

PAKISTAN Briefing

Islamabad/Brussels, 12 March 2002



PAKISTAN: THE DANGERS OF CONVENTIONAL WISDOM

With the continuing military campaign in Afghanistan, the international community has fundamentally shifted its policies toward Pakistan. The government of President Pervez Musharraf has been repeatedly praised as a key ally in the war against terrorism, and the U.S. alone has indicated that it will offer Pakistan more than one billion dollars in assistance. This briefing explores some of the most important dynamics underpinning the international community's revised approach to Pakistan and suggests that much of the conventional wisdom relies on dangerously faulty assumptions with important implications for future policy and regional security.

OVERVIEW

Few nations have been more dramatically thrust into the spotlight since 11 September than Pakistan. Prior to that date, Pakistan found itself increasingly isolated as a result of a number of factors including fairly transparent military and security support for both the Taliban and militant cross border insurgents in Kashmir, a military takeover of government in October 1999 and deep and persistent economic difficulties.

In the immediate aftermath of the terrorist attacks in New York and Washington, the government of General Musharraf was directly pressured to cooperate with the Bush administration on a range of issues including condemning the 11 September attacks and assisting in the destruction of Osama bin Laden and the al-Qaeda network, ending support for the Taliban, granting blanket overflight and landing rights and access to Pakistani military bases, and offering intelligence assistance and logistical support. Pakistan moved quickly to assure the United States that it would offer full cooperation, and it was deemed an essential partner in the war on terrorism.

Clearly, Pakistani assistance has greatly facilitated the military campaign in Afghanistan. Given its central role in helping bring the Taliban to power, the withdrawal of direct support was bound to have

a significant impact. Equally evident, Pakistan's stability and economic and political prospects will be crucial in shaping South Asia's security picture – no small matter in an area with two nuclear powers and several active terrorist networks. Given its importance in the regional equation, however, it is worth subjecting key assumptions of the international community's approach to Pakistan to closer scrutiny.

The current high praise for the Musharraf government is driven both by appreciation for measures it has taken and by fears of possible alternatives. Western officials, analysts and reporters have warned direly of that government's fragile state and suggested that it could succumb to angry street protests or swelling Islamic extremism. Similarly, much has been made of the influence of extreme Islamic religious parties within Pakistan's political system and public life. Others have pointed to potential splits between the country's military and its Directorate for Inter-Services Intelligence (ISI) in trying to explain Pakistan's long running support for Islamic extremist groups. All these points are often combined, when viewed against the backdrop of efforts to cooperate with the West since 11 September, to suggest that the Musharraf government has made a fundamental strategic and philosophical shift in recent months.

Unfortunately, many of these claims do not stand up under closer scrutiny. They require glossing

over the symbiotic relationship between Pakistan's military and security services and Islamic extremists in recent years as well as the desire of the country's generals to maintain their institution's central role in political life. Far from being besieged by Islamic extremists, Pakistan's military government has carefully used that phenomenon as an essential tool to justify its hold on power, improve its standing with the West, and resist restoring secular democracy and as a tactical means to advance its goals in both Afghanistan and Kashmir.

Unless the international community more clearly recognises this, it will likely cede the current military government far too much latitude in delaying, or denying, long overdue moves to restore democratic governance and create a disturbing impression among the citizens of Pakistan that the West actually favours authoritarian governments over freely elected ones. Giving the Musharraf government carte blanche will only likely drive the country further into its long spiral of corruption and economic malaise. Ultimately, instability in Pakistan would lead to intensified regional instability and help create an environment in which terrorism could flourish.

I. A GOVERNMENT ON THE BRINK?

"Top officials are adamant that the government's decision to side with the U.S. is a moral stand against terrorism. But they also say President Pervez Musharraf must be rewarded for his gamble -- or risk losing public support to the angry mullahs calling for a jihad against America."

USA Today
5 October 2002

One of the first pieces of conventional wisdom regarding Pakistan to take a direct hit during the last several months was the notion that an angry "Pakistani street" was waiting to rise up against the military government if it cooperated with the West. As events unfolded, street protests were relatively few, not well attended and short lived. However, the military government was able to use the threat of such unrest to help leverage wider benefits for its cooperation, and President Musharraf was able to portray himself as a bold leader taking a stand against religious extremism.

However, the fizzle of street protests should come as no surprise. It has traditionally been Pakistan's military that has played a lead role in encouraging religious parties to take to the streets when it saw fit for such protests to be held. Far from being under direct siege by the more extreme religious parties, the military and these parties have enjoyed a long running and symbiotic relationship. It is also important to note that Pakistan's military, while relying heavily on such elements to achieve certain goals, remains a largely secular force with little interest in embracing a fundamentalist religious worldview – making its approach all the more cynical.

The military and intelligence services have used these parties to promote their agenda in several important ways. According to a former chief of ISI, General Hameed Gul, "Religious forces have always aligned themselves with the military's views with regard to the defense budget [and] the Kashmir and Afghan policies".¹ Pakistan's military

¹ Mubashir Zaidi, "The loss of strategic depth can be attributed to the unholy shadow of the foreign office—former ISI chief, Hameed Gul", *Herald*, December 2001, p. 49.

leaders supported the Taliban to attain their goal of strategic depth in Afghanistan by squeezing out the interests of other regional rivals including Iran and India and the forces of the Northern Alliance. The concept of strategic depth was developed in the 1980s by General Gul and implemented by Army Chief General Aslam Beg. According to the former, the policy of “strategic depth” was originally strongman General Zia-ul-Haq’s, who “had given the ISI the task of running it”.²

Support for the Taliban and religious parties within Pakistan also let the government take potential steam out of a move for a unified Pashtun territory stretching across the borders of Afghanistan and Pakistan. Religious extremists trained and funded in Afghanistan by Pakistan were also seen as an important tool by which to “bleed” India in Kashmir through cross border insurgency. The logic was simple: if Pakistan could make the cost of holding Kashmir high enough for India by helping to sponsor a long running guerrilla campaign, New Delhi would eventually offer a fundamentally favourable deal at the negotiating table.

The military government has also used its support for extremist groups to advance its domestic and international agendas. The military and intelligence services have employed extremist elements as a convenient tool with which to bludgeon mainstream political parties when they are seen as becoming too powerful or moving in directions contrary to the perceived interests of the military establishment. By pointing to the twin threats of religious extremism and political party corruption, the military establishment has also been able to justify its self-perpetuating rule to the people of Pakistan. Similarly, when dealing with the international community, the military government has often portrayed itself as the best defender against the same extremist groups that it has done so much to nurture – an effort somewhat akin to the old tale of the man who murdered his wife and then pleaded for leniency as a widower.

For the extremists military and intelligence backing has helped to carve out a sometimes influential role in a society where there has traditionally been little support for fundamentalism, and extremist parties mostly fare

poorly at the polls. Before 11 September, official support also meant money, guns, transport, intelligence and an aura of immunity from prosecution for these groups and their leaders.

Given such deep links between Pakistan’s military government and these groups it is small surprise that extremist groups did not turn out en masse to bite the hand that feeds them. While the military government’s control over more radical religious parties is clearly not absolute, these groups would exist even farther on the margins of Pakistani society if it were not for the frequent sustenance they have received from the military government and security services.

² Ibid. p. 48.

II. AN ISI-MILITARY SPLIT?

“Although Musharraf recently has replaced the ISI leader, there are doubts he has a firm hold on the organisation. This looms as a long term threat to the Pakistani leader.”

The Courier Mail
11 January 2002

Much has been made by international commentators that the ISI is a rogue agency, with an independent agenda, that poses a potential threat to President Musharraf's hold on power. From such a perspective, the Pakistani military is seen as a more secular force, with the ISI serving as a hotbed of extremism and fundamentalist Islamic beliefs. Much attention was also given to the fact that on 8 October 2001, Musharraf demoted the head of ISI, Lt. General Mehmood Ahmed. Musharraf insisted this was simply a long planned staff shake-up but others speculated that Ahmed was demoted because he wished to maintain support for the Taliban. While much has been made of the dismissal, it should be noted that within Pakistan Ahmed has never been considered particularly fundamentalist in his worldview. As a key coup maker who commanded the crucial Rawalpindi corps, Ahmed did, however, pose a threat to Musharraf himself. Hence Musharraf first removed Ahmed from active command by appointing him Director General of the ISI. After 11 September, and confident of US support, Musharraf removed him from the Army altogether.

In any case, the ISI's independence has often been overstated. Pakistan's military remains deeply disciplined, and the ISI falls directly within its chain of command. Almost all ISI officers are regular military personnel, who are rotated in and out for no more than three years. Few military officials interviewed in Pakistan would even suggest that ISI would operate out of the direct chain of command that traces back to the Chief of Staff of the Army. According to Musharraf's Communications Minister and a former Director-General of ISI, Lt. General Javed Ashraf Qazi, the ISI is composed of elements inducted into the agency for a fixed tenure from all over the armed

force and then returned to their units.³ Indeed, while the ISI does include some non-military officials, they are usually not senior. Most often, any separation is designed to allow the government plausible deniability more than anything else.

President Musharraf's own career offers ample testimony to the close working relationship between the military and the ISI and should serve as a cautionary tale to those now arguing that he is at the “courageous forefront” of the battle against extremism and supports efforts to “rein in” the ISI. In 1995-1996, the very years that the Taliban advanced rapidly from their base in Kandahar to capture more than two-thirds of Afghanistan, Musharraf was Director-General of Military Operations at Army General Headquarters in Rawalpindi. He clearly played a key role to play in overseeing Pakistan's all-out support for the Taliban. Very little ISI assistance to the Taliban militia would have happened without his knowledge and consent. There were also reports that once becoming Chief of Staff of the Army, General Musharraf personally was responsible for blocking a U.S. plan to use Special Forces to apprehend Osama bin Laden in Afghanistan, an effort that would at least have required transit through Pakistan's air space.

Even after 11 September, General Musharraf initially counselled working with the Taliban and suggested that it would need to be given some role in whatever new government was formed within Afghanistan. In a televised interview in November 2001, Musharraf argued: “The moderate Taliban are willing to bring about change. They should be accepted in a future administration”.⁴ It was only after intense international pressure that General Musharraf began publicly to adjust his position, and even after the onset of the allied military campaign, there were still widespread reports of some degree of cooperation between Pakistani intelligence services and Taliban elements fleeing the fighting.

General Musharraf is also widely seen as the key engineer of Pakistan's disastrous operation in Kargil during May and June 1999. The effort to

³ *The News*, “ISI Doesn't Have Links with Jihadis: Qazi”, 28 February 2002.

⁴ Humayun Akhtar, “Army is Behind Me, Says Musharraf”, *The Nation*, 12 November 12, 2001

flood large numbers of extremist fighters and Pakistani regulars across the Line of Control with India and into key strategic positions in Kashmir relied heavily on direct Pakistani military and intelligence collaboration with these “Jihadi” fighters, and pushed India and Pakistan dangerously close to all out war – a remarkably dangerous prospect given their nuclear capabilities and rather fragile early warning systems. Many within Pakistan also view the Kargil operation as a deliberate move by the military to embarrass the civilian government of then Prime Minister Nawaz Sharif and to scuttle the possibility of détente then emerging on the sub-continent.

While obviously much about Pakistani intelligence remains murky, there is little to suggest that the military and ISI are in anything other than lockstep even today. Pakistan still devotes tremendous resources in essence to spying upon itself. Given the tremendous challenges facing the country, efforts by intelligence agencies to monitor everyone from journalists to party activists must be viewed as a serious misallocation of resources that undermines development prospects.

III. THE POWER OF RELIGIOUS PARTIES

“For Pakistan itself, Musharraf’s plan – outlined in an address to the nation this month – signals an end to a quarter century in which political power has flowed gradually yet steadily in the direction of conservative religious forces, turning the country into a safe haven for extremists.”

Los Angeles Times
29 January 2002

Most fundamentalist religious parties in Pakistan have never developed broad support at the ballot box on those occasions when citizens have been allowed to freely express their will. The two most powerful political parties remain the Pakistan People’s Party and the Muslim League. Election results during Pakistan’s ten-year experiment with democracy belie alarmist claims that Islamic extremists are on the verge of taking over the state, and the military is the last defence. Periods of representative rule have, in fact, strengthened moderate democratic forces, not their religious counterparts.

By 1988, when General Zia-ul-Haq’s demise in a mid-air explosion ended over a decade of military rule, state patronage had given Islamic extremist organisations considerable political clout. But when Pakistani citizens were permitted to elect their own representatives, they voted overwhelmingly for moderate, mainstream secular parties. Electoral support for extremist religious parties, in fact, progressively declined between 1988 and 1999.

The rise of the Taliban in Afghanistan in the 1990s, had, for instance, stimulated fears that their success would be replicated in Pakistan. Support for parties such as the Jamiat-Ulema-e-Islam (led by Fazlur Rehman) (JUI-F), one of those that had helped the military to create and sustain the Taliban, however, has been minuscule in every national election. In 1988, the JUI-F obtained seven national assembly seats with 1.84 per cent of total votes; in 1990, six seats with 2.94 per cent of votes; in 1993, four seats with 2.4 per cent of the vote; and, in 1997, only 2 seats with 1.61 per cent of the votes. Ironically in the 1997 elections, when its Taliban allies had captured 90 per cent of Afghanistan’s territory, the JUI-F was soundly

defeated in its Northwest Frontier stronghold by the Muslim League and failed to win a single seat.

As political parties gear up for the October 2002 polls, the most vocal opponents of the U.S.-led anti-terrorism campaign in Afghanistan, the Jamiat-Ulema-e-Islam (led by Samiul Haq) and the JUI-F, are forging an electoral alliance. However, if free and fair elections are held, the People's Party and the Muslim League will once again easily prevail. In short, the threat of a groundswell of Islamic extremism at the polls appears to be more mirage than reality. Unfortunately, with the repeated disruptions in the electoral process, Pakistan's citizens have had fewer opportunities to underscore this fact than they deserve.

IV. A BASTION AGAINST CORRUPTION?

"Certainly, corruption was at the heart of last week's coup, which removed from office Nawaz Sharif, who looked on as Benazir Bhutto was hauled into court for graft. For her part, Miss Bhutto, convicted along with her husband, earlier had accused Mr. Sharif of corruption. Then there is the taint attached to supporters on both sides. Just who is clean and who isn't is almost impossible to figure out. Not surprisingly then, Gen. Pervez Musharraf's coup met with little dismay from his countrymen."

Far Eastern Economic Review Editorial
October 28, 1999

From President Musharraf's own comments when justifying his coup in October 1999 to those of western diplomats and editorial writers, the corruption of civilian political leaders has often been cited as a rationale for military leadership. There is no question that the People's Party and the Muslim League, particularly during the tenures of Benazir Bhutto and Nawaz Sharif, were marked by corrupt practices and official abuses, often on a systematic level. Bhutto's continued insistence that she should serve as "chairwoman for life" of the People's Party is fundamentally undemocratic and provides commentators with plentiful ammunition that the political parties are little more than cults of personality. Her relatively cavalier responses to credible charges of corruption have also diminished international confidence in Pakistan's political process. Similarly, efforts by Sharif late in his tenure to push through questionable constitutional changes helped erode the rule of law and hasten a showdown with the military.

However, corruption in Pakistan is hardly limited to elected officials or the dominant political parties. The country continues to suffer from systematic and widespread corruption across political parties, judiciary, military, civil bureaucracy, police, and intelligence services. Indeed, the notion that the military is somehow a "cleaner" institution should be greeted sceptically. The military and intelligence services still continue to command the lion's share of the national budget with almost zero accountability or public oversight. Scandals in recent years concerning military procurement have only emphasised the

lack of transparency in military acquisitions. The military, which controls the borders, is also well positioned to profit from taxes and tariffs, both formal and informal.

The military has also consistently used the distribution of state land which it controls – often in prime locations in larger cities – as an extensive patronage network for officers. Most of the latter readily admit that General Musharraf's tenure has been generous for such "benefits" – perhaps even more so than earlier civilian administrations. It is also interesting that Pakistan's ratings in Transparency International's annual corruption perception index declined from 1998 to 2001. Musharraf has not created a greatly improved sense of accountability despite the extraordinary legal tools available if his government were serious about prosecuting corruption cases beyond those largely designed for political purposes.

The international perception of the military government as less corrupt may also stem from the fact that since 1999 there has simply been less money flowing into Pakistan and thus consequently less to misappropriate, a trend that recent events have reversed rather dramatically. Given that assistance to Pakistan will be increasing significantly – not as a result of improved economic performance but because of the global war on terrorism – prospects for greatly improved accountability within a military dictatorship seem tenuous at best. A number of retired military officials who spoke with ICG directly expressed their hope that the West would not resume large-scale military assistance because they feared it would only make much needed reforms more problematic.

Many pro-democracy activists in Pakistan, while acknowledging the depth and perniciousness of corruption across society, argue that "If all of our governments are going to be corrupt, why shouldn't we at least be able to elect them?" Certainly, accountability across society will not occur without strengthened public institutions that improve transparency and promote the rule of law. However, continued military rule will do little to make progress on any of these fronts.

V. A FUNDAMENTAL STRATEGIC SHIFT?

"Musharraf is now in the Ataturk position, a dictator deploying absolute power for the apparently paradoxical ends of modernising and democratising. Like Ataturk, he has to work in chaotic conditions to create a nation-state capable of dealing with the difficulties it faces. He made his existential choice when he broke with the Taliban, joined the American coalition, and opened local air bases to American aircraft. He has also purged senior generals in the army and the ISI who were Islamists and promoters of the "strategic depth" doctrine that has wreaked such havoc. He has banned Jaish-e-Muhammad and Lashkar-e-Taiba and several other terror groups as well, closing 500 of their offices and ordering the tracking of their funds with the aim of freezing them. In the most fraught part of this U-turn, he has had arrested an estimated 2,000 militants who until now were secretly subsidised and encouraged by the ISI. He describes madrassahs correctly as places that 'propagate hatred and violence,' and in the future they will have to register with the authorities and teach modern courses. Rival politicians and influential opinion-makers who hitherto have criticised Musharraf for usurping democratic rule are now coming around to him because Pakistan has changed course and will not become an extremist Islamist state."

The National Review
25 February 2002

The government of Pakistan has taken a number of important steps in recent months, including sharply curtailing its direct support for the Taliban, widely making its bases available for allied forces, shifting its rhetoric, clamping down on public fundraising by extremist groups, banning several of the most notorious Islamic extremist groups and detaining a significant number of militants. While on the surface it is easy to portray this as a 180-degree policy turn, this claim bears closer analysis. Indeed, it remains to be seen whether the moves amount to a fundamental strategic shift or rather simply a series of tactical moves designed to curry favour with the West while maintaining the military's dominant position.

In several areas, there is far less change than meets the eye. First, the military government was the

over-arching institution in Pakistan's public life before 11 September, and despite modest moves, it appears the October 2002 election will be so heavily engineered as to constitute only a veneer of a genuinely competitive electoral process. Already the government has widely curtailed the eligibility of potential candidates, added a substantial number of parliamentary seats for "technocrats" that it hopes to control and stacked the high courts. Through selective accountability, Musharraf is attempting to eliminate his civilian rivals. Sentenced to life imprisonment for hijacking Musharraf's plane at the time of the coup, former Prime Minister Sharif has been exiled to Saudi Arabia. Cases have been instituted to prevent Bhutto from running.

At the same time, Musharraf has created an alternative civilian clientele through nominal local bodies and by encouraging the break up of the Muslim League. The splinter group of the latter, the Muslim League (Quaid-i-Azam), headed by former Punjab Governor Mian Mohammad Azhar, is more than likely to receive governmental patronage during the elections. Since Musharraf has also appointed a pliant Election Commissioner, former Supreme Court Chief Justice Irshad Hussain Khan, it is equally unlikely that the election commission will question or curb malpractice.

General Musharraf is well on the way to acquiring an additional five-year presidential term virtually by military fiat. He has openly told local political leaders that he would like to serve an additional five-year term after that – giving him at least thirteen years of uncontested military rule. This contrasts sharply with his comments in October 1999 after he assumed power when he assured the nation and the world, "The armed forces have no intention to stay in charge any longer than is absolutely necessary to pave the way for true democracy to flourish in Pakistan." Musharraf has also revealed his intention to restore the president's power to dismiss the prime minister and dissolve the legislature. Further, by establishing a potential military-dominated National Security Council with de facto veto over the actions of an elected prime minister and parliament, military officials are seeking to ensure control over Pakistan's government in perpetuity.

It would appear to be no coincidence that the military is pushing through these extra-

constitutional measures when its international standing is at a high water mark because of its cooperation with the anti-terrorism campaign. Senior Pakistani officials have acknowledged off the record that they have been told directly by the Bush administration that Washington would prefer to see General Musharraf remain in power for a number of years. If true, it would constitute extraordinarily poor judgement to endorse what must be considered a military dictatorship over a legitimate democratic process. That choice can be shown almost always to result in more instability, not less, over the long term. Pakistan has never been able to develop full civilian control over its military. The fact that it has fought three wars with India since Independence while failing to make much needed investments in public education and health underscores the high cost of marginalising the country's civilian leadership.

The events of 11 September also appear to have done little to fundamentally shift the Pakistani military's approach to Kashmir despite tactical adjustments. After the 13 December 2001 terrorist attack on the Indian parliament and the large Indian military build-up on the Line of Control, Pakistan appears to have curtailed its support for cross border raids by "Jihadi" groups. However, given the close scrutiny by both India and the United States to activities across the Line of Control, this appears more expediency than good will and not real abandonment of proxy war. President Musharraf has repeatedly made it clear publicly that Pakistan will not lessen its commitment to the cause of Kashmir. Addressing gatherings on Kashmir Solidarity Day on 5 February 2002, he condemned India for attempting to "mislead the world community by projecting the indigenous struggle of the Kashmiri people as terrorists", and reiterated Pakistan's diplomatic, political and moral support for "their struggle that includes the blood of thousands of martyrs".⁵

It would be no surprise if the ISI continues to support insurgent groups both in Kashmir and elsewhere in India with funds and intelligence while reducing cross border raids. Indeed, there are some indications on the ground that Pakistan is moving in this direction. Such an approach would maintain the larger Pakistani strategy to bleed

⁵ Roshan Mughal, "Musharraf Seeks World Help on Kashmir", *The Nation*, 6 February, 2002.

India as a means either to achieve a favourable settlement on Kashmir or “internationalise” the conflict. Continuing to embrace such a strategy would only ensure that tensions with India are maintained, hobbling Pakistan’s prospects for economic and social development.

Similarly, only time will tell if the ISI and Pakistan’s military can approach Afghanistan with relative restraint. The upcoming Loya Jirga process should provide a useful barometer of Pakistan’s desire to control whatever government sits in Kabul. A long history of meddling in Afghan affairs has most often proved counterproductive and left Islamabad with an unstable neighbour and host to millions of refugees. While Pakistan has been far from alone in pursuing such ill-advised policies in Afghanistan, it has often suffered the most as a result. This again highlights the dangers of having the military and intelligence services act without a civilian brake on their foreign policy activities.

Lastly, amid suggestions that the military and intelligence services do not wish to alienate fringe parties as the electoral process is manipulated in the run-up to October, there continue to be serious questions regarding the scale to which Musharraf has actually cracked down on extremist groups. There are few indications that the military government has made a serious attempt to reform the madrassas system or to push through core changes in its curricula. On the contrary, a number of government officials continue to make highly supportive statements to officials running these religious schools, and efforts to develop educational alternatives have seen little progress. In fact, the military government lauds the social and economic contributions made by religious seminaries, denies it intends to crack down on them and emphasises that it is aiming only at ending sectarian terrorism. “Western countries either lack information or lack sincerity about madaris”, noted Musharraf’s Minister for Religious Affairs, Dr. Mehamood Ahmad Ghazi, who also categorically claimed, “It is absolutely clear that no religious school is involved in the training of terrorists”.⁶

The murder of Wall Street Journal correspondent Daniel Pearl by Jaish-I-Mohammad activists and sectarian killings of Shias by Sunni terrorists are hardly evidence of government success in reining in extremists. The government needs to take immediate steps to identify and close down madrassas that give military training to religious extremists. Those responsible for propagating religious hate and for terror acts must be arrested and tried in courts of law. But jihadis will continue to flourish if the state and its intelligence agencies support their activities in Afghanistan or Kashmir.

Western news reports claim the military government is disbanding ISI units with close links to Kashmiri and Afghan jihadis,⁷ reassigning personnel, and restricting activities to information gathering. Transferring personnel will make little difference, however, until ISI’s internal and external missions are severely restricted, and the agency is subjected to civilian oversight. At present, the ISI charter, according to former chief Hameed Gul, is broadly defined to include “counter intelligence, operational intelligence security, security of the three services, items related to national security” and an internal political cell.⁸ Even if this mandate is restricted, oversight would be impossible without a sovereign parliament and rule of law.

⁶ Waseem Abbasi, “Madaris not involved in Terrorism: Ghazi”, *The Nation*, 13 February 2001.

⁷ Douglas Jehl, “Pakistan to Cut Islamist Links to Spy Agency”, *The New York Times*, 20 February 2002.

⁸ Dayan Hasan, “What is a Prime Minister?—General Hameed Gul, former DG ISI”, *Herald*, January 2001, p. 62.

VI. CONCLUSION

Pakistan has an essential role to play in promoting security and stability in both South and Central Asia. The government of Pervez Musharraf has widely, although not universally, cooperated with the international alliance's anti-terrorism campaign, and a strategy of engagement with Pakistan certainly makes more sense than a policy of isolation at this time. That said, the international community should approach Pakistan and its problems with open eyes. Offering tacit support for quasi-military rule into the indefinite future, may make it more difficult, not less, to tackle the foundations of Pakistan's insecurity.

A strong, secure and stable Pakistan will need to be built on a far more robust economy, aggressive efforts to educate a population where more than 50 per cent of students drop out by the American equivalent of the third grade, establishing the rule of law and unshackling a robust civil society that can combat pervasive corruption. All these efforts will demand resources and need to be supported by the public. However, as long as Pakistan's military and intelligence services continue to claim the lion's share of the national budget – official estimates are at least 29 per cent, with actual figures likely much higher – it is difficult to believe that Pakistan will be able to meet its challenges.

As the single wealthiest, most powerful and influential institution in Pakistan, whose generals receive generous perks on a regular basis, the military is unlikely to limit its own broad reach voluntarily. Indeed, it is remarkable that generous U.S. assistance will flow to a country where the large military budget is approved only as a single line item by the parliament – a lack of transparency that encourages corruption as fundamental in the military establishment as in any of Pakistan's other institutions.

It is also difficult to think that Pakistan's military will make a good faith effort to resolve its myriad of tensions with India, when those have often been used as the prime justification by the military for its over-arching domestic role. Very few institutions would embrace any peace agreement that would seem to ensure their own increasing marginalisation, which provides all the more reason for the international community to put

pressure on Pakistan to achieve an actual democracy rather than simply its veneer.

There continues to be tremendous thirst and demand for genuine democracy in Pakistan, a remarkable fact given the travails that the country has experienced. While the notion of "managed democracy" may appeal both to the generals in Pakistan and to the short term interests of western planners, the deep, systematic and institutional challenges that face Pakistan will only be surmounted when the country has a competitive and fair political process that allows the will of the people to be heard.

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APPENDIX A

ABOUT THE INTERNATIONAL CRISIS GROUP

The International Crisis Group (ICG) is a private, multinational organisation committed to strengthening the capacity of the international community to anticipate, understand and act to prevent and contain conflict.

ICG's approach is grounded in field research. Teams of political analysts, based on the ground in countries at risk of conflict, gather information from a wide range of sources, assess local conditions and produce regular analytical reports containing practical recommendations targeted at key international decision-takers.

ICG's reports are distributed widely to officials in foreign ministries and international organisations and made generally available at the same time via the organisation's Internet site, www.crisisweb.org. ICG works closely with governments and those who influence them, including the media, to highlight its crisis analysis and to generate support for its policy prescriptions. The ICG Board - which includes prominent figures from the fields of politics, diplomacy, business and the media - is directly involved in helping to bring ICG reports and recommendations to the attention of senior policy-makers around the world. ICG is chaired by former Finnish President Martti Ahtisaari; former Australian Foreign Minister Gareth Evans has been President and Chief Executive since January 2000.

ICG's international headquarters are at Brussels, with advocacy offices in Washington DC, New York and Paris. The organisation currently operates field projects in more than a score of crisis-affected countries and regions across four

continents, including Algeria, Burundi, Rwanda, the Democratic Republic of Congo, Sierra Leone, Sudan and Zimbabwe in Africa; Myanmar, Indonesia, Kyrgyzstan, Tajikistan, and Uzbekistan in Asia; Albania, Bosnia, Kosovo, Macedonia, Montenegro and Serbia in Europe; and Colombia in Latin America.

ICG also undertakes and publishes original research on general issues related to conflict prevention and management. After the attacks against the United States on 11 September 2001, ICG launched a major new project on global terrorism, designed both to bring together ICG's work in existing program areas and establish a new geographical focus on the Middle East (with a regional field office in Amman) and Pakistan/Afghanistan (with a field office in Islamabad). The new offices became operational in December 2001.

ICG raises funds from governments, charitable foundations, companies and individual donors. The following governments currently provide funding: Australia, Canada, Denmark, Finland, France, Germany, Ireland, Japan, Luxembourg, the Netherlands, Norway, the Republic of China (Taiwan), Sweden, Switzerland and the United Kingdom. Foundation and private sector donors include the Ansary Foundation, the Carnegie Corporation of New York, the Ford Foundation, the William and Flora Hewlett Foundation, the Charles Stewart Mott Foundation, the Open Society Institute, the Ploughshares Fund and the Sasakawa Peace Foundation.

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