

H.E. President Hamid Karzai's
Speech at the JIIA forum
June 18, 2010

Ladies and gentlemen,

As always it's a tremendous pleasure for me, coming from Afghanistan, to visit Japan, which one can safely say is a most remarkable country in the world. I have been lucky enough to visit four times now since 2002.

Somehow there is a misperception in Afghanistan that Japan and Afghanistan were both made independent on the same day in 1919. Of course we all know that Japan was always independent, and we also know that Afghanistan was also always independent with the exception of a little period where we were, in terms of foreign policy at least, influenced by Great Britain. But within the context of this misconception, Afghans ask that if Japan and Afghanistan gained independence at the same time, why is Japan so developed and Afghanistan so backward? Indeed, visiting Japan and seeing the impact that this country has in all corners of the world, I wish that we in Afghanistan could accomplish even 5% of what you have done in your remarkable progress and achievements.

Toyota is present in all corners of Afghanistan, as well as Nissan. Nowadays there are Panasonic and Sony televisions and audio computers being used by young Afghans. In Afghanistan, signs of Japanese assistance are apparent. Throughout the country, Japan has been the frontrunner alongside the United States and other donor countries. Japan is the 2nd largest donor to Afghanistan. It has contributed from the very beginning, starting from the Tokyo Conference in January of 2002 along with 5 additional major conferences that Japan held in Tokyo. This aid has helped with disarmament, DIAG, education, health services, and construction, including construction of the international air terminal in Kabul which has brought to Afghanistan more air travel and airlines that we could have ever imagined. In particular, I express my gratitude on behalf of the Afghan people for the new support to Afghanistan of up-to \$5 billion over 5 years.

So, before I speak about Afghanistan, I would like to thank all of our Japanese friends present here today, and to the Japanese people for all the support that you have given. Particularly important is the fact that Japanese aid to Afghanistan is selfless – it has no other purpose than to help Afghanistan – it has no other purpose than to bring Afghanistan to a better standard of life. So once again, on behalf of the Afghan people, may I thank you, and through you, the Japanese people.

As we all know, Afghanistan is an old country. It is one of the oldest countries in that part of the world, and along with our neighbors, it is amongst the oldest civilizations in that part of the world. And the Japanese-Afghan relationship goes back at least 1000 years when the first pieces of lapis lazuli, which are in a shrine in Nara, arrived in Japan via traveling Buddhist monks. And the Afghan-Japanese modern relationship began 80 years ago with the establishment of diplomatic relations, and we in Afghanistan have clearly seen the advantages of that relationship

I was very happy to hear yesterday from Prime Minister Kan that Japan wishes this relationship to continue another millennia or two, which of course is to Afghanistan's honor and good luck. But, as you have through your history gone through extreme difficulties and tragedies, so too Afghanistan has been going through an intensively difficult part of our history over the last 30 years. We have suffered as a nation massive human tragedy. We've lost nearly 2.5 million people, the entire infrastructure was destroyed by 2001, hundreds of thousands of Afghans who were educated and trained over 7 or 8 decades migrated to Europe and America. So when we came to 2001, Afghanistan had lost every aspect of statehood that the modern world knows about. We lost our roads, our infrastructure, our army, government institutions, police, civil services, engineers, doctors – hundreds of thousands of them migrated to the rest of the world and many others perished in our country.

Since 2002, we have begun to rebuild our country and this rebuilding has been remarkable and well done. I must emphasize this occurred with the

help of Japan and other countries. We have now built the entire ring road, which is almost completed, to connect our cities with the rest of the country. We have been rebuilding our health system, which only covered 8% of our population but now extends to 80-85% of our population. We have increased the number of universities, from 3 or 4 to 16. We have rebuilt our media from 1 television channel and 1 radio station and 1 or 2 newspapers to 22 television stations and hundreds of newspapers and nearly 100 radio stations. Our education system has expanded from 700,000 students in 2001, mostly boys, to over 7 million students today of which at least 35-40% are girls. Our university students have expanded in a similar manner. Our experts, some holding master's degrees, some PhDs, some from Japan, are returning back to Afghanistan. Our economy has improved dramatically from a mere income of \$150, to now where we are talking nearly \$550 to \$600 dollars per capita. Our GDP has grown from nearly 1 billion dollars to nearly 13 to 15 billion dollars today. And our most important achievement has been the accommodation of foreign reserves in Afghanistan. In 2002 Afghanistan had only \$180 million in foreign reserves in dollars and gold. Today we have \$4.5 billion in reserves in both dollars and euros. These are the accomplishments of Afghanistan, including the highly expanded presence in the international scene. We were in 2001 represented by only 3 embassies in Kabul. Today it has gone up to nearly 60. We have a very broad relationship with the rest of the world, where Afghanistan has representatives in more than 60 countries in various forms. So Afghanistan has re-emerged in the world as a proud nation – as a nation looking forward to the future – all with your help.

But the most important achievement in Afghanistan has been bringing back democratic rule. Women have returned to work, women have returned to parliament, and women have returned to civil services. The Afghan constitution orders that women should be at least 25% of the Afghan parliament, and this has been surpassed by the voters. Now, 27% of parliamentarians are women. Just 10 days ago we had the National Consultative Peace Jirga which was attended by over 1600 people from all walks of life. Women had a very strong presence, with 21% of the participants. There were 28 subcommittees within the Jirga in which 2

chairs were women, and in 21 subcommittees, the secretaries were all women. This is another remarkable achievement.

As we are talking, Afghanistan is going through suffering as well. We are not even in the middle of our journey. There is far more to be accomplished. We still have serious suffering caused by terrorism in Afghanistan. We still have suffering caused by the lack of governance. We are still lacking seriously in civil service capacity, in our judicial system, police departments and our army is not ready yet to take full responsibility. So while Afghanistan has achieved much in the last 9 years, we have to continue moving forward to eventually have the ability to stand on our own feet, to defend our country, to feed our country, to work ourselves, and earn ourselves. And to not be a receiver as others help us, but a country able to sustain itself and for that we have a daily effort in Afghanistan to get to where we are. To give you an example of that, in 2002, nearly 80% of our budget was paid by the donor countries. Today we are paying 70% of our budget from our income. We are contributing to our salaries, we are working on our civil service sector to make it apolitical and professional and make it merit based and we are expanding the government's reach to the country side.

Now, this is one part of the story. The other part is that Afghanistan is still suffering massively from insecurity, from bomb blasts, from attacks from the Taliban and al Qaeda, and from other forms of violence. The area where Afghanistan has not been able to make progress is in the area of security and the defeat of terrorism, to which we have a two-fold strategy. Strategy 1 is to keep building capacity, keep building Afghan forces in both the military and police, and to keep fighting extremism as it continues in our territory and beyond our territory in Pakistan, together with the help of the international community. And the other track is to continue to work towards peace in Afghanistan by inviting back to the country grassroots Taliban – those who are not part of al Qaeda or terrorist networks, those who are the sons of Afghan soil who have been forced to violence by circumstances beyond the abilities and control of the Afghan government. For this we have been working with our allies within the United States, within Japan, Europe and the region, and we have been working within Afghanistan to formulate a

strategy which can work. And as I said, we had a consultative jirga 10 days ago to put forward to the people the question of peace building and peace making and how to move forward on peace building with the Taliban. The Afghan people unanimously in the form of 1600 people decided we must pursue peace with those who are not part of al Qaeda or terrorist networks, who accept our constitution and the progress we have made and then also to be a part of the international effort against terrorism. And while we are grateful to the rest of the world for what they have done to move us towards better future, we must also make sure that we evolve economically into self sufficiency as we move forward, and the decisions of the peace jirga are to be implemented step by step. The first decision to be implemented is the release of those Taliban who have not been convicted by courts or arrested by proven charges and also to create a high council on peace to move forward with this peace building.

And of course, there is another part of this process called reconciliation. The first part is bringing back the grassroots Taliban. The second part is political. This involves the leaders of the Taliban, who are mainly in our neighbor Pakistan, and in other factors involving regional issues which our partners the United States and our allies continue to work to find common ground. On reintegration we have already found common ground and are working for the implementation of it. Afghanistan is a landlocked country that is in an extremely important part of the world. Somehow, Afghanistan has always been a neighbor or in contact with a superpower. 20 years ago before the 1990s, Afghanistan was a neighbor of the Soviet Union. Before that, Afghanistan was in contact with Great Britain, the super power of the time. And now that both of them have gone, Afghanistan is in contact with the United States, another superpower. It's a peculiar situation for us to always have some relation to a superpower and I wish it didn't have to be the case, but it is. Afghanistan is the hub of activity and connectivity to South Asia, Central Asia, and the Middle East. Somehow the roads have to go through Afghanistan. If utilized properly, this is a great plus for Afghanistan. So our country has designs to be the hub of south and central Asia, to be the transit point for these regional entities, and to be a free trade country, and to be a nation that connects rather than divides. So we are working on connectivity

for the future. We are a free trade area. We are the least expensive country in terms of taxes and export/import activity. And as we know now, in the context of our cooperation and execution of the US geological survey, Afghanistan is also one of the richest countries in the world in terms of mineral resources. The latest survey by the US geological survey, which was leaked by the New York Times before we had a chance to speak about it, shows we have mineral resources of which 30% has been confirmed worth 1 to 3 trillion dollars. So the prospects for Afghanistan are massively good. It is not a country that will just be rich – it will be very rich. It will be the industrial hub of mineral resources. And the New York Times described it very well calling Afghanistan the Saudi Arabia of lithium. Japan is welcome to explore in the lithium exploitation of Afghanistan - we know that you are working on a new battery system to run cars on materials other than gas or oil. So that is the prospect for Afghanistan – we will be a peaceful country – which we mainly already are, a country looking towards the future, and that has expanded relations with its neighbors.

The first country that took interest in mineral resources in Afghanistan was China. It was 2 years ago and was the biggest contract of our region in copper. They invested nearly 4.5 billion dollars to take our copper for industrial use. And Japan is most welcome to come and participate in that. In short, Afghanistan had a great past, Afghanistan has had a troublesome recent past, but Afghanistan will be one of the most important countries in that part of the world. A country that can connect and will be one of the biggest exporters of mineral resources in the region, which will help the continued expansion of industrial activity around the world. Afghanistan, once again, expresses its appreciation for the massive support Japan has provided for the development and stability of our nation and we would like to return that massive support in a small way by inviting your businesses to invest in Afghanistan and benefit from Afghanistan's resources.

Thank you very much.