Remarks at the Banquet hosted by President Musharraf of Pakistan

James D. Wolfensohn
President
The World Bank Group
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Mr. President, friends

Let me first of all say on behalf of myself, Elaine and my colleagues, how grateful we are to you for this dinner and for the very warm welcome that we have received. You put me at ease, in the opening remarks, Mr. President, by saying that you were not trained as an economist, because I wasn’t either, and I don’t know whether that gives you confidence or not but what I do get from your remarks is a lot of good sense. It seems to me too that if you reduce debt and if you educate your people; if you take the responsibility very seriously to ensure that the changes you are making endure – then you have a workable strategy. I want to congratulate you on that strategy and say that it is one that I endorse. I am very grateful that we have such a clear understanding of what you are trying to do.

I pay tribute to your financial team for what they have done under your guidance. I think that the arrangements you made at the Paris Club meeting and what you are doing in terms of debt relief and budget management are extremely positive and worthy of great praise. We are certainly ready, Mr. President, to continue working with you. IDA credits have a 0.75% service charge and maturities of 40 years. We are certainly providing these loans to your country and will be doing so with greater enthusiasm because it goes beyond just the money; I think we have an extremely good working relationship with your government in terms of the experience we have had and the partnership we are creating – which is a two-way partnership and includes learning from each other.

Today, I visited the North Western Frontier Province [NWFP] and met with the Governor of NWFP and also the Governor of Balochistan. There will be many challenges that we will meet together, but I have very little doubt that we will opt together to face the issues of human development and the economic development in that part of the world. And when I speak of that part of the world, Mr. President, I must say on behalf of myself – and I think that all freedom loving people would agree – that what you and your government have done and the absolutely forthright approach that you have taken in preventing terror – which is something that is admired more around the world – and the shouldering of responsibility unequivocally in this country, has added enormously to the luster of Pakistan. I know several of your colleagues have talked to me about the image of Pakistan in relation to the recent terrorists events in your country but I want to say that there are terrorist events all around the world. I also would want to say that if it has caused momentary concern about security, I
think it is certain to be outweighed by the credit that you have received for the forthright way in which you have opposed terror in all its forms. I highly encourage you to continue as it is in the interests of Pakistan - as you have clearly decided yourself - as it is in the interest of the world.

Your constant reference to human development is also something that I think we are particularly conscious of, and we recognize the partnership that is necessary in infrastructure. If you educate your people and take very seriously the responsibility to make sure that these reforms endure through good governance, this will indeed prove the right strategy. And if you add to that too, a very serious commitment to the empowerment of women in Pakistan, you will unleash a great potential across this nation that will ensure the kind of growth that reaches into every household. There is growing evidence that investment in the education of girls achieves among the highest return on that investment in the developing world. This will be money well spent. It is tremendously heartening to hear your own commitment and that of your wife in this particular effort.

I commend you by saying that we are very anxious to get behind you and work with you. The minister of education herself is a significant example of what can be done in your country. This is a two-way partnership in development in the true sense of the word. The Bank is proud to be of any assistance to Pakistan in achieving the dream that its leadership and its people have for this country; a dream of conquering poverty; a dream of equity for all; and a dream of opportunity for the young. That dream is the best strategy you could have. May I offer a toast to you, to your wife and to the Islamic Republic of Pakistan, and for a truly great future.