

Scenario 49

PAKISTAN: NRO DEAL (2007-09)

In the words of Salahuddin Shoaib dated 21st October 2007 available at internet media:

'In 1987, Benazir married Asif Ali Zardari, little known then for anything but a passion for polo with huge social and financial differences by family backgrounds; Zardari's family was of modest means with limited holdings and a rundown movie theatre named Bombino Cinema in Karachi. Zardari's only experience of higher education was a stint at a commercial college in London. In part, the marriage was intended to protect Benazir's political career by countering conservative Muslims' complaints about her unmarried status.'

In 1988, Benazir Bhutto became Pakistan's first female Prime Minister when Gen Ziaul Huq was killed in a plane crash but twenty months later she was dismissed by President Ghulam Ishaq Khan (GIK) on grounds of corruption and misrule. When Benazir Bhutto took office as 2nd time prime minister in 1993, Asif Zardari became her alter ego; though having no formal powers until PM Benazir appointed him Investment Minister in July 1996 but he was otherwise every thing. Since first day in the PM House Zardari exploited arms contracts; power plant projects; the privatization of state-owned industries; the granting of export licenses for rice & cotton; the purchase of planes for PIA; the assignment of textile export quotas; the granting of oil and gas permits; permits to build sugar mills, sale of government lands and many defense procurement deals like Agosta submarines. Benazir Bhutto had to assign approvals but by writing orders on yellow Post-It notes and attaching them to official files. After the deals were completed, the notes were removed, destroying all traces of involvement. No formal agreements were signed, no written sanctions or orders issued.

COTECNA & SGS SHIPMENT DEALS:

During Benazir Bhutto's first term, Pakistan entrusted pre-shipment 'verification' of all major imports to two Swiss companies with blue-ribbon reputations, Societe Generale de Surveillance SA [SGS] and a subsidiary, Cotecna Inspection SA. The service was quickly turned to generating profits for the Bhutto family's accounts, as both the companies got into making fabulous amount of cash by issuing certificate on under invoicing and sharing the profit with the politicians in power. During her 2nd term, Benazir Bhutto revived the same contracts with the same two companies. This time the deal went in black & white by negotiating 'commissions' totaling 9% to three offshore companies controlled by Asif Ali Zardari and Nusrat Bhutto [Benazir's mother].

A Cotecna letter of June 1994 had stated:

'Should we receive, within six months of today, a contract for inspection and price verification of goods imported into Pakistan, we will pay you 6% of the total amount invoiced and paid to the government of Pakistan for such a contract and during the whole duration of that contract and its renewal.'

Similar letters were sent by SGS in March & June 1994, promising 'consultancy fees of 6% and 3%' to two other offshore companies controlled by the Bhutto family.

The NAB report contained that the two Swiss companies had dealt in for about \$15.4 billion in imports into Pakistan from January 1995 to March 1997, making more than \$131 million. Zardari + Bhutto family's off-shore companies made \$11.8 million from the deals. For SGS, with 35,000 employees and more than \$2 billion a year in earnings, the relationship with the Bhutto family had been painful.

Benazir Bhutto's two terms in office had brought a range of overseas properties to her husband like the Rockwood, a 355-acre estate south of London and a \$2.5 million country manor in Normandy (known as House of the White Queen in France) in the names of Hakim Ali Zardari and Zarrin Zardari, Benazir Bhutto's parents-in-law. Others included a string of luxury apartments in London, a country club and a polo ranch in Palm Beach County, Florida (worth about \$4 million then); all were bought by them in 1990s.

The innocent PPP workers always discarded accusations against Benazir Bhutto & Mr Zardari as a frame-up but the educated lot started changing their opinion when the incorruptible Swiss federal prosecutors once announced that the two PPP leaders had hidden at least 20 million Swiss francs (till 2011 it was \$1.5 billion as per French Press) made from money laundering, illegal payoffs, and possibly drug dealing in their accounts in Geneva. Benazir Bhutto herself was once worried saying that:

'Few people believed the Pakistani government charges until the Swiss investigation but that [Swiss prosecutor's statement] changed everything.'

These accusations of massive bribery and drug dealing had caused pain to Benazir's many ardent supporters in Washington and the western media, whom she was seeking to enlist to her cause; gave her the cold shoulders. It was a significant loss for her future plans in politics.

In nut shell, during their two terms of rule, Benazir Bhutto & Asif Ali Zardari, had acquired cash and property worth a few hundred million dollars mostly located in Europe and Middle East. Some sharp person had stolen the 'concerned' documents from the Geneva office of Jens Schlegelmilch, Bhutto's family's attorney in Europe since 20 years and a close personal friend. The said documents were sold to 'somebody' [in Pakistan's High Commission London] for \$one million cash. The documents included: statements for several Citibank accounts in Dubai and Geneva; letters from executives promising payoffs, details of the percentages to be claimed; notes of meetings where 'commissions & remunerations' were agreed on, records of the offshore companies used as fronts in the deals mostly registered in the British Virgin Islands, their business deposits in UK's Barclay's Bank and Union Bank of Switzerland as well as Citibank in Dubai, New York and Geneva etc.

Those documents were actually bargained by Gen Musharraf's front officer; which were ultimately transferred to GHQ for study and future consumption. When on American pressure, the General finally agreed to negotiate with Benazir Bhutto; he had all the details of those documents in mind thus had an upper hand.

Being convicted during Nawaz Sharif's era, Benazir Bhutto had lost her right to run for politics and thus her extensive personal property in Pakistan. By signing a secret understanding with Gen Musharraf, Benazir was not only able to re-attain her right to be in politics but also going to bury all corruption charges, proved by the NAB authorities.

Even before the Supreme Court ruled on 28th September 2007 that the presidential election should go ahead as planned, Gen Musharraf had emerged as a political winner. He had successfully taken revenge on Zulfikar Ali Bhutto by destroying the traditional political role of the Pakistan People's Party (PPP), founded in 1967 against a military dictator Gen Ayub Khan. The critics had rightly opined that the PPP would become another PML(Q) to play on the tunes of army Generals putting back their manifesto and traditions built and developed during the last 40 years.

Three decades ago, when Musharraf's father Syed Musharrafuddin was posted in a senior position at the Pakistan's Embassy in Jakarta, the then Prime Minister late Zulfikar Ali Bhutto

had allegedly suspended him on the charges of irregularities. Gen Musharraf always hated the senior Bhutto for humiliating his father without solid evidence and declared him a fascist in his book *"In the Line of Fire."* Bhutto was later hanged through a team of handpicked judges of Gen Ziaul Haq in April 1979 with the support of the then US administration. Bhutto's name became a symbol of resistance in Pakistani politics and his death was declared a "judicial murder" by many top international jurists. The history remembered him.

Like former Indian Prime Minister Indira Gandhi and Bangladeshi Prime Minister Sheikh Hasina Wajid, Bhutto's daughter Benazir Bhutto too used the political legacy of her father to become prime minister of Pakistan twice. The hard luck was that she was not allowed to complete her terms on both occasions, and each time her government was dismissed on corruption charges with the active support of some army Generals. Gen Musharraf also kept on declaring Benazir Bhutto a thief for seven years and never allowed her to come back. Her husband Mr Asif Ali Zardari was kept in jail in Karachi on similar charges during that period. During her decade-long exile, Benazir Bhutto had also accused Gen Musharraf of nuclear compromising and supporting terrorism many times.

Benazir Bhutto had gone so deep in accusing the army regime that she preferred to join hands with her old political rival Nawaz Sharif who had caused her exile when she got convicted from the courts. During her nine years exile, Benazir had also accused Gen Musharraf on his dubious reservations for nuclear policy. Most of the corruption charges against Benazir Bhutto were initially made public by her own Brutus named Farooq Leghari in 1996, (who was sent to the presidency by Benazir Bhutto herself). The same charges were afterwards developed, extended and comprehensively trumpeted by Nawaz Sharif and his aide senator Saif ur Rehman when they assumed power in February 1997.

AGENCIES BROKERED THE NRO DEAL:

Hats off to Major Gen Nadeem Taj of the ISI who had initiated talks with the PPP in 2005 to break the possible alliance of the PPP & PML(N). These talks were followed and continued by Lt Gen Ashfaq Parvez Kayani who was the DG ISI then. Their efforts materialised and the anti-establishment credentials of the PPP were buried by the Pakistan Army on 5th October 2007, by an ordinance through which Gen Musharraf, though having all the Swiss documents in mind, pardoned Benazir Bhutto from all the corruption charges levelled against her.

It was a soothing breeze for Benazir Bhutto brought by some people like Rehman Malik around her who remained constantly in touch with the establishment. Mr Malik played this game sincerely or with bad intentions but he had no experience of doing bargains in political situations though his efforts prevailed. Tariq Aziz, the closest aide of Gen Musharraf was also in contact with Mr Malik since 2000 at least. In this game, they all protected the interest of Gen Musharraf more than Benazir Bhutto or the PPP and forced her to accept the conditions of establishment without any political achievement. ***Not a single political demand of Benazir Bhutto was accepted by Gen Musharraf.*** She only got some personal relief for herself and for her husband.

There were three main items on agenda when Gen Musharraf and Benazir Bhutto met each other in Dubai on one fine Friday of ending July 2007:

1. Gen Musharraf would not be in uniform when PPP comes in power after election.
2. Article 58(2)(b) would not remain in force throughout the PPP's governance.
3. Gen Musharraf would allow amendment in the constitution for the PM to enable Benazir Bhutto holding premiership for the third time.

Despite her tall claims, PPP's exhaustive statements and their best efforts, Benazir Bhutto could not make Gen Musharraf agree to any of the three points. Gen Musharraf's uniform was to stay there as such till his own discretion. Article 58(2)(b) was to prevail in the constitution as presidential prerogative. Even her wish to take over the premiership for the third time was

not acceded to straightaway but with a promise of positive consideration once Benazir would land in Pakistan; even then she agreed to make a deal.

Pakistan's spy masters had done the whole exercise with a key goal in their minds that Ms Bhutto would be given a toast of 'constitutional facility' to become a third time prime minister and her parliamentary colleagues would, in turn, choose him as President for another term of five years. However, if at all Benazir Bhutto wanted to achieve any of the above objectives, there was only one way open for her. It was through general elections and after getting two third majority in the Parliament. She needed at least 256 votes in a house of 342 for changing the laws relating with Art 58(2)(b) and a third term for a prime minister. **PPP's top legal expert Aitzaz Ahsan was of the view that Gen Musharraf was actually trying to destroy the credibility of Benazir Bhutto through an ordinance, which was against the constitution.** Any time it was subjected to challenge in the superior courts.

[The subsequent political developments proved so. Even if she would be alive, her chances of becoming a third time prime minister would have been remote because a two-third majority from the National Assembly was needed to enable her enjoy the slot.]

Despite all the shortcomings, the NRO was promulgated on 5th October 2007. At that time PPP's Chairperson Benazir Bhutto was facing a number of National Accountability Bureau (NAB) cases, one of which was popularly known as the 'ARY Gold Reference'. Another case against her was commonly known as the 'Assets Case'. According to the prosecution, she had filed a miss-declaration of assets before the Election Commission for the 1988 elections and failed to submit complete details of assets she owned. The most importantly she was also facing charges for the alleged commissions taken from SGS & Cotecna (as detailed in the beginning) through offshore companies. In this case, the Swiss government had once decided to continue prosecuting the case despite the government of Pakistan's withdrawal.

Oil for Food Program Scandal:

The actual game had taken start much earlier. An extract from '**Daily Times**' of 31st May 2007 is placed below as food for thought:

'When Rehman Malik fled to UK and claimed asylum in the year 2000, he managed to come much closer to Benazir Bhutto in London. His office in Crown House at North Circular Road used to be a hub of such political and business activities in which Benazir Bhutto's finances were being invested. Numerous local and off-shore companies floated jointly by them for various activities including one named 'Petro-line'. Its office was also linked or opened in Vienna city of Austria to streamline money transactions originated from Swiss accounts of Benazir Bhutto.

As per news appeared in the media, the National Accountability Bureau (NAB) had withdrawn their complaint from a Swiss court allegedly because of lack of evidence, concerning a \$150 million corruption case against former PM Benazir Bhutto and two others, Rehman Malik and S Jaffari [they were made directors of the company].

*Lawyers hired from Spain had filed an application in the Swiss court stating that NAB no longer wished to be a party to the case. The court accepted the application but continued with the case proceedings. The NAB application had stated that the company allegedly used in the \$150 million scam of '**UN Oil for Food Program**' scandal, was registered at Dubai in the name of 'Petro Line' [having name of Mr Zardari as the key figure]. Ms Bhutto was the managing director of the company whereas Mr Malik and Mr Jaffari were the directors.*

A NAB team under Bureau's Deputy Chairman Hassan Wasim Afzal had spent millions of dollars investigating the case. The withdrawal of the case was a clear indication that the government and Ms Bhutto had reached a 'deal' for a future game in Pakistan's politics.'

The NRO was promulgated by Gen Musharraf's just one day before his presidential election; but interestingly, before his deposition on 3rd November 2007 Chief Justice Iftikhar Chaudhry had issued a stay order against the NRO on two petitions challenging it and had directed the authorities that no relief could be offered to anyone under this controversial law till the final disposal of petitions. CJP Chaudhry was dethroned. The new CJP A Hameed Dogar's Supreme Court had vacated the stay order and allowed the beneficiaries of the NRO to get relief.

The beneficiaries of NRO got relief but both the petitions remained there pending final decision. PPP came in power in early 2008. It was a fatal mistake and rather incapability of PPP's ruling elite including Mr Zardari that they did not bother to get those two petitions decided in their favour despite the fact that their pro-PPP CJP A Hameed Dogar remained in chair for complete one year. It also happened by chance that PPP leaders in the then Sindh Assembly of Gen Musharraf's regime; Nisar Khuhro, Murad Ali Shah and Saleem Hingoro were accused of beating a government MP who had insulted a PPP's lady MPA by passing her a 'friendly' note in the House with objectionable remarks over the PPP-military relations.

Mr Zardari, was also a beneficiary from NRO as he was facing four cases in Sindh. These included a famous smuggling case commonly known as the 'Container Case'; the murder cases of Mir Murtaza Bhutto and his seven supporters, the double murder case of Justice Nizam Ahmed & his son Nadeem Ahmed and the murder case of one Alam Baloch, the former Secretary Food of Sindh. Benazir Bhutto's father-in-law, Hakim Ali Zardari, was facing at least two cases before Karachi's Accountability Court. Benazir Bhutto's sister-in-law Faryal Talpur's husband, Mir Munawar Talpur, was facing cases before the Hyderabad Anti-Corruption Court. He was an MP and was a minister in the CM Abdullah Shah's cabinet.

NAB had made out a list of about 50 for the politicians, bureaucrats and businessmen involved in different corruption cases who could stand to benefit from the NRO. They could include former provincial minister for excise and taxation Agha Siraj Durani, Chaudhry Sharif of FIA, NDFC's former Chairman M B Abbasi, former Chairman of the Employees Old Age Benefits Institute Shaikh Barkatullah, former Chairman of the Hyderabad Cantonment Board Riazur Rehman Hashmi, an officer of the same board Badar Alam Bachani, former General Manager of the Port Qasim Authority Irshad Ahmed Sheikh, former Director General of the Agriculture Extensions Malik Akram and former Director of the Export Promotion Bureau Nayyar Barri . Most cases had stemmed out from political rivalries between the PPP and the PML but the military government brewed benefit out of them.

Other PPP leaders facing cases of corruption or misuse of authority included former Sindh Law Minister Pir Mazharul Haq and former federal minister Syed Khursheed Shah. Former Sindh Assembly Speaker Syed Muzaffar Hussain Shah and former Chief Minister Syed Ghous Ali of Nawaz Sharif's PML(N) were also there to face the NAB cases, again mostly political. Some bureaucrats accused of swindling public money or granting land allegedly at throwaway prices were also facing trial. Former Secretaries Ramesh Udeshi, Salman Farooqui and former Chairman Pakistan Steel Mills Usman Farooqui [father of PPP's advisor Sharmila Farooqi] were also some of the accused in such cases allegedly for financial corruption but more due to their political affiliations with the PPP.

The beneficiaries from Balochistan included former prime minister Mir Zafarullah Jamali, who faced corruption allegations in the Kech Flour Mills scandal, former Chief Minister Mir Jan Mohamed Jamali, dozens of former ministers, some sitting ministers and former members of the parliament. Jam Yusuf also faced serious corruption charges when he was the Chairman of the District Council; all ill conceived on political grounds.

A former Chief Minister, two federal ministers and a provincial minister were to benefit from the NRO in Punjab. Though not claimed but were likely to get benefit from the NRO included former Chief Minister Punjab Shahbaz Sharif; PPP's Secretary General Jahangir Badar for illegal appointments and illegal assets; former Principal Secretary to Bhuttos Ahmad Sadiq; ex-MNAs Abdul Hameed, Mian Rashid, Rana Nazir; ex-MPAs Tariq Anees, Chaudhry Zulfiqar and his business partner and former NWFP MP Haji Kabir.

Amongst the bureaucrats, mostly there were such who became victims of the political change during the second tenure of PM Nawaz Sharif. When he assumed power in early 1997, he immediately got prepared a list of 87 bureaucrats who remained engaged in digging out the ill gotten wealth of Nawaz Sharif and his family members. Numerous cases were registered starting that how from an ordinary foundry to the biggest industrial giant of Pakistan, the Sharifs had travelled along. The main cases were Rs:21 billions right off by Gen Ziaul Haq, siphoning of Rs:5.6 billions from Motorway Project and more as per reports of the Public Accounts Committee in ending 1980s.

Amongst the bureaucrats made retired or dismissed, then arrested and sent to jails or to Accountability Cell's secret 'Drawing Rooms' to undergo third degree treatments under the able guidance and control of Mian Saif ur Rehman were Rahman Malik, facing two cases before Accountability Court IV in Rawalpindi; Inam R Sehri who had completed investigations against Sharif's corruption in Motorway Scandal, Ittefaq Foundries, Hudaibya Paper Mills etc; Sajjad Hyder for making reports on behalf of Rehman Malik and keeping record of all cases concerning Sharifs; Saad ullah Khan and Rahat Naseem Income Tax Commissioners for doing tax-related investigations against Sharifs; Akhtar H Jaffery of FIA for doing investigations of 'Import of scrap scandals' of Sharifs, Ejaz Chaudhry for doing investigations of MCB's loans given to only those industries who were to buy sugar machinery from Ittefaq Foundry only and many more.

Of course, there were former bureaucrats with tainted reputation also like Salman Farooqi & Usman Farooqi; Personal Staff Officer Siraj Shams-ud-Din; former finance secretary Talat Javed; former NBP president & Chairman NDFC M B Abbasi etc but they were able to get even better slots in compensation [as their price] from the PPP's government after take over of Zardari as president in August 2008.

Gen Musharraf's Interior Minister and former confidant of Benazir Bhutto, Aftab Sherpao; Water and Power Minister Liaqat Jatoi; Federal Ministers Faisal Saleh Hayat & Nilofer Bakhtiar and others; some of them were formally sentenced by the Accountability Courts but were offered attractive and the most lucrative slots in the cabinet of that military regime for obvious reasons; just to buy the PPP persons turning against Ms Bhutto.

There were two intimates of (late) Pir Pagaro who were also to be the beneficiaries of that amnesty. They were former CM Sindh and the speaker of the provincial assembly, Muzaffar Hussain Shah, and former provincial minister Islamud Din Sheikh. There were around 26 corruption cases against Mr Sheikh. He had entered into a plea bargain with the NAB in a number of cases. One or two cases against Sheikh were alive and he was on bail at the time of NRO. They were, of course given benefits for unknown reasons by the NAB chiefs then.

PML(N) leader Mian Shahbaz Sharif were also to be benefited from that amnesty as there were three corruption references against him then pending with the accountability court in Rawalpindi though he afterwards claimed himself innocent. May be files had moved away or the courts might have been 'toned down' to throw out the cases as has been the PML's old tested policy.

Over two-third members of the federal cabinet in Gen Musharraf's regime were firmly opposed to the clinching of National Reconciliation Ordinance (NRO) as a result of deal between Gen Musharraf and Benazir Bhutto. In an informal cabinet meeting chaired by Prime Minister Shaukat Aziz in October 2007, only 13 out of total 46 ministers raised their hands in favour of the NRO. An equal number supported lifting of ban on two times prime minister serving for the third term. However, 20 ministers had approved an overall deal with Benazir Bhutto while 26 opposed it.

Nawaz Sharif and his associates had though condemned the NRO, none of them or their party had shown the guts to challenge the shameful ordinance in the court of law if they were really against it. Mere condemnation was nothing but politics while the reality was that the PML(N) leadership was also the beneficiary of the amnesty. If the Sharifs wanted to come clean on the issue and were sincere to face the cases against them in the court of law then

what prevented them to knock the door of the superior judiciary to undo the amnesty as they did in ending 2011 on memo-gate issue.

The Sharifs and the members of the Redco group, Senator Saifur Rehman & associates, were shouting loud because rogue judges like Malik Qayyum had given them the clean chit in the first six months of their governance in 1997 closing all those cases which were investigated, proved and placed before the courts for trial by the FIA's teams subsequently sent home in 87 bureaucrats list.

If one analyse the whole pendency of NAB cases, he would be surprised to know that in NAB the entire lot of politician's cases are related with those who were associated with the PPP and only two files were concerned with PML(N)'s politicians because Nawaz Sharif was angry with them [Gaus Ali Shah & Muzaffar H Shah of Sindh]. **Can one imagine that in politician class only PPP's members were corrupt and rest of all including PML(N), PML(Q), Fazal ur Rehman's JUI and retired Generals cum politicians and their sons were saints, waliullahs, seraphs and angels.**

It was the jugglery of Justice Malik Qayyum and Saifur Rehman Ehtesab that NAB & Accountability Courts have been living on PPP's cases only since the last twelve years; look at these parasites.

NRO FAILED IN PARLIAMENT:

Going into orderly details of the NRO; the CJP Iftikhar Chaudhry assumed office again in March 2009 and the court work started in routine. It was the decision of the Supreme Court of Pakistan dated 31st July 2009 which turned the tables in Pakistan politics. According to this decision the entire 'Emergency' announced on 3rd November 2007 by Gen Musharraf and its all associated steps were declared unlawful.

NRO of 5th October 2007 was also included in the list of those 34 ordinances, issued by the military dictator, which were to be placed before the Parliament to give them shape of a proper act otherwise would stand nullified. The Supreme Court had given 120 days for getting through those ordinances and the last date of approval by the Parliament was worked out as 28th November 2009. The PPP government tried to table the NRO for approval in the Parliament through a standing committee but could not come up to the level of discussion or voting so was finally withdrawn. Reasons were manifold.

The PPP had not enough strength of MsNA and senators with them. First of all it was their coalition political party Muttihida Qaumi Movement (MQM) which announced that they would not favour this black law in the Parliament. PML(N), another coalition party in Punjab, but was then extending cooperation to the PPP in the centre, openly announced to reject the NRO if placed before the Parliament. After two weeks the JUI, another coalition partner of the PPP also defected.

Another game was played within the PPP. A group of staunch workers, but big stake holders in party like Senator Safdar Abbasi, Naheed Khan and others, under the able guidance of Barrister Aitzaz Ahasan and allegedly with secret backing of the sitting Prime Minister Mr Gilani, openly held press conferences, issued media statements and appeared in live TV talk shows to display that NRO should go. This group of influential politicians candidly made demands of resignations from those cabinet members [**mostly aiming at Rehman Malik being considered trespasser and intruder in the party**] who were among the beneficiaries of NRO. Result was obvious. The PPP, instead of taking it through, abandoned it in the Speaker's office, never followed it and calmly waited for 28th November 2009 till its natural death.

At the same time Gen Musharraf, who was the main person to propagate this evil, had admitted his "mistake" saying that his decision to promulgate the NRO was wrong. Answering the questions on his 'facebook' website he wrote:

"The one clarification that I will make is that I committed this mistake on the strong advice of the political leadership at that time [pointing towards PML(Q)], who now blatantly disowns connections with it. My interest was only national, with absolutely no personal bias or agenda. He would keep a more detailed response pending for the time being because of certain political sensitivities. However, I promise that I would take the nation on board at the appropriate time.

NRO may have allowed Asif Zardari or corrupt politicians to contest elections, but it certainly was not the cause of their coming to power. NRO is not responsible for electing the PPP as the majority party or allowing Asif Zardari to win an election. NRO is not responsible for corrupt politicians sitting in assemblies or being appointed as ministers."

SC'S VERDICT ON THE NRO:

The decision of the Supreme Court dated 16th December 2009, setting aside the NRO from the day of its promulgation was generally hailed by the Pakistani public at large and particularly applauded, highly praised and much admired by *Jamaat e Islami* and both major factions of PML. Articles were written in the newspapers and TV programmes were anchored on all private channels appreciating to the extent of flattery and showing their strength to the Supreme Court and its judges. All cannons of criticism were aimed at firing or at least mud slinging on Mr Zardari and Rehman Malik.

However, there were very powerful voices from the intelligentsia who may otherwise be happy with the result but were critic over methodology or the way the issue was tackled. For example, the Chairperson of Human Rights Commission of Pakistan (HRCP) Asma Jahangir said:

"The Supreme Court in its verdict on NRO has targeted the whole democratic structure by extending its power and crossing the constitutional limits. Independence of judiciary means they should be seen as impartial; independence means when they give judgment there should be reasoning for it; basically two things do not suit the Supreme Court i.e. being one-sided or giving a constitutional decision which is a bit controversial.

The movement against dictator Musharraf was launched because he did not respect separation of power and attacked the judiciary, whereas in its NRO verdict the judiciary, too, has made a sort of attack on the legislature and extended its own jurisdiction.

Thus, (referring to the removal of DG FIA Tariq Khosa by the government and issuance of Notice for Contempt of Court to the Minister of Interior asking him to explain that why Tariq Khosa has been transferred) assuming all power is a dangerous trend, no matter PPP remains in power or not. Judiciary can ask the government to remove a person who is not working properly, but it cannot ask for appointment of a specific person of its choice.

One should not ignore the NRO verdict's political fallout and marginalising of political forces. The judiciary has crossed its limits and it is a dangerous precedent that the Supreme Court passed a verdict on parliamentarians' morality, more surprisingly through a unanimous verdict, showing that all 17 judges had the same judicial mind."

(Ref: **'the News' dated 23rd December 2009**)

Both the above views speak about two different aspects of the issue; both are self explanatory and guide us to peep into the visions of decision makers. It also points out towards the 'betrayal' of our PML(Q) leadership who were the guides of Gen Musharraf and a propelling force for NRO when they were in saddles of the government in 2007. When they felt that the Supreme Court was going to throw it out of their corridors, they immediately

changed their stance and started speaking against the NRO to attract the sympathies of the general populace.

On the other hand the ***PML(N), whose commanding leadership went abroad after signing a same kind of NRO in December 2000 with the same army dictator Gen Musharraf***, accepting many humiliating, mortifying and embarrassing conditions of not taking part in politics for ten years etc, when came back to Pakistan in 2007 using Benazir Bhutto's NRO as fulcrum, turned around and became flag bearers of Judiciary's 'just decision' against the same NRO. What a character of our political parties.

On 16th December 2009, the SC set aside the NRO for which the PPP suffered a lot and would continue to suffer for another decade or two; hats off to the PPP's advisors like Rehman Malik & Babar Awan.

In early December 2011, government's review petition on NRO was also declined by the apex court. In January 2012 it was expecting reports on the implementation of its judgment; more serious issue than the Memo-gate scandal. Aitzaz Ahsan's assessment came true. The same happened as he had predicted. When the Supreme Court had dismissed the National Reconciliation Ordinance (NRO), the PPP and especially Mr Zardari & his close associates lost their credibility; still the humiliation is going on.

LOAN DEFAULTERS' CASE:

Let us see the other side of the coin:

Gen Musharraf's military government, immediately after the 12th October 1999's coup, had launched an intensive drive against the loan eaters who were given one month ending in mid November 1999 to voluntarily return their loans. As per government's report, a recovery of Rs:8 billion [6% of the actual base defaulted amount] was made out of Rs:146 billion. The then Governor SBP, Mukhtar Nabi Qureshi, had told that about 325 defaulters owe more than Rs:100 million each amounting to Rs:72 billion. About 590 legislators were defaulters of Rs: 9.64 billion mostly of Agricultural Development Bank of Pakistan (ADBP); 263 members were from those who were sent home then.

In November 1999, the National Accountability Bureau (NAB) was entrusted to recover the loans from the defaulters; they had arrested some of them mostly feudal, politicians, a few retired army officers and former bureaucrats. The list included Legharis, Saigols, Dreshaks, Khokhars, Kakars, Magsis, Mians, Rehman and Farooquis. Jaffar Leghari [a suspended senator] and Malik Asad Khan, two close relatives of former President Farooq Leghari, who had been crying for a non-discriminatory accountability at the top of his voice, were also among those who were nabbed by the NAB.

In the beginning, Gen Musharraf's team was impartial thus former CM Punjab Manzoor Wattoo and former federal ministers Anwar Saifullah & Faisal Saleh Hayat were also arrested along with one former Air Marshal Viqar Azim. It was perhaps the first time in Pakistan's history that such a forceful crackdown had been launched against wilful loan defaulters but then the compromises, nepotism, deals and negotiations empowered; NAB became another FIA of Rehman Malik's era for friends and foes. Many arrested MsNA & MsPAs were given ministerial slots and that NAB game continued for another eight years.

Referring to the '***Express Tribune***' of 18th June 2010, a three member bench of the Supreme Court headed by the CJP Iftikhar M Chaudry heard the loan defaulters case and remarked that '*the apex court wants to hear the case as it involves public money of Rs:256 billion*'. The Supreme Court sought the details of people who got their loans written off in the duration between 1971 and 2009.

The whole nation knew that the superior courts were never solemn in taking that case seriously throughout the last sixty years. During the hearing of the NRO case in December 2009, the apex court was pointed out that it should also take cognizance of those corrupt

politicians who had eaten up the poor people's savings worth billions in the name of bank loans then got waived off. The Supreme Court had ordered then to produce the lists of loan defaulters '*since 1971, we'll see*'. The apex court's orders of 12th December 2009 are on record.

May not be based on facts but the PPP had publicized on media that the judgment of 16th December 2009 on NRO was hastily announced because it was mainly against the PPP and Mr Zardari in person. The loan defaulter's list was placed before the apex Court on 22nd December 2009, but deferred because SC's dear party members like Sharifs were named in the list; purposefully spread that due to them the CJP Iftikhar Chaudhry was there in saddles. It was merely a perception in which judiciary's shoulder was used to bear the gun; the future time would reveal the facts. The court, however, directed the SBP to provide details of all the loan cases being heard by the banking courts; adjourned the hearing till 2nd August 2010 without recording any progress. Time went on.

In the 3rd week of October 2010 during another hearing, the CJP's serious warning was that '*those who had their loans written off have built empires. If they don't pay back the loans, their names should be put on the exit control list (ECL) and they be put behind bars.*' Nothing doing till today; Pakistan's superior courts are known for such gimmicks.

The State Bank's counsel, Iqbal Haider, produced a list of 50 defaulter companies and one Barrister MS Baqir apprised the court that Indus Sugar, a company owned by former MPA of the PML(Q) Nasrullah Dareshak, had Rs:820 million in loans written off through eight different banks upon which, the court summoned Mr Dareshak to the court on next hearing. Nothing happened in the next hearing as usual. The fact was that the State Bank had never become interested in getting the money back but always preferred to defend the loan defaulters.

A Senior lawyer Hafeez Pirzada contended that the present PPP government had written-off loans worth Rs:50 billion without any authority, adding that the move was also endorsed by the Executive Director of the State Bank, Inayat Hussain declaring that it was part of an ongoing scheme. [*The State Bank had issued a total of 33 circulars since 1972 to 2007 in that respect.*]

Astonishingly, the State Bank did not have the details of all companies and individuals concerned, the CJP went furious and remarked that if the banks concerned did not share the information, why their licenses should not be cancelled and the list containing names of defaulters should be published in newspapers. The CJP had also warned that if they did not pay their loans back, their properties should be confiscated and auctioned and they should be put behind bars in Adiala Jail; but which loan eater bothers for court orders in Pakistan.

It was observed by the court that the State Bank had been ostensibly misused Circular No 29. The said *suo moto* case was initiated on the call of Altaf Hussain of the MQM who had urged that there was a need to give equal rights to everyone to improve the economy and that billions of rupees should not be given for personal benefits of some influential. According to Section 25 of the Banking Ordinance, a loan write off case should be sent to the Parliament but this section had continuously been ignored since decades.

The Chief Justice said that there was a need to enact new laws to give big loans against small securities. Knowingly that the whole Parliament was comprising of the *jageerdars*, *waderas* and such industrialists who are the proven loan eaters then who would make such laws. If Parliament has not made the required laws in 62 years, the apex court should have made these laws much earlier.

During the 2nd week of March 2011's hearing, the Supreme Court approved the State Bank's request for constituting a commission for loan recovery and sought the opinion of banks and their customers and loan defaulters within four days. The State Bank's governor agreed to form a 3-member commission headed by Justice (ret'd) Saleem Akhtar. It was proposed that:

'The commission should be empowered to impose heavy financial penalties on loan defaulters and to send them behind bars because that is what they are afraid of. Only a powerful commission can ensure that the loans are recovered. Citing Circular 29, it was considered a viable document on banking laws but it has been misused. Banking rules need to be amended through legislation to stop misuse of loans and to increase the number of banking courts.

People don't pay taxes, why would they return their loans.'

[In Pakistan it is very old and tested technique that if the government or the court wants to thin out some issue, or to detract people's attention from it, or to make the fools forget corruption; make out a commission or committee. The poor people will forget every thing.]

Hurray! Till today [the last day of March 2012] not a single loan has been recovered; not a single property confiscated, not a single man is jailed or convicted. SC's immediate orders are for the bureaucrats and the PPP while directions of commissions are for PML (N) & (Q) members.

Let us keep on chasing the NRO, why the decision has not been implemented yet.

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