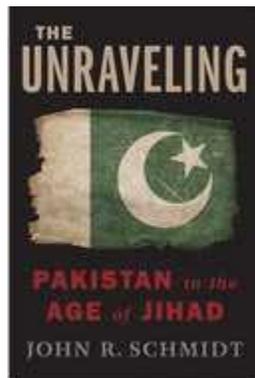




The Unraveling: Pakistan in the Age of Jihad

John R. Schmidt , Joanne J. Myers

September 22, 2011



The Unraveling: Pakistan in the Age of Jihad

- [Introduction](#)
- [Remarks](#)
- [Questions and Answers](#)

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 our speaker is a 30-year veteran of the U.S. Foreign Service and an expert on Pakistan. He will be discussing his book, [The Unraveling: Pakistan in the Age of Jihad](#).

Pakistan is at a crucial point in its history. It is a country blessed with numerous resources, nuclear capabilities, and is strategically very important. Yet, because of the corrupt political system, foreign influence, and interference, even 64 years after its founding, Pakistan's potential has not been realized.

Its relationship with the United States is often described as tenuous—sometimes friend, sometimes foe, occasionally both. But in our fight against Islamic extremism, it remains an important ally of the United States and cannot be easily dismissed.

Pakistan was founded with all good intentions. Still, it has become a home to a number of extremist groups that have declared war against Western civilization. And these individuals threaten the very foundation of Pakistan itself.

Surprisingly, there are very few good books that describe the history of these radical groups, how they came about, and how they are destabilizing this strategic country.

In writing *The Unraveling*, our speaker has filled that void. His book helps us to understand the origins of this perilous situation in Pakistan that threatens the world today. This is a story whose players include India, feudal landlords, the military, and religious divides—all players in this unfolding saga.

John Schmidt is a career Foreign Service officer who was assigned to the U.S. Embassy in Islamabad as a political consular. His job was to report to Washington on political developments in Pakistan, and to also cover events in Afghanistan.

He arrived in 1998 and left three years later, just two months before [9/11](#). It was a turbulent time in Pakistan, a time of the rise of radical Islam, not only on Pakistan's borders, but within the country itself.

Mr. Schmidt writes that his primary purpose in writing this was "to explain how Pakistan ended up becoming the most dangerous place on earth." I believe he has achieved that goal.

Please join me in giving a warm welcome to our guest, John Schmidt, who is currently teaching at the Elliott School of International Affairs at [George Washington](#) University.

Remarks

JOHN SCHMIDT: It's a real pleasure for me to be here this afternoon to speak with you at the Carnegie Council about my new book. I'd like to start out by saying just a little bit about myself and how I came to write the book.

As Joanne mentioned, I'm a Foreign Service officer by profession and was, indeed, the political consular at the

U.S. Embassy in Islamabad in the three years preceding 9/11. I spent most of my career in Europe up to that time. But I found Pakistan to be far and away the most fascinating place that I'd ever served.

I was particularly intrigued, as well as alarmed, by the unchecked rise of radical Islam in the country, which was emerging as a serious problem even then.

At the time, the Pakistanis were helping a number of jihadist groups infiltrate the neighboring Indian state of Kashmir in support of an insurrection that had been launched by the majority Muslim population a decade earlier.

It wasn't that I had any particular sympathy for the Indian position on Kashmir. I was concerned that the Pakistanis were allowing radical Islamic groups to become entrenched in Pakistan itself. This not only posed a growing threat to Pakistan but also to the United States.

These jihadist groups inhabited the very same end of the radical Islamic spectrum as [Osama bin Laden](#), who at this time was safely ensconced in Afghanistan. I was reminded of this daily because the embassy of his Taliban protectors was located virtually right across the street from where I lived.

Eventually I left Pakistan. When I retired from the Foreign Service several years later, I was asked to teach a graduate seminar on Pakistan and the radical Islamic threat at the Elliott School of International Affairs at George Washington University.

I didn't start out planning to write a book, but I did want to have something down on paper that I could share with my students, setting out my views on what was going on in the country.

So I wrote an article, called "[The Unraveling of Pakistan](#)," which appeared in the British foreign policy journal *Survival* in the summer of 2009. It managed to attract a good deal of positive buzz from fellow Pakistan watchers. And then, about a month later, I was contacted by the head of the New York office of the Wiley Literary Agency, who said he had also read the article, and thought that it could be expanded into a timely and worthwhile book.

I decided to take him up on it. The result of my subsequent labors is now on sale at bookstores around the country.

In my presentation today I want to hit on some of the main themes in my book. A number of these themes cut against the grain of conventional wisdom on Pakistan, which in my experience is not as good as it could be.

I am continually surprised at how little even people in government seem to know about how Pakistan works and what drives the people who run the country. So let me begin, as I do my book, by saying a few words about the people who run Pakistan.

There are two groups, basically.

The first is the civilian political class, dominated by wealthy landlords who are popularly known in Pakistan as "feudals," and their wealthy industrial counterparts. They practice a distinctive form of patronage politics that is a manifestation at the political level of the patron-client relations that have dominated the underlying feudal culture of the region for centuries.

The goal of political parties in seeking electoral office in Pakistan is to gain access to state resources which can then be shared out among their members.

Pakistani politicians are so narrowly focused on the short-term dispensing of patronage, that they have little time or interest in dealing with the myriad systemic problems that plague Pakistan. Their lack of interest in the long-term welfare of their country is reflected, for example, in the fact that hardly any of them pay income taxes. Their political default setting is to kick serious problems down the road.

The other major political player in Pakistan is the army, which has alternated in power with the civilians, almost from the very beginning.

The army officer corps is a meritocracy. It's very hard to get in. Every year only a few hundred out of more than 15,000 mostly middle-class applicants survive the rigorous examination process required for admission.

The army is widely regarded—and I think rightfully so—as the only truly professional organization in Pakistan. It's both well organized and highly disciplined. This is why assertions that there are rogue elements in the Pakistan army—or that the army-dominated intelligence service [ISI](#) [Inter-Services Intelligence] pursues its own foreign policy—simply don't ring true.

Like many liberal Pakistanis, army officers are contemptuous of the civilian political class. This is a major reason why they have intervened so frequently in Pakistani political life.

So how did these two groups end up using Islamic radicals as instruments of foreign policy?

Well, it's not because their own brand of Islam is particularly radical. Most Pakistanis adhere to the traditional Sunni Islam of South Asia, which was brought to the region by Sufi missionaries centuries ago and contains numerous borrowings from Hinduism. It is quite rightly regarded as one of the most tolerant and non-threatening forms of Islam. No.

To understand why the people who rule Pakistan ended up using radical Islamic groups for state ends, you need to go back to the very beginning of the Pakistani state and the [dispute with India that erupted shortly after partition over control of the princely state of Kashmir](#).

The rule of thumb used by the British when they divided the subcontinent was that majority Muslim areas would go to Pakistan and majority Hindu areas to India. The exceptions were the so-called [princely states](#). These were semi-autonomous areas that were ruled over by local potentates. There were hundreds of them, some large but most of them small, in the [British Raj](#). The British gave their leaders the right to opt for India or Pakistan as they saw fit.

In all but three cases, this posed no problem. Hindus ruled over Hindus, and Muslims over Muslims. However, in two cases, Muslims presided over Hindu majority populations. They would have preferred to opt for Pakistan—in fact, one actually did—but India ignored their wishes and took them over by force.

The other case was Kashmir. This was an overwhelmingly Muslim area ruled by a Hindu. He feared meeting the same fate as his two Muslim counterparts. When a local Muslim uprising spooked the fledgling Pakistani government into sending the regular forces into the region, he called on India for help. The Indians flew troops into the Kashmiri capital of Srinagar and eventually succeeded in wresting most of Kashmir away from Pakistan in [the war that followed](#).

The Indian seizure of Kashmir got relations between the fledgling Indian and Pakistani states off to the worst possible start. The Pakistanis believed that the Indian action in seizing Kashmir was both hypocritical and unfair, given the Indian seizure of the two Muslim-ruled princely states. As far as they were concerned, the Indians had stolen Kashmir away from them. It convinced them that they needed to create and maintain a large and powerful army to protect against possible future Indian encroachments.

Pakistani attitudes toward India have been marked by mistrust and visceral animosity ever since. They are particularly strong within the army, where anti-Indian attitudes are drummed into recruits, from the time that they enter the service. But they are widely shared by Punjabis, who constitute a majority of the Pakistani population and have strong historical ties to Kashmir, which lies just next door.

In the six decades that have passed since independence, Pakistan has never been willing to simply let Kashmir go.

But doing something about it was another matter. The Pakistanis had to conjure with the fact that India was a much larger country, with a considerably larger army. By way of compensation, during the late 1950s, the Pakistan army began exploring the possibility of using surrogate forces in Kashmir, to try to level the playing field.

Its first opportunity came in 1965. Kashmir had been rocked by periodic anti-Indian demonstrations during the previous two years. The Pakistanis tried to take advantage of the turmoil by recruiting civilians from [Azad Kashmir](#), which was the small sliver of Kashmir that they had managed to hang onto during their first war with India, to infiltrate into Indian-held Kashmir in the hopes of fomenting a general uprising. These recruits were not religiously motivated, nor were they very effective, and the effort failed miserably. But a precedent had been set.

A decade later, the Pakistanis became alarmed at the emergence of a pro-Soviet government in neighboring Afghanistan, and began supporting a group of oppositionist Afghan exiles. Unlike their Azad Kashmiri predecessors, these exiles were religiously motivated. They were members of a local Islamic fundamentalist group. Pakistani support for them, however, was purely opportunistic. These fundamentalists were, by far, the largest Afghan group actively opposing communist rule at the time.

[When the Soviets finally invaded Afghanistan in 1979](#), the Pakistanis, encouraged and bankrolled by the United States, significantly increased their support. The Afghan Islamic fundamentalists came to be known as the [mujahideen](#) and their struggle the anti-Soviet jihad. Thousands of foreign Muslims flocked to the mujahideen banner, Osama bin Laden preeminent among them. The first Pakistani jihadist group, which eventually came to be known as the [HUM](#) (Harakat-ul-Mujahidin), was formed at this time.

This period also saw the emergence of violent sectarianism in Pakistan, as fundamentalist Sunnis, radicalized by the anti-Soviet jihad, clashed with minority Shiites inspired by the recently concluded [Iranian revolution](#).

Thousands of religious schools, called madrassas, many of them radical, also sprang up during this period. The Pakistanis encouraged their creation, because it helped ensure a steady supply of recruits for the anti-Soviet jihad.

By the time the mujahideen finally drove the Soviets from Afghanistan in 1989, radical Islam had already established a firm foothold in Pakistan.

As I chronicle in my book, the end of the anti-Soviet jihad just happened to coincide with the beginning of a violent uprising by the majority Muslim population of Kashmir. It came in response to decades of repressive Indian rule there. But it was sparked by Indian efforts to rig recently held local elections.

The Pakistanis suddenly saw an opportunity to succeed where they had failed in 1965. They began training secular young Kashmiris who had fled across the border into Pakistan.

In the beginning, most of these Kashmiris belonged to a group that supported Kashmiri independence rather than incorporation into Pakistan. This eventually persuaded the Pakistanis to shift their support to a Kashmiri religious group that did favor incorporation. But when these Kashmiri insurgents began suffering heavy casualties in their struggle against Indian security forces, the Pakistanis' move would prove to be a fateful decision.

They encouraged the HUM, the first—and at this time still the only—Pakistani jihadist group, to enter the fray.

At about the same time, the second ever Pakistani jihadist group was in the process of being formed. This was the [Lashkar-e-Taiba](#), the group that would go on to carry out the notorious [Mumbai massacre](#) a decade and a half later.

These groups succeeded in making life extremely difficult for the Indians, who were forced to send increasingly large numbers of security forces into Kashmir.

Several years later, the HUM was in turn supplanted by a spinoff group called the [Jaish-e-Mohammed](#). Together with the Lashkar-e-Taiba, the Jaish-e began to specialize in small-scale but highly effective suicide attacks against Indian military targets in Kashmir.

Back in Afghanistan, however, things had not been going nearly as well for the Pakistanis in the wake of the Soviet departure. The communist puppet government that the Soviets left behind managed to hang on. And the various Afghan mujahideen groups started falling out with one another.

Unfortunately for the Pakistanis, the group that they were supporting was not doing very well in the fighting. When the communist regime finally did fall in 1992, it was another mujahideen group, the [Northern Alliance](#), that managed to take Kabul. Worse still from the Pakistani perspective, the Northern Alliance was known to be receiving support from India.

But two years later a new group suddenly appeared on the scene. It was composed largely of radical mullahs from the Kandahar area of southern Afghanistan, most of whom had been educated in Pakistani madrassas while in exile during the Soviet occupation. These Taliban, as they called themselves, were angered by the corrupt behavior of the local warlords who dominated the region at the time, and decided to do something about it.

Poorly armed at first, but with considerable support from the local population, they soon began pushing the warlords out. Their early successes attracted the attention of the [Benazir Bhutto](#) government that was in power in Pakistan at the time, which decided to throw its support behind the new group.

The results were electric. Within two years, the Taliban had managed to take Kabul. By the time I arrived in Islamabad in August of 1998, they had captured more than 80 percent of the country.

As I point out in my book, at this particular moment in time the Pakistanis seemed to have every reason to feel satisfied with their use of radical Islamic groups for state ends. Their jihadist allies in Kashmir had managed to tie down a significant portion of the Indian army, while their Taliban allies in Afghanistan seemed poised to bring the entire country under their sway.

But events were already beginning to conspire against them. In 1996, just a few months before the Taliban took Kabul, Osama bin Laden had returned to Afghanistan. He eventually made contact with the Taliban and managed to insinuate himself into the good graces of their leader, [Mullah Omar](#). His al-Qaeda forces were able to use their safe haven on Taliban territory to plan attacks against U.S. targets, culminating in the [August 1998 bombings of](#)

[the U.S. embassies in Dar-es-Salaam and Nairobi.](#)

U.S. attention suddenly became riveted on Afghanistan. We bombed al-Qaeda training camps in the eastern part of the country and began pressing the Taliban hard to turn bin Laden over. This they steadfastly refused to do, asserting that bin Laden was a guest, and that according to their tribal custom of [Pashtunwali](#), they had no choice but to grant him sanctuary.

The Pakistanis, for their part, were alarmed by this unexpected turn of events. They did make their own efforts to persuade Mullah Omar to hand bin Laden over, but they got much the same runaround that we did.

The sad fact of the matter is that they were never willing to risk their relationship with their Afghan allies over the issue, and this helped pave the way for 9/11.

Around the same time, the Pakistanis were also beginning to have problems with their Lashkar-e-Taiba and Jaish-e-Mohammed surrogates. Not content simply to attack Indian military targets, which was the ostensible Pakistani game plan, these groups began going after civilian ones. In December of 2001, they carried out a spectacular [suicide attack against the Indian Parliament building](#) in New Delhi, and several months later they invaded a military housing complex in northern India and massacred the families of Indian soldiers fighting in Kashmir.

These events brought Pakistan close to the brink of an unwanted war with India. Here and in Afghanistan, the Pakistanis were beginning to learn the hard way that jihadist groups had their own agendas and couldn't be completely controlled.

As I detail in my book, 9/11 began a long downhill slide for the Pakistanis. President [Musharraf](#) quickly agreed to support the United States in its war on terror, but only because he felt he had no other choice.

Pakistani woes were almost immediately compounded by U.S.-led military operations in Afghanistan, which drove Taliban and al-Qaeda forces into the remote tribal areas of Pakistan. A number of senior al-Qaeda operatives even made their way into the Pakistani heartland, where they hid out in large Pakistani cities and began orchestrating reprisal attacks against Western targets. The [Daniel Pearl](#) kidnapping was the first of these.

Ominously, al-Qaeda was assisted in these attacks by members of Pakistani jihadist groups, such as the Jaish-e-Mohammed. When Pakistan began helping the United States bring senior al-Qaeda operatives, such as [Khalid Sheikh Mohammed](#), to justice, many of these same jihadists made their final break with the state.

They began helping al-Qaeda target high-level Pakistani officials. This included two assassination attempts against President Musharraf himself in December 2003.

Although the United States was grateful for Pakistani help in running senior al-Qaeda officials to ground in urban Pakistan, it soon began pressing the Pakistanis to send the army into the tribal areas, where most al-Qaeda operatives, including Osama bin Laden, were believed to be hiding.

The Pakistanis were reluctant to do so, because they feared they would come to blows with the Taliban forces there. They did not see taking on the Taliban as part of their alliance with the United States, and they actually harbored hopes that they might be able to use them again in Afghanistan, once U.S. forces departed the region.

This wasn't because they were happy with the Taliban, whose support for al-Qaeda, after all, caused them so much grief, but because they perceived them as a less bad alternative to the government taking shape in Kabul.

As I point out in my book, there was bad blood between the Pakistanis and [Hamid Karzai](#), the Afghan president. Karzai held Islamabad responsible for the assassination of his father in Pakistan several years earlier.

The rest of the Afghan government was dominated by the Northern Alliance, which, as I noted earlier, had developed ties to India before 9/11. These ties grew even stronger in the years that followed. Despite the fact that India is not exactly known as a donor country, its footprint in Afghanistan expanded to include an embassy, four consulates, thousands of aid workers, and more than \$1.5 billion in aid.

Observing this, the Pakistanis became increasingly alarmed that if the Taliban were defeated, the United States would withdraw, leaving behind a hostile Afghan government allied to India. From their perspective, just about anything was better than that.

Nonetheless, in early 2004, the Pakistanis finally agreed to send troops into the tribal areas to look for al-Qaeda. But they deliberately targeted al-Qaeda militants under the protection of local Pakistanis, leaving those associated with the Afghan Taliban strictly alone.

What did they get for their troubles? They failed to bring a single senior al-Qaeda operative to justice, but they did succeed in making enemies out of the Pakistanis who were protecting them.

Encouraged by al-Qaeda, these Pakistanis, first in south Waziristan and then elsewhere, began organizing themselves into what became known as the Pakistani Taliban. Over the next several years, they proceeded to carry out a virtual war against the state. By the spring of 2009, they had managed to bring most of the tribal areas under their control, as well as the beautiful Swat Valley in the Northwest Frontier province.

In league with al-Qaeda and with help from former members of jihadist groups, such as the Jaish-e-Mohammed, they also launched a devastating terrorism campaign in the urban heartland of Pakistan. Benazir Bhutto was one of its first victims.

But despite all this, the Pakistanis were reluctant to send additional forces into the region, in large part because they feared this would compromise their defenses along the Indian frontier. Instead, in the best Pakistani tradition, they decided to kick the ball further down the road, offering the Pakistani Taliban deal after deal, all of which were eventually broken.

Pakistani problems were compounded in November 2008 when the Lashkar-e-Taiba—by this time the largest Pakistani jihadist group, and the only one that had not yet turned against the state—carried out the notorious Mumbai massacre. This brought to an abrupt halt a promising peace process with India that had begun five years earlier, and once again brought India and Pakistan to the brink of war.

The Pakistanis denied involvement, but refused to move against the Lashkar, partly out of fear for the consequences of converting them into an enemy, but also because they didn't want to sacrifice the last domestic jihadist card that they had left to play in Kashmir.

But in the tribal areas and Swat, the ground was finally beginning to shift. In the spring of 2009, the Pakistani Taliban reneged on a peace deal in the Swat Valley and seized a neighboring district only 60 miles from Islamabad. There were fears that their next target would be the Pakistani capital itself.

Convinced at long last that the Pakistani Taliban would keep dancing until they were stopped, the Pakistanis finally decided to act. This time they did move substantial forces from the Indian frontier, sending 150,000 troops into Pakistani Taliban territory.

By the end of 2009, they had managed to drive them out of their major strongholds in south Waziristan and Swat. But they were unable to draw them into a decisive battle, and they have basically been chasing them from one tribal area to another ever since.

The United States praised this Pakistani offensive at first, but couldn't help noticing that the Pakistanis were continuing to give the Afghan Taliban forces on their territory a wide berth. It was in fact an open secret that—despite their war with the Pakistani Taliban—the Pakistanis continued to support the Afghan variety, including the [Haqqani network](#) in north Waziristan and Quetta [city] Shia of Mullah Omar in Belujistan Province to the south. They continue to see the Afghan Taliban as their only realistic alternative to a hostile Afghan government allied to India, once the United States departs.

The United States, for its part, has shown little sympathy for Pakistani concerns about the Indian presence in Afghanistan. Its message to Pakistan has been that it intends to remain engaged in the region, and that there is nothing basically to worry about. This is a hard sell for Pakistanis, who remember that the United States abandoned the region after the Soviets left Afghanistan and then imposed sanctions on Pakistan only 18 months later for pursuing nuclear weapons in an effort to match the Indian nuclear program.

Instead, the United States has continued to ratchet up the pressure. Last fall, having decided to test Pakistani limits by sending attack helicopters into Pakistan in hot pursuit of Afghan Taliban forces, the Pakistanis retaliated by temporarily shutting down one of the two critical U.S. supply routes into Afghanistan.

The United States has also begun using Predator drone aircraft to target members of the Haqqani network, and has dramatically stepped up CIA operations inside Pakistan, even having the agency keep tabs on the Lashkar-e-Taiba, the one domestic jihadist group that the Pakistanis didn't want the United States messing with.

This came to a head early this year when a CIA contractor, named [Raymond Davis](#), was arrested in Lahore for killing what turned out to be two ISI informants who were tailing him. In return for his release, the CIA agreed to keep Islamabad better informed of its activities.

But, just six weeks later, the United States carried out the raid against Osama bin Laden, who just happened to be hiding out in a compound less than a mile from the Pakistani version of West Point. The raid, conducted without

Pakistani knowledge or permission, sent relations into an even deeper freeze, from which they still struggle to emerge.

As I make clear in my book, the root of the problem lies in the dramatically different objectives that the two sides have in Afghanistan, but also in their different perceptions of radical Islamic groups.

The United States tends to lump all such groups together in the same basket. This is why I was tempted to believe that the Pakistanis might actually have been sheltering bin Laden, despite the fact that his death could arguably strongly serve Pakistanis' interests by hastening the U.S. departure from Afghanistan.

The Pakistanis, for their part, continue to make fine discriminations between radical Islamic groups based upon their willingness to serve the interests of the state. They see no contradiction whatsoever in continuing to ally with some, while being at war with others.

But, as frustrating and as maddening as this is to the United States, things could get a whole lot worse.

Ordinary Pakistanis now regard the United States as a more serious threat to Pakistan than India. Anti-Americanism has become particularly virulent within the Pakistan army, which believes that the United States has run roughshod over Pakistani interests. This is important because the Pakistan army is the only force in Pakistani society strong enough to prevent a jihadist takeover. This is why the civilian politicians, who nominally rule the country today, have given the army virtually carte blanche to deal with the threat.

My strong sense is that, at present, the forces of radical Islam do not have the power to take over the state. This is true even if the Lashkar-e-Taiba were to turn against it, although this would certainly make the situation much, much worse.

Conversely, the Pakistanis themselves almost certainly lack the ability to decisively defeat all the radical Islamists in their midst, even if they decided to try. There are now simply too many of them.

Most worrying to me, probably, is the relentless proliferation of radical mosques and madrassas throughout the country. The Pakistani authorities have been unwilling to move against them, out of fear it could lead to widespread violence they might not be able to contain. But if the Pakistanis never do anything about the problem, you have to ask yourself: Where is it all going to end?

Well, the future, I'm afraid, is covered, as so much in that area is, in layers of murk. My instincts tell me that so long as the Pakistan army remains intact, it may be able to hold off the forces of radical Islam indefinitely. But these forces will continue to pose a threat not only to Pakistan, but to the rest of the world, for some considerable time to come.

We will probably only see an end to it when the radical Islamic foment that has roiled the Islamic world—now for the better part of three decades—finally comes to an end. I'm afraid no one, ladies and gentlemen, can tell you when that's going to be.

Questions and Answers

QUESTION: James Starkman.

With the increasingly tense relationship between the United States and Pakistan, does China seem to be taking advantage of this in big-power or balance-of-power politics?

JOHN SCHMIDT: I haven't really seen that. The Chinese have been great masters of being a constant friend of Pakistan. But not being too much of a friend, or too little of a friend.

In addition, the Chinese have their own problems with radical jihadists in Pakistan. There is a [Uyghur](#) Islamic movement that is located in Xinjiang Province. And some of its people have managed to make their way into the tribal areas of Pakistan, and have even targeted Chinese workers in Pakistan. So I think they would like to see the Pakistanis crack down a lot harder on radical Islamists as well. But they don't push as hard as we do.

QUESTION: Sondra Stein.

What do you think the United States' policy should be toward Pakistan now?

JOHN SCHMIDT: Well, I don't know. I think I'd have to write another speech on that one. It's very, very difficult.

There is very little, I think, that we can do to improve matters. But I think that there are things that we could do that could make them a lot worse.

I made it a point of flagging the fact that the Pakistan army is the only force in Pakistani society that could prevent a jihadist takeover. But at the same time the Pakistan army is the number one actor who is supporting the Afghan Taliban forces in Afghanistan.

I think, at some point, we have to ask ourselves: How hard are we willing to push? You push too hard, then you have a serious risk that we will end up in a war with Pakistan. We'll end up decimating the Pakistan army. And we could. But then what are you left with? How do you pick up the pieces?

Or do we suddenly say to ourselves, "Well, we're not going to be able to get them to go after the Afghan Taliban as we'd like, and so we come up with a plan B." What would plan B be like? Presumably it would be to try to negotiate some kind of a coalition arrangement in Afghanistan between the Afghan Taliban and the Karzai government. That's something that the Pakistanis ultimately could probably buy.

I think part of the problem we're having with them now, on that score, is the fact that each side wants to control the process, and doesn't want the other side involved. Until—if ever—they are able to work that out, I think the tensions are going to remain.

QUESTION: My name is Anne Phillips.

As I understand it—and perhaps I'm mistaken—but I understand that it has been the Saudis who have been financing the madrassas. At least they were for many years. Is that correct? If that is correct, are they continuing? Or who is financing them? And has our government made any attempt to speak to them, to try to stop this?

JOHN SCHMIDT: Well, the golden age of Saudi financing of Pakistani madrassas was during the anti-Soviet jihad. They had some religious scruples in the beginning over doing it, because it was a slightly different sect. But they were able to overcome that.

They promised, during that period, to match U.S. spending dollar for dollar, and that's one of the things that they spent it on.

Saudi money, as far as I understand, still does flow into Pakistan. But it tends to come from private individuals who have their own axes to grind, who want to promote their particular version of Islam in Pakistan.

The Lashkar-e-Taiba, by the way, is the one Pakistani jihadist group that is of the same [Wahhabi](#) orientation as is found in Saudi Arabia, and, of course, al-Qaeda and Osama bin Laden themselves.

QUESTION: Where is the money coming from now?

JOHN SCHMIDT: Private sources. It's not a big story these days. It was a big story.

QUESTION: Tyler Beebe.

Could you give us your thoughts on the Pakistani economy? One gets the sense that it's in sad shape. Is there any reason for optimism going forward that Pakistan can become any kind of an economically viable entity?

JOHN SCHMIDT: I commented in my book, and in my remarks, that hardly any of the people who run the country pay taxes. It's one of the reasons why the education system is so terrible.

But, if you focus on any particular moment in time, you focus on a moment in which the Pakistani economy was in the tank. It has never really done very well. It had sort of a takeoff period back in the 1950s and 1960s under [Ayub](#), but it has had very limited growth since then.

The ruling class is extremely selfish, as I said. They rely on periodic financing from the IMF [International Monetary Fund] and other international creditors. In fact, they have come to rely on handouts. They know how to play the IMF and other such groups like a fiddle, because they know that eventually the rest of the world doesn't want to confront the consequences of a Pakistani economic collapse.

So they are always just scraping by. Whenever it gets just so bad that they are about to collapse, somebody will come through with the money, and they count on that.

QUESTION: Don Simmons is my name.

Could you comment on how much danger you see that the Pakistani military will either lose control of its nuclear weapons? Or perhaps start to sell some of the material?

Then, secondly, what would be some early signs that those dangers might be starting to increase?

JOHN SCHMIDT: Well, you have to understand that in Pakistan nuclear weapons are the crown jewels. The army is responsible for protecting the crown jewels. They protect their nuclear warheads, I'm sure, better than they protect army headquarters itself, which was actually invaded by jihadists about a year and a half ago.

It's hard to come by hard facts on this issue. My views are developed on my sense of how serious the Pakistan army takes the issue of security, and the resources that they would be prepared to devote to it, which I think would be considerable.

So I don't see that as a very serious threat. I know other people disagree with that. But I don't think so.

As far as selling actual warheads is concerned, you'd have to ask yourself why would they do it. I can't fathom a reason.

I could see how, if they got into a war with the United States, at the end of the day they might give terrorists a nuclear weapon. But I don't see any up-side to selling nuclear weapons and enormous down-sides if we found out. Obviously, it would be a world-shaking event.

QUESTION: Shazi Arafy.

Can you say a little bit about how the drug trade plays into all of this radicalization in terms of its financing, in terms of both the war in Afghanistan and on Pakistan's territory with these groups? Because it's both drugs, as well as illegal trade in weapons, which is also part of this picture.

JOHN SCHMIDT: The whole region is a sieve. It's very easy to move back and forth between Afghanistan and Pakistan, into and out of the tribal areas. Al-Qaeda is able to use various and sundry different transit points. It's well known that they exploit the drug traffic and that the Taliban exploit the drug traffic.

So I think it's a serious problem, and it's certainly one of the prominent ways in which they finance their activities. I don't see anything major going to try to stop it, either.

QUESTION: My name is Kevin McMullin.

I'd like your comments on an opinion I've seen repeatedly in recent professional military publications: That is, that the more military operations we conduct across the border in Pakistan, the more we endanger the Pakistani government.

JOHN SCHMIDT: Obviously, [U.S. Predator attacks](#)—and that's what we're talking about here; that's the only real form of U.S. military activity in Pakistani territory—are extremely unpopular with the Pakistani public. They are always claiming that there are lots of civilian casualties, so on and so forth. I think there's a lot of denial that goes on inside Pakistan.

I don't think, however, it is a serious threat to the government or to the stability of the state. People complain, but they don't do anything about it.

The people who do do something about it are the jihadist groups, like the Pakistani Taliban and al-Qaeda, and they are already doing something about it. So nothing more is going to happen as a result of U.S. Predator attacks in Pakistan than is already happening.

You cross a line, however, if you start sending ground forces or piloted fixed-wing aircraft into Pakistani territory. That would be regarded by Pakistanis of all stripes as an entirely different kettle of fish and could invite a military response, which could eventually get out of control.

I mentioned the fact that we did, at one point in time, send attack helicopters over the border. That resulted in the Pakistanis shutting down one of our critical supply routes into Afghanistan. I have no doubt that if a similar thing happened, that would probably be the first thing that they would try. And then you get into a game of chicken, and then where does it all lead?

In those circumstances, then you might have a threat to the Pakistani government itself. But it's a question of how far do things go. Do we get into a war with Pakistan? What's the impact of that? I don't think anybody wants to find out the answer to that question.

QUESTION: Edith Everett.

This was a tour de force. It was wonderful.

Could you give us a little bit of a profile of the Pakistani population, the man in the street? What are they thinking, how do they behave, what would they respond to, et cetera?

JOHN SCHMIDT: They're not really the man in the street. They're the man or the woman in the village, because Pakistan is still a heavily rural country.

They're long-suffering and long-complaining. But, on the other hand, they see these things as beyond them, if you're talking about ordinary Pakistani peasants, poor people, that sort of thing.

The middle classes are concerned about "What is this going to mean for our future? The country is going to hell in a hand basket"—I mean, everybody in Pakistan believes that.

The rich people, including the people who run the country, they have their flats in London. They have their money stashed abroad. They are ready to head for the exits, if it ever comes to that.

The chattering classes, the liberal intelligentsia, the media—everybody is really, really concerned about what's going on and afraid for their futures.

But, on the other hand, there isn't a lot of long-range thinking going on either. That includes the civilians who nominally lead the government now but also the army. They're just trying to get by day by day.

You also have to keep in mind that people have been living in the same basic circumstances—certainly in the rural countryside, that they find themselves in today—that they have for centuries. It's not all that different. And so a lot of this stuff doesn't affect most of the people at all ultimately.

QUESTION: Susan Gitelson.

To follow up on that question, we hear so much about the Indian economy moving forward. In this modern age of Facebook and everything else, what is the impact of what's going on in India socially, economically, and so forth, on the Pakistanis? Are the middle classes becoming more active and making demands on the central government?

JOHN SCHMIDT: It's envy and resentment.

I remember talking to a senior Pakistani diplomat when I was there. We got to talking about India. He said, "Well, you know India has two different economies. It has a high-tech economy that's very successful, but only reaches a relatively small percentage of the population; and then it's got this miserable economy, particularly in the rural countryside—the shacks in the cities, so on and so forth—for everybody else."

I didn't say this, but I remember thinking at the time, "Well, that's a more successful economy than Pakistan has."

One of the things that people dislike about the civilian politicians, is that everybody knows they're not willing to invest. They don't pay taxes. How are you going to do what they did in India, unless you develop that kind of an infrastructure, unless you invest in human capital? They don't. They just don't. Not only that, but they're not going to either, I bet you.

QUESTION: Howard Leitner.

I'd like to go back to the U.S. military operations, obviously the drone attacks on Pakistan, and ask you a couple of questions.

One is, could you describe them strategically in relation to Afghanistan? That is to say, are our intentions in Pakistan pretty independent of Afghanistan? Or are they a function of our war in Afghanistan? And then, organizationally, are they related?

I use that kind of description to lead up to another question. That is, what do you think will happen to those military operations when the United States withdraws from Afghanistan, which we intend to do in the foreseeable future? Do you think that those drone attacks will continue in Pakistan? Or would they end with the withdrawal from Afghanistan?

JOHN SCHMIDT: Are you talking, in your first question, about U.S. strategy?

QUESTION: The U.S. strategy in Pakistan vis-à-vis its military operations in Afghanistan.

JOHN SCHMIDT: What the United States wants is for Pakistan to stop supporting the Afghan Taliban—more than that, to go after the Afghan Taliban—and to continue to cooperate in running al-Qaeda operatives to the ground.

Obviously, it would also like it to defeat all the radical Islamic groups that are arrayed against it, including the ones that they are fighting against now, vis-à-vis the Pakistani Taliban and these other allied Pakistani jihadist groups. They'd like them to go after the Lashkar-e-Taiba.

Basically, they want Pakistan to move vigorously against all the forces of radical Islam. But at the top of their list is going after the Afghan Taliban, and going after al-Qaeda.

CARNEGIE COUNCIL STAFF MEMBER: Professor Schmidt, I'd like to thank you again on behalf of all us for a wonderful talk.

Copyright © 2012 Carnegie Council for Ethics in International Affairs