Pakistan: The Struggle Between Politics and Extremism

Ahmed Rashid , Joanne J. Myers

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Introduction

JOANNE MYERS: Good afternoon. I'm Joanne Myers, Director of Public Affairs Programs, and on behalf of the Carnegie Council I'd like to thank you all for joining us.

Today it is my pleasure to welcome back an exceptional journalist and friend, Ahmed Rashid.

In times past, Ahmed has talked to us about Afghanistan, central Asia, and *jihad*—all topics that are just as relevant today as they were when he first visited the Carnegie Council in April 2000. At that time, he brought to our attention a book that right after 9/11 was to become an instant best-seller, the widely acclaimed *Taliban*. Since then, he has returned here on several occasions, each time providing us with an invaluable narrative that is not easily forgotten, especially for those of us who have limited knowledge about mine-filled terrains.

You may wonder what makes his reporting stand out. To begin with, he has an insatiable quest for knowledge, inexhaustible energy, and a need to understand what is happening in remote areas where few journalists have dared to go. Whenever he returns, he writes about his experiences, making them not only vividly real, but always telling the story with engrossing and insightful details.

This afternoon he is here to discuss another urgent topic, one he knows only too well, Pakistan, the country of his birth and the place he calls home. This is an exceptional opportunity for us to hear a straightforward account about the unfolding political saga in Pakistan from someone who does not pull any punches or gloss over uncomfortable details.

I suspect many of you have been following the recent events in Pakistan. But before Ahmed begins to explain this nation's tempestuous state of affairs, I would like to just briefly outline the events of the past months in order to lay a foundation for his comments.

In October, President Musharraf won the presidential elections while still maintaining his position as chief of Pakistan's military. The vote was challenged in the Supreme Court. But just before the Court was to rule on the constitutionality of this election, on November 3rd Musharraf declared a state of emergency, suspended the constitution, and dismissed the Supreme Court, replacing the justices with members who are loyal to him. In addition, he blacked out the independent news media and detained and placed under arrest many opposition politicians and activists. These brazen steps were seen as acts of desperation, which only emboldened extremists and fueled anger and further mistrust among Pakistani moderates.

Finally, after much pressure, on November 28th President Musharraf surrendered his army uniform. And, just a couple of days ago, he announced that he would lift emergency rule this coming Saturday, one day earlier than previously stated.

For a country that has been ruled by the military for more than half of its 60-year history, some may think that by stepping down as army chief and becoming a civilian president Musharraf was at last making good on his promise of moving towards a rule of democracy. Yet others would argue that his gesture is nothing more than an illusion, since he retains formidable powers.

How much longer he will continue to do so depends largely on his two main opponents, both former prime

ministers and bitter rivals, Benazir Bhutto and Nawaz Sharif. Although each has said that they will allow their parties to participate in the January 8th parliamentary elections, both have expressed doubts about whether these elections can be free and fair. They have shown little inclination for uniting, which enhances the probability that Pakistan's political future will likely accord with Mr. Musharraf's vision.

The political situation in Pakistan remains uncertain. Although there have been many times in the last eight years that Musharraf's departure seemed imminent, not only because of the crisis within Pakistan but also because of a series of attempts on his life, eventually he has managed to resolve these exigencies. The question is: Will he be able to do so again? The answer I leave to our speaker.

Please join me in giving a warm welcome to my friend, Ahmed Rashid.

Remarks

AHMED RASHID: Joanne, thank you very much indeed. It is a very great pleasure to be here. After three years, I have come to the United States. Thank you very much for coming.

I am going to divide my talk into two halves. In the first half I will talk about the political crisis, and then about the extremist threat, and of course they are interlinked.

To start with the political crisis, it is always very difficult in Pakistan for a military dictator to reinvent himself for a second round in power. Almost every army chief who has been president has floundered at that attempt—if you look at Ayub Khan in the 1960s, at Zia-ul-Haq in the 1980s—and it certainly seemed at one point that Musharraf also would founder.

Now, I think, we have to go back really to the beginning of this year, when there were very serious hopes amongst the United States, the international community, and others that Musharraf would genuinely take the army back and devolve power to an elected government this year when elections were due. There was the feeling that given the threat of extremism and all the social problems that Pakistan faces, the country needed a representative government, and there was enormous pressure on Musharraf to do a deal with Benazir Bhutto, as you know. I think the problem with that was that the United States put enormous pressure on Bhutto but put hardly any pressure on Musharraf to comply with that deal.

Now, under the deal, Bhutto would be allowed back, the politicians would be allowed to run in the elections, there would be a free and fair election; and the winner, presumably Bhutto, because she has the largest national and secular party in the country, would be allowed to form a government, and the army and Musharraf would take a back seat and would allow a real representative government to perhaps tackle some of the problems that Pakistan faced.

But I think all along Musharraf, as we now know in retrospect, had no intentions to do anything like that. I think he made fools of the Americans, beguiled the State Department into thinking that he was going to go along with this. But that is really not the case.

There was an indicator as early as March, when he suspended the chief justice of the Supreme Court, because for the first time in Pakistan's history we were developing an activist judiciary, a judiciary that was stressing its independence from the executive, and that was passing judgments that the army just did not like. This affected many things. It affected the war on terror, but it also affected many, many social issues— high-rise buildings, poverty, issues of poor people not having land rights. The judiciary, almost overnight, became incredibly popular, simply because for the first time the judiciary was seen to be taking the side of the people rather than the side of the military.

Anyway, come March, Musharraf thought that the judiciary would not allow him to stand. There were a lot of legal problems he faced—he was army chief, et cetera. He dismissed the chief justice.

There was a very strong campaign in the streets for four months, led by the lawyers, the legal fraternity, and then supported by civil society—the middle-class intellectuals, professionals, the media, women's groups, human rights groups, and so on—who came out in support of the lawyers. Eventually, the chief justice was reinstated.

Then, once again, Musharraf felt under threat. Finally, on November 3rd he declared an emergency and sacked the entire judiciary.

Judges were now forced to take a new oath of loyalty to Musharraf and the new constitutional order that he had brought about through this martial law regulation. To their credit, 12 out of the 17 judges of the Supreme court did not take the oath and were put under immediate house arrest; and 60 out of 87 judges of the four high courts in the country, representing the four provinces, also did not take the oath, and they were also put under house

arrest. Some were arrested and jailed. Some were put under house arrest.

Now, it was a complete crippling of the judiciary, which is what he wanted. Of course, protests then erupted, and I think you're up to date with that now.

Now, I think the political situation today, simply, is that all the indicators are that Musharraf wants to have another rigged election. After the threat, or the supposed threat, that he faced by the judiciary, he is not going to take the risk of allowing a free and fair election in which Benazir Bhutto may win a majority, or the other main opposition leader, Nawaz Sharif, may win a majority.

The elections are on January 8th. I predict there will be a rigged election in which basically the civilian partners that he has had for the last eight years will come back, in perhaps a similar alliance to the one that has ruled Pakistan so far. That is an alliance of the Pakistan Muslim League, which has been the traditional party that has backed the military; the Islamic religious parties, the fundamentalist parties; and some ethnic parties. Now, this alliance obviously keeps out the People's Party of Bhutto and Nawaz Sharif's party. There are several reasons I say this.

The first is that Musharraf has been elected president with 58 percent of the vote. But presidents in Pakistan are elected by the Parliament; they are not elected in a direct election. The question is that he has to get himself validated again by this new Parliament, and for that he needs 50 percent majority in Parliament. He is clearly not going to take the risk of a free and fair election, which may lead to a Bhutto majority and Bhutto down the road maybe not voting for him.

The other thing he has to do is he has to get a two-thirds majority in Parliament to validate all the laws passed under the emergency and the martial law that we have had since November 3rd. There are some very, very Draconian laws.

One thing let me say. He is lifting the state of emergency tomorrow, which is one law. But he has passed, for example, a new law that says that all civilians can be tried by army courts, and tried for treason, and for that civilians would get the death sentence or 24 years in jail. And treason is so loosely defined as to be almost anything. So in a sense, the emergency has allowed him to pass even more Draconian laws, which will remain on the statute books. So yes, he lifts the emergency, which means he will restore fundamental rights, but the new laws are still Draconian.

For example, there is another law which says that the government will have the right to revoke the license of all lawyers who protest against the government. Lawyers have to earn a living. A lot of you are lawyers, and I think you know that. So if the government ordered a decree here, you can imagine.

This comes at a time when, if you look at what the Bush Administration has been saying—I mean, for the first time since 9/11 in a Muslim country, a key strategic Muslim country, leading the war on terror, you have a constitutional movement for the rule of law, led not by mullahs but led by lawyers, led by women's groups and human rights activists. This is something that the Bush Administration has refused to support. They continue to support Musharraf.

Now, I have heard journalists from the Arab world saying, "My God, I wish we had lawyers like you Pakistani have lawyers." I have heard people from the Far Eastern Muslim countries, from Malaysia, saying, "I wish we had similar kinds of movements."

I think the significance of this is that, for the first time in 60 years, we really do have now an emerging middle class, an educated urban middle class, whose values are secular; who are not necessarily anti-West, although there is very deep-rooted anti-Americanism right now; but who believe in democracy, who believe in the rule of law, and who believe in constitutionalism. This has not been supported by this Administration, who still want to keep Musharraf in power. And, even though I think Musharraf has basically humiliated this Administration by turning the other cheek as far as what he was expected to do regarding the deal with Benazir, and so on, this hasn't happened.

So I predict a rigged election. But I do predict that after the election there will be another crisis, because I don't think the opposition parties are going to accept the results of this election, especially if the scenario that I am painting comes true, that the present ruling alliance comes back into power as a result of these elections and Bhutto and Sharif are kept out. I think there will be a strong protest movement.

Now, so far, Bhutto and Sharif are kind of giving him the benefit of the doubt. They are having an election. They are hoping that international pressure is going to be there in order to ensure (1) a free and fair election and (2) that he will respect the results of that. I don't think either thing is going to happen.

Now, I think really Musharraf has drawn three red lines in the sand, and the army is behind him.

- I think the first red line is that the army will not accept a free and independent judiciary. That is now out of the question. And it has been very well noted by the Pakistani public that the Americans are not demanding the restoration of the ousted judiciary. The demands of the State Department are vague, in that "we want an independent judiciary," but they are not specifically demanding the restoration of the ousted judiciary. This is a key demand of the lawyers, of the judiciary, of the media, of all those people.

- The second red line he has drawn is that the army is not going to tolerate a free and independent press. As you know, when the emergency was declared, all the TV channels were shut down, including the satellite news channels. Thirty-six channels were shut down, out of which about five of them are major, 24-hour news channels in Urdu and one in English. All of them were forced to sign codes of conduct, which are again very Draconian, in that the government has the right to define anything as anti-army, anti-state, and they can be hauled up and shut down again for that.

  Secondly, the government demanded that about a dozen of the top anchors be thrown out by their companies. Unfortunately, some of these companies have complied with that. These were anchors and talk show hosts—because these talk show hosts were bringing onto the air members of the opposition and dissidents and people who were not supporting the military, et cetera, et cetera. So we have a much castrated TV/satellite media. I think that's the second line.

  Here again, the U.S. position is "we demand a free and independent press." "Well, that's fine. But then tell me what is your position on this code of conduct, what is your position on the sacking of these anchors?" There was no comment on that. So again, the issue is kept very, very vague.

- I think the third red line is simply that there is going to be rigging and political manipulation in these elections. Once again, the U.S. position is "we expect a free and fair election." But already, there are many signs that are taking place already in Pakistan as to how the military is going to be rigging the elections, what is going to happen, and so on. There is again no reaction.

I think the person who has been quite extraordinary—and I must praise her—has been the American Ambassador in Pakistan, Anne Patterson, who very clearly, against probably a lot of advice by Condoleezza Rice and by people at the State Department, has been visiting all these banned stations, has been going to the lawyers in jail, trying to in fact visit them under house arrest, visiting the judges under house arrest, going to the jails, and usually being barred and being told, "You can't go in." But she has been creating a kind of wave that, whatever the official U.S. position is in Washington, at least there is somebody who is trying to stand up for what the U.S. Constitution stands up for, which is the rule of law and constitutionalism. It's unfortunate that the President and the Vice President don't seem to want to stand up for that anymore.

So I think we are entering a phase where one crisis is going to be replaced by another crisis. We are going to have a crisis after the elections. That could go on for some time. The opposition may be in a position to stop a new government being formed, in which case there will be a whole new set of problems that will emerge.

I think two issues come up here:

The first is that there has been no mass movement. The masses have not come out into the streets. This has basically been an urban, educated, middle-class movement. Now, the reason for that, I think, is simply that the public is very disillusioned with the political leadership of the country, because both Sharif and Bhutto and other leaders have been prime minister twice, they have been tried out, they were incompetent, they were corrupt, and one could only hope that there will be an improvement on what they did in the past.

But people say, "Well, isn't Musharraf better than Bhutto and Sharif?"

I always answer: "Listen, we've lived half our life under military rule. Nothing grows under military rule, certainly not politics. For eight years we have not had any politics. It has been a rigged Parliament. It has been a media very tightly controlled. It has been a pliant judiciary. We have not had politics for eight years. So why do you expect a new generation of young people to come in and join political parties? All the major political figures of the country were in exile."

So I think yes there is disillusionment, but these are the cards that have been dealt us and we have to deal with them. We can only hope that they will be better.

Now, running parallel to this political crisis has been, of course, the spread of extremism in Pakistan and the growth of Pakistani Taliban.

Now, who are the Pakistani Taliban? I am not going to go into al-Qaeda and Taliban and all that. But, very briefly, let me just say that after 9/11 the Taliban and al-Qaeda were never defeated by the American forces. They were routed. They were routed and they retreated into Pakistan. At least the Afghan Taliban leadership was given sanctuary in Pakistan, and they remain there. From these sanctuaries they have been able to resuscitate their movement in Afghanistan.

The same goes for al-Qaeda. Al-Qaeda was left alone in the tribal areas in northern Pakistan for two and a half years, between 2002 and 2004. That allowed them to reestablish their bases and their whole kind of network.

Now, the linkage between the revival of the Afghan Taliban and the revival of al-Qaeda—and, of course, you know since 2001 we have had all the bombings in Madrid, in London, we've had all these plots uncovered in London, in other capitals around the world, and almost all of them are traced back to these tribal agencies along the border, on the Pakistani side of the border, where al-Qaeda has been very active.

Let me just explain. We have a very weird system. The Pashtun population, which is about 30 million in Pakistan, about 15 million in Afghanistan, and so the Pakistani Pashtuns are twice the number of Afghan Pashtuns, they live along the border with Afghanistan, along the North-West Frontier province and the Balochistan province, going all the way from north to south, stretching along this belt of perhaps 1,500 miles.

Now, in the north there is an area called Federally Administered Tribal Areas (FATA). FATA is made up of seven tribal agencies, about 3 million people, all tribesmen, who were never incorporated into Pakistan after the British left. The British had established this FATA as a kind of buffer between Afghanistan and British India. That buffer remains.

FATA is governed by an archaic 19th-century British law, which is extremely Draconian law. Nobody has any kind of judicial rights or anything like that in FATA. There has been a constant demand by the Pashtuns that there must be political reform and that FATA should be brought into the mainstream of Pakistan and should come under the constitution, it should be reconstituted as a separate province or joined with the North-West Frontier Province.

This is something the military has refused to do. The reason for that, simply, has been that FATA has provided a degree of deniability to the military for the last 30 years. So, for example, when the CIA pipeline was arming the mujahideen in the 1980s in the war against the communist regime in Afghanistan, when the Russians would send these diplomatic notes—you know, the Soviets would send these notes saying, "You are supplying arms"—we would say, "I'm sorry. We had no idea." Because the arms were sitting in FATA and they were going through FATA, FATA was not a part of Pakistan, so you had this kind of legal loophole in which you could say, "We don't know what's going on in FATA because it's not under the territory of Pakistan."

Similarly, the support given by Pakistan for Gulbuddin Hekmatyar's attempt to seize Kabul after the fall of the communists, the support given to the Taliban, was all channeled through FATA. In 1993, when Pakistan was almost declared a terrorist state by the United States because it was arming the Kashmiri militants, all the Kashmiri militant camps were moved into FATA, because there again you could deny that anything was going on. So FATA has given you this kind of legal loophole to be able to do what you want in Afghanistan, and even to do what you want in India. So the military has been very adverse against reform.

There were a lot of calls after 9/11 domestically in Pakistan saying that "If we are going to allow all these Taliban and al-Qaeda to regroup in FATA, we should carry out political reform and FATA should be brought into the mainstream." It never happened. I think that is important.

Now, let me go back to the original question: Who are the Pakistani Taliban? Basically, many Pakistani tribesmen from FATA fought for the Taliban in the 1990s, but they were foot soldiers, they were not high-level commanders or anything. These same tribesmen really helped al-Qaeda and the Afghan Taliban escape the American attack after the bombing and all had taken place.

In journalistic terms, we have what we call "fixers," guys who help us—they translate, they run around, they make appointments for us, especially if we are operating in countries where we don't know the culture or the language. Now, these guys were basically fixers for al-Qaeda. They were the guys who guided them in. They had mule trains and horses. They brought them in. They guided them through the passes into FATA. They set them up. They went to the bazaar to buy food for them. They rented safe houses for them. If somebody from al-Qaeda wanted to go down to Karachi or to go back to the Middle East, they provided safe passage for them. So these guys were essentially the fixers who came with al-Qaeda and the Afghan Taliban.

Steadily, over time, because this whole region was left untouched by the military and the military did not go in until 2004, these fixers slowly became very rich. You know, al-Qaeda was paying lavish sums of money for anything you did for it. They became very rich.

As part of this traditional Pashtun tribal culture, a rich man always has an entourage. He sells his donkeys and buys pick-ups, dispenses with his brothers and cousins, and he hires a huge entourage, which in turn becomes a militia. If you look at the commanders today who are operating in FATA, they all go back to this period of coming across the border with al-Qaeda. Now each of these militia commanders has between 2,000 and 6,000 local tribesmen under their control.

Now, of course, they are expanding outside. First of all, what they have done in FATA in the last two or three years have been two things, simply: They have, first, killed or forced out of FATA all Pashtuns who oppose them. So the traditional Pashtun society—the tribal elders, the leaders, the few elements of civil society there (businessmen, traders, intellectuals, journalists)—they were all either executed by these Pakistani Taliban or driven out. For example, there is a huge refugee problem from FATA now in Karachi, which is unacknowledged by the regime. All these Pashtuns have fled to wherever, where they had brothers and cousins and are all living outside.

So what the Pakistani Taliban did is something that even the Afghan Taliban never did. They actually carried out a kind of ethnic cleansing within some of the areas of FATA. So now in FATA you are either pro Taliban or you are killed. There is no secondary option. Which is not the case in Afghanistan. The Taliban has used horrendous methods in Afghanistan also—executions and killing children and all this—but they haven't carried out this degree of a kind of cleansing.

Now, since gaining control of at least four of the seven tribal agencies in FATA, there have been other militias who have expanded in other parts of the country, in northern Pakistan.

The most recent fighting, for example, has taken place in Swat Valley—if you know Pakistan, many of you will know that this valley is a tourist center. It is a mountaineering/skiing center. It is very highly developed. This is a place where there is about 80 percent literacy, where there are roads, electricity. If the fundamentalists were to get control of this region, it would provide an enormous benefit and a kind of base area for them.

So the threat of extremism is now really spreading. I think what makes it even more dangerous than what we've experienced before, or even for the Afghan Taliban, are two things:

The first thing is that these tribal extremists are linked very closely to urban terrorist groups in Pakistan, in the major cities, because after 9/11 many of these urban terrorist groups, Kashmir groups fighting in Kashmir, went to FATA and sought refuge there, got training there, whatever. So now you've got these tribal Pashtuns who can't enter the city themselves, because they are not city folk and they don't know how a city works, but they've got these linkages with these groups, and these groups can carry out, as we've seen, a spate of suicide bombings and terrorist attacks in the urban areas, in Karachi and Lahore and all the major cities. This is a very new phenomenon. You have never had in all this period, in the 1990s or recently, this linkage between the tribals and these urban groups.

The second, I think, crucial linkage is the fact that, clearly, these groups and the tribesmen have people inside the military, because what we have seen are these targeted suicide attacks, a spate of suicide attacks, against the ISI [Inter-Services Intelligence], against the special forces of the Pakistan army, against army troops, against containment areas. Clearly, a lot of these suicide bombings could not have been carried out without—they are inside jobs, as it were. That, of course, raises the specter of infiltration in the military by these extremist groups, whether it's the Pashtun side of it doing it or the urban terrorist groups doing it.

I really want to just end by saying that the threat now of extremism is very rampant. The military is very demoralized. There have been desertions. Maybe up to 600 soldiers have surrendered to these militants rather than fight them.

There is a kind of panic in Washington. If you have been reading the press, there are all these harebrained schemes.

One is, as you know, they want to throw $700 million into development in FATA. I have been arguing in Washington just now. Who are you going to give this development money to, to the Taliban? Because there is nobody there—there are no NGOs there, if you think there are NGOs there. All the schools have burned down. There is no education there. What are you going to do, build schools that will be burned down? You need political reform in FATA. You need to reestablish civil society in some form. That civil society needs to be given security by the Pakistan army. It's a long process now because you've lost so much ground.

There is another scheme to give $350 million to the Frontier Corps, which is a paramilitary force of 80,000 Pashtun tribesmen, which traditionally was set up by the British to guard the border between Afghanistan and Pakistan. But unfortunately, the Frontier Corps is basically a writeoff, because the Frontier Corps for the last 25 years has simply become a jihadi force. It has been siding with the Taliban against the Northern Alliance in the

1990s. Before that it was fighting with the Mujahideen against the Soviets. It has been sort of the right arm of Pakistan's foreign policy in Afghanistan.

My question to some of the military officials was simply: "What conditions have you laid down for the Pakistan army to revamp and retrain and restructure the Frontier Corps?"

They said: "No, we haven't made any conditions. We are just going to give them helicopters and tanks. The Frontier Corps will be now armed not with Kalashnikovs but with helicopters and tanks."

I said: "Look, half of the Frontier Corps are jihadis themselves. You are giving helicopters and tanks to whom?"

Either the Frontier Corps should be written off, which would be a good idea; or it has to be completely revamped. Here is the American army training a new Afghan army from scratch, and doing a very good job about it in Afghanistan, using very strict criteria of recruitment of training, and so on. It is not seeing the same problem that you've got in Pakistan.

The third scheme is, taking a leaf out of Iraq, that we will arm certain tribes against certain tribes. I think: "Great. You want a civil war. You want to start a tribal civil war in the Pashtun belt."

You know, in Iraq what happened—of course, the example given is in Anbar province. What happened in Iraq simply was that these tribes came to the Americans and said, "We are fed up with al-Qaeda, because the al-Qaeda are foreigners, they are non-Iraqis"—not all of them, but a lot of them are—so the Americans armed them.

Now, there is no such parallel in the Frontier. No tribe is going to the American Special Forces and saying, "We want to fight al-Qaeda." The tribes are either with the Taliban or they have been thrown out.

So the problem here is that I think all these three schemes really reflect a lack of strategy in Washington, and I think this is an acknowledgement of the fact that there has really been no strategy for Pakistan to deal with this threat of extremism in Pakistan by the Administration. I think now what we are seeing is a kind of panic reaction—you know, "Tide us over the next 12 months until the elections. Throw money at a problem so the problem will go away—or hopefully the problem will go away." None of these solutions really offer anything concrete.

Let me end with that.

JOANNE MYERS: Thank you. As anticipated, it was candid, insightful, and completely brilliant. Thank you very much.

I'd like to open the floor to questions.

Questions and Answers

QUESTION: Do you understand the reasoning of the Bush Administration, why they have such a flagrantly destructive policy? And how much of a difference could they have made with a different policy in the last few years?

AHMED RASHID: I think they could have made a huge difference. Starting with Afghanistan, although I'm not going to go into listing all the policy mistakes made in Afghanistan: allowing the warlords to stay on too long, not doing sufficient reconstruction and development in the early part—Iraq was, of course, the big distraction—not building the army until now basically, et cetera, et cetera.

But I think, regarding Pakistan, simply there has been an entirely unidimensional focus, which has been al-Qaeda. I think Musharraf has been quite brilliant in playing the Americans. On the one hand, we have delivered certain Arabs at certain times—all of them, by the way, captured in the urban areas, in the cities; none of them captured in FATA, which was left alone, or the Arabs in FATA were left alone. We have on cue delivered certain members of al-Qaeda.

But at the same time we have allowed the Afghan Taliban to take root in Qatar and in other areas. The American focus right from the beginning was: "Get al-Qaeda. Don't bother about the Taliban. We're not bothered with the Taliban. We're not bothered with your extremists. We just want the top leadership."

I think that has been considered by this Administration as a strategy. But that sort of strategy—because it doesn't deal with the country, with the dangers that Pakistan faced—I mean that's a tactic, you can say. Unfortunately, this Administration has just lacked a strategy for Pakistan.

When it woke up to try to cut this deal with Benazir and Musharraf, again you were trying to bring together two personalities; you were not dealing with the institutional problems and support for the institutions that is desperately needed. If you want to promote democracy, you don't do it by bringing one individual from exile into Pakistan. You do other things to promote democracy. I mean here you had a judiciary which was very activist and it needed to be supported.

QUESTION: One dimension that I'd like to hear more about is social change, and especially the impact of the economic growth that has been coming along at a reasonably good pace. To what extent has that changed the nature and the attitude of ordinary people in terms of where they see their lives going and moving? And does it have any political ramifications or not?

AHMED RASHID: I think that's a very good question. It certainly has. Perhaps you would not have seen this kind of middle-class reaction if there had not been this growth in the middle class over the last few years.

I think this goes back to 9/11. We reaped a very rich bonanza, economically speaking, from 9/11. The economic turnaround goes back to 9/11, when everyone was desperate to keep Pakistan onboard.

There were huge debt writeoffs. We had a $38 billion debt. There were large-scale writeoffs, there was large-scale suspension of interest payments, et cetera. There was a lot of aid. The Americans have given $10 billion in the last six years, not to speak of the European Union and Japan and other countries. So yes, there has been a lot of aid and support, which has allowed the economy to do well.

Secondly, because of a lot of the Arab money that has not come into the United States, that has not come into the West, some of it has been diverted into investment in Pakistan.

But I think there are two factors you should remember here.

- I think the trickle-down of this growth has really not helped the very poor. Now, the World Bank is claiming that something like 34 percent of the population live under poverty, the $2 a day or whatever it is. The government says, "No. We've reduced that by 10 percent and it is now only a quarter of the population is living under poverty." In fact, what other independent economists are saying is that he poverty level has risen to about 40 percent in fact, rather than come down. I could well believe that, because the trickle-down has been very little, unfortunately.
- Inflation right now, because of the political crisis, is running at the highest that it has ever been. It is about 14-15 percent, which in a country like Pakistan is very, very high indeed.

QUESTION: When you look at these two institutions, the military and the judiciary/lawyers/ legal system, they both in a sense represent the secular, more or less moderate, and now increasingly middle class. Is there no national-level attempt to try to bridge the differences, because if there was a way of negotiating between these two for an agreement, rather than just the personalities of the politicians—

AHMED RASHID: Bridging between the politicians?

QUESTIONER: No, between the military as an institution and the judicial/legal system.

AHMED RASHID: I think there is a very sharp divide here. For the first time, the legal system is demanding a free and independent judiciary, and this is something that the military is not going to tolerate. So I think the division is much worse.

The lawyers are out in the streets every day, even today, because all these deposed judges are still—and these judges have become heroes, by the way. The chief justice, Iftikhar Chaudhry, who is not a particularly charismatic man or anything like that, is probably the most popular man in the country today. If he ran for prime minister in a free election, he would probably win, even without a political party, simply because people really think this man is a hero.

And the judges *are* heroes. You've just had one of the judges of the Supreme Court yesterday, I read on the wires, openly criticizing the U.S. Administration for letting down the judiciary and for not supporting the first independent judiciary in the Muslim world.

These judges have been incredibly brave. They have been threatened, they are under house arrest, their families are being threatened—their uncles, cousins, aunts, everybody is being threatened—and they haven't budged. With all due respect, in the past, judges, at least in our part of the world, have not been made with such mettle. Judges in our part of the world have buckled at the first sight of pressure.

QUESTION: You speak of the military as though it is monolithic. You speak of the military as a singular form. Is there no division of opinion within the military? Is there no way in which this very brave judiciary can reach any members of the military? The gentleman who was supposedly following Mr. Musharraf as head of the military was described, in the U.S. media at least, as being somewhat Western-oriented. Is there no way of separating out and reaching some part of the military?

AHMED RASHID: First of all, let me say Pakistan has a British-trained army. It is very disciplined and hierarchical. We've had a lot of coups, but we've never had a colonels' coup. They have always been coups by the chief, not by the lower ranks.

Having said that, I will say that I think there is a lot of concern in the military amongst the more professionally-orientated officers, who see, first of all, that the military is coming under enormous suspicion by the public and anger is being directed at the military by the public. I think a lot of senior officers are very concerned about that. I think a lot are also feeling very threatened by the extremists, and perhaps blame Musharraf.

There is also an Islamist wing within the military, not at the senior level but at the more junior level. I think there is an Islamist wing because clearly, as I pointed out, some of these attacks that have been taking place in Pakistan have been a result of the kind of leaks that have happened from within the military.

But this is not an army that is going to move.

Now, one scenario that is being painted is that if there is a major crisis after the elections, which is a prolonged crisis and brings many more people into the streets than have come out so far, then finally the military may be tempted to ask Musharraf just to go home. The military may either stage a coup or they may try to encourage a national government to be formed.

At the same time, it has to be said that all the generals that Musharraf has appointed, including the new army chief, these are people who have been very loyal to him over the last eight years. I think it is going to take an awful lot for these people to buck the system.

I think the other very important point to make about the military is this huge economic stake that they have developed in society now. They are controlling businesses and corporations and jobs. Every military regime has obviously favored the military in getting a bigger piece of the pie, but Musharraf has been absolutely outstanding in relegating the civilian bureaucracy and replacing them with retired military officers.

So if you retire now as a colonel or a brigadier or a general, you are guaranteed a civilian job for the next ten years, with all the perks.

There are 1,200 army officers above the rank of brigadier who are running civilian corporations—businesses, banks, universities. Every single vice chancellor of every single Pakistani university is a major general. Every sports board, the Olympic Committee—every sports board is run by a major general. So forget banks and state corporations and the rice corporation and the cotton corporation. I'm talking about education and media and culture. The arts board is run by a major general.

Now, what do you do? These are jobs which should have gone to professional people in their capacity or to the bureaucracy. The civilian bureaucracy has been shafted completely. They have just been sidelined.

With these kind of stakes, it is very difficult to see—because, clearly, if a civilian government were to come in, the first pressure on Benazir would be to get rid of these 1,200 guys, give these jobs back to the civilians who deserve them and who have been sitting out in the cold for the last eight years.

So I think the military issue is a very complex issue.

QUESTION: You are a masterful speaker because you have left us on the edge of our seats, on the edge of a "Perfect Storm". You've got an impending crisis after the elections, you've got the fundamentalists moving into the urban areas, a failed U.S. strategy; you're not going to de-nuke the country. So where is the leverage that is going to create the solutions?

AHMED RASHID: The leverage for the United States?

QUESTIONER: Maybe not.

AHMED RASHID: The big hope at the beginning of this year was that—clearly, you're not going to have a civilian government for the time being in Pakistan which can dispense with the military. You need a representative civilian

government to deal with the threat of extremism. You need a government which can say, "We have the support of the masses and the people. You extremists, we'll either talk to you or kill you or whatever, but we have to deal with you." I don't think the military has the capacity to do that.

So we needed a free and fair election. We needed a representative government. But at the same time we needed a government and a prime minister who would work with the military, and we needed a military that would work with the civilians.

Now, what was the experience of Pakistan in the 1990s? If you remember, we had a series of elected governments who were extremely poor performers, including Bhutto and Sharif. But at the same time the military undermined them; the military refused to work with them. The military always was sort of needling them and constantly undermining them.

Now, we have not had a situation ever in Pakistan where civilians have worked happily with the military. At this time it is absolutely critical.

I think a critical role is played by the Americans. The Americans have enormous influence in Pakistan with the military, with the politicians, because of the aid, because of history and the role that America has played in Pakistan.

I think the Americans have—if there was a strategy to have a free and fair election, a representative government—there is an American role to make sure that the military/civilian partnership would work in tandem to deal with this extremist threat. That is the major threat at the moment.

I think it is possible, but it is not going to be possible after a rigged election which the Americans are going to endorse as a perfectly free and fair election. The people of Pakistan will come out and say—they will be attacking Musharraf, but they will also be burning the American flag at the same time.

Again, we go back to this failure of having a more comprehensive strategy which doesn't just deal with individuals but deals with institutions and real political problems.

QUESTION: Thank you, Ahmed, for a very informative talk. I want to throw a red herring. We talk about America's influence in Pakistan and how it can leverage a better outcome. But nowadays sometimes it seems that actually another country has far more influence in this, and that is Saudi Arabia. I was wondering if you can comment. It looks like they are the ones who were brokering Nawaz Sharif's return, and there are rumors that they are trying to actually get the chief justice to go into exile in Saudi Arabia and make things simpler for the military. If you could comment about what Saudi Arabia is doing and what is their game plan, and whether or not, from what Washington decides, the Pakistan military is likely to listen more to what Riyadh has to say than to what Washington has to say.

AHMED RASHID: As you know, it is always difficult to decipher if the Saudis are working with the Americans or at odds with the Americans.

Yes, Nawaz Sharif was in exile in Saudi Arabia and the Saudis forced Musharraf to accept him back. I think that move, and a lot of the Saudi moves, have been basically at odds with U.S. strategy, simply.

I think the Saudis do not like Bhutto. They consider her an American puppet. They consider any kind of political success by her—apart from the fact that she is a woman, she is pro-Western, she is too close to the Americans—they wouldn't want the government in Pakistan to be entirely besotted with the Bush Administration.

So I think Nawaz Sharif was sent back by the Saudis to throw a spanner in the works. Nawaz Sharif is essentially a right-wing politician. He is close to the fundamentalist Islamic parties. He is very close to the sheiks and the rulers of the Gulf States. He has not really taken a very clear position against the threat of extremism. He has taken a position—I mean he has given lip service to it—but he has certainly not been as outspoken as Bhutto has.

So I think the Saudis essentially would like to keep Musharraf there. They would like to see a deal between Nawaz Sharif and Musharraf. So the Saudis would like to see a deal completely at odds with what the Americans are trying to do. The Saudis would like to see a deal between Nawaz Sharif and Musharraf because that would bring in the Islamic parties, that would bring in the traditional pro-Saudi elements in Pakistan.

So there is this sort of tug of war going on at the moment, I think, between the Saudis and the Americans. I think the failure really of the Americans to have a strategy means that right now they are incapable of countering this Saudi move.

QUESTION: My question is—and maybe you've already answered it—do you see any future for Benazir Bhutto in

the leadership of Pakistan?

AHMED RASHID: I do, certainly. She is not a spent force. Her party is still popular. She has been compromised because of this deal, unfortunately, because of the proximity, frankly, with the Americans, and also because she has been trying to implement this deal with Musharraf. But I think if she comes out in opposition against Musharraf after the elections and she considers the elections rigged, she may wipe herself clean and still be a very potent force.

I think it is terribly important to understand that in Pakistan the People's Party, her party, do represent a very traditional—they are anti army and anti mullah. So they are the closest thing that Pakistan has to a national political party that is secular. To describe them completely as secular would be wrong, but it's the closest thing that we have.

So frankly, again, the American strategy of this dependence on one person has been the kiss of death for her, politically speaking, because it has labeled her. There have been terrorist attacks against her. The extremists are against her. And the army now distrusts her, because the army also feels that she would just be listening to the U.S. ambassador, not listening to the army or other people.

I think she still has an enormous role to play in Pakistan. Her role is not finished. But, at least temporarily, she has faced setbacks.

QUESTION: Could you say something about Pakistan's relationship with Iran and the role of the Jundallah in Balochistan, the terrorist group that has been operating against Iran, and how the American strategy vis-à-vis Iran relates to its approach to Pakistan?

AHMED RASHID: There is one conspiracy theory which I don't have any evidence about. There is one conspiracy theory which says that actually the reason for this blanket American support to Musharraf is because Musharraf has accepted that he will help the United States if there is an attack on Iran. Now, that is something that most Pakistanis would be horrified at, simply because we have a very large Shia population, we are very close to Iran, there's a very strong people-to-people relationship even though there have been problems of government-to-government relationship. That's the first thing just to say and put aside.

I think relations with Iran have become very bad, largely because of the American presence in Pakistan, the war against extremism, and the support that Musharraf has given to the Americans, but also because the Iranians, of course, have been very suspicious of the support Pakistan has been giving to the Afghan Taliban, who have been traditionally the enemies of Iran. Now, to counter that, you have had of course these linkages, now growing linkages perhaps, between the Iranian secret services and the Revolutionary Guard and the Afghan Taliban operating in western Afghanistan.

So, in a sense, the Iranians here are not just trying to create new proxies for themselves in Afghanistan, but they are also trying to undercut Pakistani influence. That is terribly important for Iran, to undercut Pakistani influence among the Pashtuns. It is the first time that we have seen the Iranian influence operating with the Pashtuns.

Now, there is this force Jundallah, which is an Iranian Sunni group opposed to the regime in Teheran. It seems to have considerable bases and access on the Pakistani side of the border, in Balochistan province, and seems to be able to carry out raids in Iran and then come back. That, of course, has raised the suspicions that the ISI and the military have been possibly helping the American secret services operate this kind of clandestine group across the border in Iran.

I don't know anything more than that really. I don't think this Jundallah is a mass-based group. I don't think it has large support.

There was a similar group operating with the Taliban in the 1990s who I had some dealings with. Because the Taliban were very anti-Iran, the Taliban was supporting the Iranian Sunnis. These were Iranian Taliban, if you like, Sunni extremists who the Taliban had given sanctuary to in Herat [in Afghanistan] and who were trying to launch attacks into Iran. But they were not very successful. Now, I don't know if these people, Jundallah, is a continuation of that same group, who I met with ten years ago, or is something new which may have been concocted by the Pakistani intelligence services or may be something genuinely Iranian.

JOANNE MYERS: Well, I think after tonight's presentation you've probably added many more fans Ahmed Rashid Fan Club. I thank you very much for being with us.

I thank you all for joining us.