15,000 jobs per annum on average. While large scale manufacturing received 240% of total investment in the country in the 1960s and 21% in the 1970s, it only provided jobs to 3% new entrants in the labour force in 1960s and 2.5% new entrants in 1970s.

In the 1980s this trend continued. Because of the decreasing share of industry in developing as well as developed economies, the industrial sector as a whole does not provide a major source of employment.

Due to pronounced increase in productivity of labour in the agriculture sector the ratio of workers employed by this sector has declined very sharply all over the world. In the USA, for example, 70.5 of the labour force was employed in farm occupation in 1870, this ratio came down to 27% by 1920. At present only 2.2% of the U.S. labour force is employed in agriculture and it provides not only to the domestic market but also exports millions of tons of grains and other agricultural commodities to the international market every year.

The services sector is so far the most rapidly growing source of employment all over the world. However, an economy's capacity to generate more jobs in the services sector depends on the level of education, training and skilled labour. In the absence of a skilled labour force

structural changes in the economy lead to increased unemployment instead of enhancing growth. According to UNDP [UN Development Program] Human Development Report 1990 "Human skills are now the most important import into modern banking, finance, advertising, communication, business management, and public administration." At this time services are the dominant part of the global economy. Services sector generates 70% of income and jobs in the developed economies. In the developing countries, however, services contribute only 48% of output and 18% of jobs. This difference exists because of the difference in the level of skills of labour force in both sets of countries.

This leads to mass employment as well as trade deficit because of the need to import services in the absence of available capacity. Size of world services trade was \$435 billion in 1980 and it may reach \$1 trillion by the year 2000. The developing worlds' net deficit on account of import of services increased from \$4 billion in 1970 to \$58 billion in 1980. This rapid expansion of the world's services economy has shifted the comparative advantage more in favour of people than natural resources.

In Pakistan, because of the low rate of literacy, 26%, and low allocation of resources for education [it] has not become possible to take full advantage of the shift in the structure of world economy. In services sector a vast majority of workers are self-employed and it does not cost huge sums of capital to employ one person. Most of the new entrants in the job market through self-employment use little or no capital at all to indicate their business. Sue Ruge, an Information guru, from San Francisco is one such example.

She started her 'Information on Demand' from her bedroom. Her only investment was her five years experience of working in a library. She started providing answers to research questions on payment. Individual professionals and corporations alike were among her clients. After ten years of hard work, her business had become so profitable that Knight-Rider Corporation bought it for \$1 million. Examples of creating jobs and income this way are numerous in both the developed and developing economies.

Mass literacy, skills and management training, and modern education are the tools which make it possible for a developing economy like Pakistan to use self-employment in the services sector as a strategy for ending unemployment. The situation regarding human resource development is very dismal in Pakistan as well as many other developing countries. Because of this, more than a billion people live in absolute poverty around the globe. A world bank study shows that private returns to primary education are as high as 43% in Africa, 31% in Asia and 32% in Latin America. For developing countries as a whole average social returns for every level of education exceed 10 to 15%. Investment in human development, however, is still a very low priority in Pakistan as well as many other developing economies.

In the absence of a well trained labour force we have depended on export of workers, black market, and heavy borrowings to generate income, foreign exchange, and employment in our country. However, external borrowings and black money do not offer dependable means of providing jobs. Arghiri Emanuel once calculated that foreign aid per capita in the whole of Third World amounted to \$2.5 per person, which was enough to buy only one screwdriver. With donor assisted development through large scale manufacturing, generating of one additional job could cost as much as \$100. This shows human resources development as the most essential link in reducing unemployment in the absence of other viable alternatives.

Explosives growth of population, which is again related to low level of literacy is another major cause of mass unemployment in Pakistan. At present our growth rate is 3.3% and it is only marginally ahead of our 3% rate of population growth.

Whatever employment opportunities are created by the growth in the economy are more than caught up by the increase in the size of the labour force. Lack of education and training for self-employment, and lack of jobs in agriculture and industry directs the efforts of all our unemployed workers to seek either government jobs or to work abroad. Both these job markets again have a very limited market. With 3 to 4 million Pakistanis already working abroad and a slack in the international job market there does not exist opportunities to reduce unemployment using this channel in a significant way. Government's response to greater demand for jobs under these circumstances becomes charming promises and no delivery.

While there is so much emphasis being laid by all kind of experts to privatise industry for promoting growth, why shouldn't we go for privatisation of the job market also by providing mass literacy, vocational training and management education to our enterprising, hard working and competitive work force. Privatisation in the capital market without increasing the employment level [does] not achieve anything other than the growth of poverty and income inequality. This is possible by reducing unproductive expenditure and allocating more funds for education, health, and construction of infrastructure. I wonder if we can develop a national consensus on this single point only?

#### **BCCI Scandal Said To Reflect Pakistani Mind Set**

*92SA0460E Lahore VIEWPOINT in English  
9 Jan 92 pp 36-37*

[Article by Mohammad Qadeer]

[Text] The BCCI [Bank of Credit and Commerce International] Scandal has another side to it that needs to be examined. To the extent the BCCI reflected values and

culture of Pakistani society, its scandalous end is a matter of concern for our intelligentsia. This issue is explored below.

The BCCI collapsed, taking with it the savings and deposits of its clients who predominantly are of the Third World origins. It has been charged with fraud, corruption and money-laundering on the one hand, and of giving out lavish but unsecured loans to its managers, influential Arabs and Third World rulers on the other. Almost a quarter—five billion dollars—of its assets are said to be unaccounted. American, British, Cayman Island, Luxembourg, Guatemala and the Peruvian Governments, to mention a few have indicted the bank's officials and instituted public inquiries. Yet, in one sense the verdict has been given. The bank has been closed and its remaining assets frozen in most of the countries where it operated. Inquiries are now attempting to prosecute culpable officials.

#### **Drug, Coffee Smugglers**

Out of these public inquires have come the revelation about the bank's involvement with Latin American drug and coffee smugglers, its links with the CIA and its falsified accounts. The bank has robbed depositors to enrich a small coterie of Arab and Pakistani patrons. It is said to have had a 'criminal culture'.

The evidence revealed by these inquiries unmistakably suggest that the BCCI's illicit practices were planned and systematic. They were embedded in its functional philosophy. They were not acts of rogue individuals or sporadic lapses in administrative controls. Corruption was woven into the organization of the BCCI. It was deliberate and planned.

The institutionalized illicit practices distinguish BCCI from other errant banks. The fact that the BCCI was a Third World or Muslim institution that had gained a spot in the international financial market required a greater efficiency and integrity on its part. Its behavior should have been exemplary if it felt the threat of 'Jewish conspiracy' and Western victimization, as many Arab and Pakistani defenders of the BCCI have rushed to proclaim.

The BCCI's initial dynamism and efficiency quickly turned into an illusion of power. Its management's genius found expression in influence peddling, derring-do operations and chase of the fast buck. The bank allegedly funded the MQM [Muhajir Qaumi Movement] in Pakistan. It served the CIA and peddled its services to corrupt governing elites in the Third World. Its founder, Agha Hasan Abedi, proclaimed lofty ideals but operated the bank almost in a mafia style. Patronage was the organizational principle of the bank. Its officers were often recruited from the scions of the sub-continental influentials. The clan, community and sectarian links to Agha Abedi played a significant part in the recruitment of bank staff. The Arabs, on the strength of their financial and political clout, and the Pakistanis for their skills and connections, constitute the management team. At

the apex of this structure was Mr Abedi, the undisputed ruler of the financial empire.

Agha Abedi is a generous person. As the de facto owner of the bank, he indulged his desires and inclinations. He rewarded friends, helped his community and paid off social debts contracted as a struggling bank officer in Pakistan. He was particularly fond of hiring Pakistan's retired or laid-off civil servants, diplomats and police chiefs. He gave them flats in Knightsbridge, chauffeured Mercedes and fabulous salaries. The social structure of BCCI was rooted in the norms of agrarian clans. The BCCI was smooth and modernist in appearance but shallow and tribal in substance.

The BCCI scandal has largely brought to public attention the key individuals. Partially this is the result of the American and British prosecutors' pursuit of the main culprits. Thus, the focus on Abedi, Naqvi and Pharaon and Adham. Yet there are many others whose willing participation in corrupt and fraudulent practices is a matter that also deserves to be examined.

The frontline executives, managers and officers of the bank participated fully in practices that were manifestly planned to skirt around legal and moral norms of the financial institutions. They may have been under orders, but not many had any qualms about their activities. No-one is known to have resigned or protested on the basis of professional ethics and personal integrity. Most of the executives were well-connected and frequently highly qualified. They could have had other jobs. The BCCI might have paid well, but as individuals they would not have been severely set back if they had raised questions about the legitimacy of what they were expected to do. The Awans, the Kazmis, the Khans and others became efficient and enthusiastic instruments of corrupt policies in the BCCI. Why? This question should particularly concern the Pakistanis, whose character and mind defined the BCCI's organization. Why does Pakistani society produce a personality that has so little commitment to professionalism, public responsibility and the law? This is an issue fundamental to the future of the country.

A bank official in Toronto routinely accepts cash deposits of dubious origin amounting to hundreds of thousands of dollars in contravention of Canadian laws. The deposit is credited to accounts in Europe and immediately transferred to Toronto without ever leaving

the desk of the bank official. This elaborate procedure has been cleverly devised to circumvent Canadian regulations. It is one example of the work that BCCI's executive did so efficiently. There are hundreds of similar operations. They were deliberately planned and institutionalized. The troublesome question is whether these practices are reflections of a national character?

The conduct of the Pakistanis in the BCCI, including Agha Abedi, parallels closely the behavior patterns evident in Pakistan's public life. There is the same sermonizing about Islamic values and ideals and a similar disregard of moral principles in practice. The BCCI was marketed as a Muslim institution which combined modern financial competence with the Islamic ideals of service. This image was carefully nurtured. Yet, like social life in Pakistan, the verbal espousal of Islamic values in the BCCI was, in effect, an end in itself. The truth and fairness so loudly preached had little effect on the bank's organizational behavior and culture. Its Muslim executives had little qualms about accepting dubious deposits, abetting smuggling and falsifying books. The self-proclaimed piety and spiritualism seem to release them from demands of conscience and morality. The worlds of beliefs and deeds remain compartmentalized and separate. Professions of faith seem to exempt one from holding up its tenets in personal behavior. The BCCI provides an example of this double think.

There are other reflections of Pakistani society and public behaviors in the conduct of the BCCI's executives. Loyalty to persons and not commitment to rules and ideas as the basis of decision-making; proclivity to believe one's own exaggerations; the channelling of creative energies and talents towards circumvention of law and procedures, and finally a conviction that everything and everybody can be 'fixed' with appropriate connections and approach. These assumptions and norms define public behavior in Pakistan. They also are evident in the BCCI's organizational behavior. These are the structural elements of the Pakistani mind and society and was reflected in the BCCI in full. The BCCI scandal is another warning signal for those concerned about Pakistani's social development. It reveals basic flaws of Pakistan's social structure in general and the educated classes in particular. These are the outcomes of the corrupted and misdirected educational system and the absence of freedom of expression and the spirit of inquiry. They are the social costs of social and political repression.

5285 PORT ROYAL RD  
SPRINGFIELD VA

22161

This is a U.S. Government publication. Its contents in no way represent the policies, views, or attitudes of the U.S. Government. Users of this publication may cite FBIS or JPRS provided they do so in a manner clearly identifying them as the secondary source.

Foreign Broadcast Information Service (FBIS) and Joint Publications Research Service (JPRS) publications contain political, military, economic, environmental, and sociological news, commentary, and other information, as well as scientific and technical data and reports. All information has been obtained from foreign radio and television broadcasts, news agency transmissions, newspapers, books, and periodicals. Items generally are processed from the first or best available sources. It should not be inferred that they have been disseminated only in the medium, in the language, or to the area indicated. Items from foreign language sources are translated; those from English-language sources are transcribed. Except for excluding certain diacritics, FBIS renders personal names and place-names in accordance with the romanization systems approved for U.S. Government publications by the U.S. Board of Geographic Names.

Headlines, editorial reports, and material enclosed in brackets [ ] are supplied by FBIS/JPRS. Processing indicators such as [Text] or [Excerpts] in the first line of each item indicate how the information was processed from the original. Unfamiliar names rendered phonetically are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear from the original source but have been supplied as appropriate to the context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by the source. Passages in boldface or italics are as published.

#### SUBSCRIPTION/PROCUREMENT INFORMATION

The FBIS DAILY REPORT contains current news and information and is published Monday through Friday in eight volumes: China, East Europe, Central Eurasia, East Asia, Near East & South Asia, Sub-Saharan Africa, Latin America, and West Europe. Supplements to the DAILY REPORTs may also be available periodically and will be distributed to regular DAILY REPORT subscribers. JPRS publications, which include approximately 50 regional, worldwide, and topical reports, generally contain less time-sensitive information and are published periodically.

Current DAILY REPORTs and JPRS publications are listed in *Government Reports Announcements* issued semimonthly by the National Technical Information Service (NTIS), 5285 Port Royal Road, Springfield, Virginia 22161 and the *Monthly Catalog of U.S. Government Publications* issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

The public may subscribe to either hardcover or microfiche versions of the DAILY REPORTs and JPRS publications through NTIS at the above address or by calling (703) 487-4630. Subscription rates will be

provided by NTIS upon request. Subscriptions are available outside the United States from NTIS or appointed foreign dealers. New subscribers should expect a 30-day delay in receipt of the first issue.

U.S. Government offices may obtain subscriptions to the DAILY REPORTs or JPRS publications (hardcover or microfiche) at no charge through their sponsoring organizations. For additional information or assistance, call FBIS, (202) 338-6735, or write to P.O. Box 2604, Washington, D.C. 20013. Department of Defense consumers are required to submit requests through appropriate command validation channels to DIA, RTS-2C, Washington, D.C. 20301. (Telephone: (202) 373-3771, Autovon: 243-3771.)

Back issues or single copies of the DAILY REPORTs and JPRS publications are not available. Both the DAILY REPORTs and the JPRS publications are on file for public reference at the Library of Congress and at many Federal Depository Libraries. Reference copies may also be seen at many public and university libraries throughout the United States.