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PAKISTAN ON THE EDGE: THE FUTURE OF PAKISTAN AND THE U.S. RESPONSE

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P R O C E E D I N G S

MR. O'HANLON: Welcome to Brookings. I'm Mike O'Hanlon, and I have the great privilege and honor of being on stage today with three of the best Pakistan experts in the world, and featuring perhaps the most prominent trilogy, now, of Pakistan books written by one of them, Ahmed Rashid. We're delighted to welcome him today to Brookings. He's a longstanding friend of Brookings. He's been involved in a number of our events here and in Doha. He's been someone who I'm sure everyone in this room has read and learned from over at least a quarter century of important writings. And, of course, he's been especially prominent in the American debate, as well as back in South Asia in the last 10 years. But, needless to say, a career of expertise and accomplishment.

I mentioned briefly the trilogy of books, which many of you are already familiar with. But, of course, in the American debate in particular, he really became of great repute with his first book, *Taliban*, which helped us understand the Taliban and extremism in South Asia, and politics in South Asia in general shortly after 9/11. And, of course, he wrote *Descent into Chaos*, which was a chronicle of much of what happened in the first eight or nine years of the post-9/11 period. And now, most recently, he has written a book, *Pakistan on the Brink* that we're all here today to hear about from him, and then discuss.

Very briefly, before I turn the microphone over to him, the format today will be that Mr. Rashid will make remarks for some 20 minutes, or 25 minutes, summarizing the arguments of his book. We then have Steve Cohen and Bruce Riedel, who will make their responses.

As you know, Steve Cohen is really thought of, in many ways, as the dean of American South Asia studies. We've been honored to have him here at Brookings for, I guess, about a dozen years, after a long career in academia at the

University of Illinois. And he has written very important books on Pakistan, and most recently has collaborated with a number of Americans and Pakistanis in a new volume that I heartily recommend, about Pakistan -- also on the brink, but looking more towards the future, and various scenarios for where Pakistan may go.

And Bruce Riedel, former CIA and intelligence officer, very prominent in a lot of South Asia policy-making and crisis management while in government, has been at Brookings now for about a half dozen years, a fantastic author and analyst -- as you know, one of America's preeminent Pakistan experts, and also counterterrorism experts. And his recent book is *Deadly Embrace*, also about the U.S.-Pakistan relationship.

So, thank you for being here. And, without further ado, we're honored to have you here, and look forward to your comments.

MR. RASHID: Well, thank you very much. It's a great pleasure to be here amongst such a cast of characters. And I'll try and keep my remarks brief so that -- I'm sure you'd like to hear the others, rather than just me.

I was prompted to write this book out of, really, a sense of very acute despair about my own country, as to where we were going. And, of course, continued preoccupation with Afghanistan, and the fact that Afghanistan was not going well.

I certainly didn't plan to write a book, and I didn't, even though this book encapsulates the Obama timeframe of the first term, or three years of it at least, I didn't want to pass such a hasty judgment on the Obama administration. I thought it was too early, et cetera. But nevertheless, it was really Pakistan that prompted me.

You know, I'm not going to give you a long lecture on Pakistan. I think, you know, how bad the situation is, and how desperate. But there are few themes that, you know, I stress in this book as to, you know, why we are in the mess that we are in.

The first -- I just want to read you a sentence from the last page of my

book:

"For too long, the military and civil elite have neglected their one single task, which is to make life better for their own people. Why has the Pakistani elite literally abandoned its own people for the last 65 years?"

I think, you know, that is really the critical question. Why, today, are we having 18 hours no electricity, 18 hours no gas, you know, an economy that's about to crash? Insurgencies in two of the four provinces, people trying to flee the country, money fleeing the country, and no investment? You know, why is this happening?

Now, the first thing I'd like to say is that, you know, I really think that the Cold War, unfortunately, the end of Cold War in 1989 passed us by completely. We have maintained and sustained a foreign policy that is still based on the premises of the Cold War. We've learned nothing from the end of the Cold War. We still want to be a dependent country, some big power will kindly pick us up. You know, we will be dependent. Just as there was no dependence in the '90s with the United States, the dependence became very strong after 2001, obviously.

We believe that you can still protect and launch Islamic extremists from your soil as a means of conducting foreign policy. Now, that was completely kosher under the Cold War because, you know, the fundamentalists were anti-communist. But, obviously, since the Cold War, and after 9/11 especially, that was no longer feasible. But we continue to pursue this foreign policy.

Globalization passed us by completely. We developed no new industries, no new export facilities. And, in fact, we saw the economy slowly melt down with a lack of infrastructure, lack of development investment, et cetera.

And, finally, the whole hope after the end of the Cold War was that it was Pakistan dual strategic location, as this land-bridge between, you know, West Asia and

East Asia, and India and Iran, Central Asia and the Gulf -- this idea that Pakistan is a land bridge could, living at peace with its neighbors, could serve as a conduit for oil and gas and roads and railways and trade and, you know, really do what all the other important trade groupings in the world -- the European Union, ASEAN, et cetera, you know, were doing.

And yet, this land bridge has been not a bridge; it has been, you know, a broken series of viaducts for the last 65 years. We have never exploited our geo-strategic position for some king of use value for the people of Pakistan. Rather, it's been, you know, this war front, where you've either been sending militants into Kashmir, or militants into Afghanistan, to try destabilize -- which has helped destabilized the region.

As a consequence, no neighbor trusts Pakistan. And certainly, if there was a speedy withdrawal of the U.S. from Afghanistan, every neighbor would gang up against Pakistan again -- just as they did in the '90s -- to prevent any kind of Pakistani over-influence in Afghanistan through the Taliban.

So we have neither friends -- now, at the moment, we have no friends in the international community, and we have no friends in the regional community -- except China. And China has been issuing stunning statements over the last few weeks asking Pakistan what all these militant Chinese Muslims are doing training in Pakistan? And even that relationship has been seriously questioned. China has just pulled back from -- it was funding a pipeline from Iran to, a gas pipeline from Iran to Pakistan. It has just pulled out of that funding.

So, you know, even traditional allies are not looking the way they were.

And the crux, really, of the problem -- I mean, I'm not going to go into the whole political shenanigans but, obviously, the military remains a very powerful figure in Pakistan in the political makeup. The military and the Supreme Court have been pushing

for the resignation of this government for quite some time. It's still quite possible that the prime minister may resign. Why they cannot wait for nine months to a year when there will be an election -- and there is no doubt in my mind that this government will be, you know, voted out of office -- I really can't understand.

And for many Pakistanis, of course, this political instability, coupled with all the terrorism, and the insurgencies, and the issues around the present crisis, the economic crisis, you know, all this is just really adding to the considerable chaos and lack of direction in the country.

Now, what I write about, on the positive aspects, is that there is a crying need, especially among young people, for change and reform, and living at peace with your neighbors. And that change partly is reflected, for example, by the support that somebody like Imran Khan is getting, although Imran Khan's own policy style would consider a bit doubtful yet as to exactly whether he stands for change and reform, or whether he stands for more of same. But, nevertheless, the fact is that, you know, young people are fed up with the two existing parties, and they are galvanizing to him.

The other thing is, the military is, without a doubt, in my opinion, much weaker than it ever was. In any other situation, by now, the military would have long ago launched a coup and taken over. The military is far to weak to launch a coup -- not in itself, but because public opinion -- you know, half of Pakistani public opinion would no longer accept military intervention. And I think this message is very clear to the military itself. And there have been a series of humiliations -- you know, the Osama bin Laden thing and, you know, various things after that. And, of course, there's a lot of U.S. anger, you know, anti-U.S. anger mixed up with all this.

But the military, I think, is in a much weaker position to get its writ passed. I mean, don't forget, even with the Taliban, the things that have happened -- I

mean, the Osama thing obviously was a breaking point for the military. There was no accountability for the death of Osama. Whether the military was military was culpable, or whether they were ill informed, you know, heads should have rolled. And the people of Pakistan expected heads to roll. And no heads rolled at all. You know, there was no accountability whatsoever. And that remains the case even today.

And these kinds of issues where, you know, you are protecting your own, and you are not looking at the long-term issue, obviously has annoyed people deeply.

And I come, obviously, to this one major issue of Pakistan's relations with the U.S. You know, for the first time in four months there has been absolutely no contact with the Americans. And we thought that last week there would be a breakthrough with this parliament meeting, but now this has been postponed. And, you know, I don't know when, you know, there will be a break.

But very clearly, the relationship is not going to be what it was before -- the intelligence relationship, the relationship about the border, and containing the border. The relationship about the drones -- Pakistan does not accept the drones, the U.S. is going to keep sending the drones across the border despite Pakistani objections.

So, where will there be common ground? I think this is what is really important. Is there any common ground between Pakistan and the U.S. right now to restore the relationship?

And I think that one common ground is the issue of talking to the Taliban. Now, talking to the Taliban, Pakistan has been urging this for about a year, more than a year, two years perhaps. And Pakistan has been urging it more from a position of its strength and, you know, a determination that it wanted certain policy issues fulfilled for itself.

But that Pakistan, and that military demand two years ago is today much

weaker than it was. Two things have happened. Osama has been killed. The Americans have started a negotiation with the Taliban by walking around the ISI. They have not gone through the ISI. And if Pakistan is, you know, not reasonable, they will continue this dialogue with the Taliban, possibly without the ISI. But certainly, you know, I think it is necessary, and it is feasible that Pakistan should, at some stage, join this dialogue.

Now, the real issue is what does Pakistan want? We don't really know. Pakistan has not spelled this out; the military has not spelled this out -- either to the people of Pakistan or to the real international community.

But I would posit you that there has been -- I would not say that there is one set series of demands that we've held, you know, consistently. We have fluctuated between a maximalist set of demands and a minimalist set of demands. And by the "maximalist" set of demands, I mean when we are in a position of -- when the military is in a position of strength, or when it's particularly angry, the set of demands will increase. You know, "No India in Afghanistan. We're not going to tolerate the Indians in Afghanistan. And, you, America, you go tell India, you know, no India." And, you know, "The Pakistani Taliban should control so-and-so number of provinces. The governors and police chiefs should be so-and-so." I mean, so that there are various things that create this kind of idea of Pakistan's supremacy in Afghanistan.

And then, I think, the military often goes, when it faces pressure from the United States and other places, as after Osama's death, as right now, it goes into a sort of minimalist kind of thinking where, for example, messages go out to India saying, "Well, we will tolerate you, India, in Afghanistan, but, you know, we should work out some arrangement where, you know, your intelligence is not messing around in Pakistan."

I think the military is in a stage of kind of minimalist acceptance. They are very embarrassed by the fact that the Americans have walked around them to talk to

the Taliban. Obviously, Osama has been an embarrassment. And, you know, the continuing deluge of Western thinking, NATO thinking, American pressure that, you know, the entire Taliban leadership, Haqqani, everybody, is living in Pakistan, of which we are still basically in a state of denial about.

So I think, you know, that -- but I do believe that this is the one issue on which, if there's a reasonable -- you know, if there are reasonable people on both sides, I think a dialogue can be achieved with Pakistan.

Now, let me just touch very briefly on Afghanistan. Well, talking to the Taliban, I think, is still the key issue. So my whole thrust -- and I know I have people sitting here who are perhaps not in favor of what I'm about to say -- I believe that the U.S. cannot leave Afghanistan, and leave a civil war behind. You cannot leave this country by leaving the present status quo. You have to improve the status quo. And that status quo means ending the war.

Now, you are the only people who can do it. I mean, you can't expect the factions in Afghanistan to sit down and to be able to end the war. They can't do it. And the Taliban are really looking for negotiations. It's very marked that these three terrible incidents that have happened with U.S. soldiers and Afghans, the Taliban did not suspend or cancel the talks as a result of any of these incidents. They have finally suspended the talks on something related to their own negotiations with the U.S. -- not because they're upset with the Koran burning, or with the civilians' deaths, or anything like that.

So you do -- and all the indications are that the Taliban do want to talk. They want to provide a decent, orderly withdrawal of American forces from Afghanistan.

Now, what they want after that is still a bit uncertain. You know, do they want -- I mean, how much of the -- do they want political negotiations with the government? What do they want as power sharing? What do they mean by power

sharing? We don't even know that.

I think the most important thing is that the -- now, unfortunately what has happened, I mean, there have been two or three negatives on this; the first is that there's enormous pressure now in Europe and in other places to withdrawal, even in the United States, withdraw by next year.

I think, you know, you have to withdraw, on -- you know, it was wrong for Obama to have given this time when he did three years ago. But, nevertheless, that's history now. The fact that we have this 2014 date, this date should be kept. Because this date means that, you know, U.S. forces have to act as a kind of pressure point for the dialogue with the Taliban. And if you pull out early, you're only expressing your own panic, basically, and the panic of NATO and the others.

The other issue is that there has to be, at the moment, there has to be in the next two years, some kind of internal consensus within Afghanistan about the talks. As you know, the Afghans are deeply divided, schizophrenic, paranoid about these talks. And there's been no attempt by Karzai to build some kind of consensus in the country. Now, partly he's not built it, but partly there's been little progress in the Taliban talks.

And the consensus in Afghanistan is only going to build up if there is, you know, if Karzai can show real progress on the ground. But look, I mean, we've done DCBNs, there have been DCBNs between the Americans and the Taliban. Violence is reduced in six provinces. The Taliban has said they're not going to do any more IEDs, or mines, you know. The Americans have said, in this area, they won't do night raids.

Now, if you can start reducing the military aspects, and the two sides can come together on reducing the levels of violence, or reducing the level of violence that they have with each other, I think that will influence the debate inside Afghanistan, and bring more people around to the idea of talks.

Now, the third factor is the regional dimension. I still have no doubt in my mind that if the U.S. was to pull out early, pull its troops out early, all the regional countries, just as they did in the '90s, will jump in. Nobody in the region wants Pakistan to have an overwhelming influence in Afghanistan. Nobody will tolerate it -- Iran, Russia, the Central Asians, India, even the Arabs.

The Arabs had also had -- I mean, the leading Arabs, I'm talking about Saudi Arabia and the Gulf states. There may be some personal money going to Taliban, even going to Al Qaeda. But as far as their governments are concerned, they are also deeply frustrated with Pakistan because of this harboring of, you know, Taliban, Lashkar-e-Taiba, Al Qaeda, who all seep down into the Arab world. A lot of the fighters in Yemen today have come from Afghanistan. So even the Saudis and the Gulf Arabs today are not in that position where they were in 1990, where they were giving the ISI money to fund the Taliban. They certainly don't want to do anything like that.

So we are extremely isolated in the region. And if we do anything which is, oh, you know, too overt, there will be a regional response, which will be basically against us. And, of course, the latest whammy has been China, as I said -- you know, which is the greatest friend Pakistan has, et cetera.

So, I think in Afghanistan, you know, these factors are terrible important. I call them "three circles of problems." There's the international circle, how to win around NATO and, you know, the American public, and keep everyone on track. And how to get the money for, you know, sustaining the Afghan Army for the next 5 to 10 years.

There's a regional track, which has become much more difficult, not to mention, I haven't mentioned Iran, but obviously, you know, trying to do the regional track with the relations that you have with Iran is 10 times more difficult than when Obama came in. When Obama came in he said, "I want a regional track" -- you know, Pakistan,

Iran, you know India. Then he drops India. Then, of course, relations worsened with Pakistan and with Iran. Now two of the leading players in the regional track, you don't even have a relationship with. So, you know, that's a huge problem.

And, thirdly, of course, are your ongoing, day-to-day, minute-by-minute, hour-by-hour problems with Karzai. Every hour, Karzai is changing his position to something else. And, you know, I can imagine the frustrations you have to deal with that.

Now, I mean, I could go into why, or what Karzai is up to, but, you know, he is also -- I mean, you know, has complaints, specifically about the mixed messages that he's receiving from Washington. And he has received mixed messages. I outline in my book how this administration, unfortunately, has not been able to unite on this question on Afghanistan, on the question of talking to the Taliban. There are people still, in the military, in the CIA, in the intelligence, some of the other intelligence agencies, who are very much against the talks and, you know, who do their best to leak things and undermine it. Just as there are people in Karzai's cabinet who are against the talks and do the same thing.

So, you know, what we have not had so far, I mean, as far as I'm concerned, we have not had a Presidential stamp on these talks. And we have not had a mediator who can run with it and really mediate, without having to come back every five minutes and check with the, you know, the NSC, and the whole interagency process, which takes three months to do, and by which time the Taliban are totally fed up. I mean, you know, your interagency process is longer than their interagency process (laughter), which essentially involves, you know, sending a guy to Karachi and checking with Mullah Omar, "Is this all right? Can we do this?" And possibly, with the ISI, they're also listening in, and they're giving their approval or not giving their approval.

So I think, you know, things need to -- I hope, for example, that these

talks are not held hostage by the election right now. I hope the Republicans don't -- you know, I hope the Republicans are sensible about Afghanistan. This is an issue of not just national interest for the Americans; it's global interests. You know, it will end, hopefully, with the stability of an entire region. You can't play, you know, Republicans-Democrats on this. This is too, far too important.

And, you know, I hope if Obama does take initiatives in the next couple of months the Republicans are not going to jump on his throat and say, "You are too soft," and "You're soft on terrorism," and "Why are you talking to these horrible people, the Taliban?" et cetera.

So, anyway, let me end there.

Thank you very much, indeed.

MR. O'HANLON: Ahmed, that was fantastic. I'm going to ask you just one more question before we go to Steve and then Bruce, and then we'll have a little discussion after that before we go to all of you.

My question is, in reading your book, one of the things I was intrigued by is the model that you held out for Pakistan, your positive vision, which was by analogy with Turkey, in one of your concluding chapters.

And I wondered if you could just say a bit more about that. Because you've explained some of the bad choices Pakistan has made in the past, but I'm wondering if you could just add a word or two to complement that with your more positive vision. Because I was struck by how you made that case.

And maybe it's just -- you know, it wasn't a particularly detailed case. I think you were trying to just more establish a vision or an alternative model. But I wondered if you wanted to say a word about that.

MR. RASHID: Well, you know, literally just about 10 days ago I had a

long conversation with Liaquat Baloch who is the number two in the Jamaat-e-Islami. And those of you who know, the oldest and leading Islamic party, parliamentary Islamic party in Pakistan, but it has taken on a lot of very severe views about suicide-bombing and everything. And, actually, a lot of the young people supported Al Qaeda after 9/11, and gave them refuge. A lot of the Al Qaeda people were found by the CIA in Jamaati safe houses.

But, anyway -- and they're part of the Muslim Brotherhood. And I just said to him, I said, "Look, look what the Muslim Brotherhood is doing in the Arab world right now. They're part of the Arab Spring. They are talking bout democracy, and women's education and, you know, freedom of the press, and all these things." "Look at the Muslim Brotherhood which is in Turkey," because the Turkish ruling party is an adjunct of the old Muslim Brotherhood, you know. "Look at the government in Turkey -- the economic reform. It deals with, you know, the West, its role in the Arab world -- " -- et cetera, et cetera. "And where are you?" You know, "What are you doing? You're still talking about Osama bin Laden is a martyr and a hero for the Muslim world. And who the hell cares?" You know, people want gas, electricity, water. "When is the Jamaat going to get real, you know, and really talk about people's aspirations?"

And this is the crisis that we have in Pakistan. I mean, the Jamaat is at a so-called "reasonable" level of the spectrum. I mean, and then you get all the, you know, unreasonable groups and parties. When are we going to produce the equivalent of Turkey's ruling party, or any of the Muslim Brotherhoods in the Arab world who see the need for modernization, and also secularism -- that's, you know, not something they will accept, but modernization, reform, change, a foreign policy that is based not on Jihad and attacking the Indians, but is actually based on building bridges in the region.

And I think, you know, this is the real problem. Turkey serves as an

incredible -- but nobody wants to look at Turkey, you know. "Oh, the Turks, they've compromised with Islam. You know, their women come out openly and shake men's hands -- " -- I mean, this is totally unacceptable, you know -- and completely failing to look at the whole development of the Turkish economy, Turkish modernization that has happened, you know, et cetera, et cetera.

And we have, today, quite openly, we have the most backward Jamaat-e-Islami in the whole world, or the most backward section of the Muslim Brotherhood in whole world, leave alone all the other groups who are still on a Jihadi kind of kick.

And that is what is so extremely difficult to work against. And, of course, the reason is that all these groups still have state sponsorship, you know. They wouldn't exist if that state sponsorship was not there, you know. And the moment state sponsorship is removed, frankly, I don't think they can win elections, or come into parliament, or anything like that. But everybody is scared of them, because they know that behind them stand the army and the intelligence services.

MR. O'HANLON: Thank you very, very much.

Steve, over to you.

MR. COHEN: Thank you. Ahmed, this is again a marvelous book, and I recommend it highly. There's not much to disagree with in it.

It's an angry book, but there's a lot to be angry about. And I share your anger on a whole range of subjects -- from an American perspective, the incoherence of the U.S. government. And Bruce and I wrote a piece that said essentially the dysfunctional organization in the American government about dealing with South Asia as a whole.

I have a friend of mine who was in the Embassy in Islamabad, he said some issue came up, they received six different cables with six different kinds of advice

from Washington. Everybody wanted to get in the act, whether it's the military commands, Department of Defense, the State Department, Holbrooke group. The White House itself is fractionated -- let alone Congress.

So I think that part of our problem is that we're disorganized, we don't know how to, we don't have a -- you're absolutely right about where the decisions are made. They're made all over. And I think we have a "Monday-Wednesday-Friday foreign policy." Monday, Wednesday, and Friday, State is doing it. Tuesday and Thursday, Defense is doing it. On weekends, the White House may be doing it. And the Agency fields it when nobody's answering the phone. So I think that's a problem we have to face. And you can't be a major power; you can't act like a major power, if you have these multiple foreign policies. At times it may be useful to fool your enemy, but we are also fooling ourselves as to what we're doing.

I think that the point you made about the Jamaat is interesting. The Jamaat itself, or Mahdoodi himself, was an influence on the Arab Brotherhood. And they've reformed, but the Jamaat itself is slipping back into the early days of Maulana Mahdoodi. And Pakistan has not generated the kind of reform conservative Islamic movement that other countries have.

I think that in your next book you might want to push the idea of "brink" a little bit further. We just finished a book on the future of Pakistan. There's a large literature out there about the future of Pakistan, what's happening. And I divide them into several categories. Most of them argue that Pakistan will muddle through. And Maleeha's book is muddling through-plus. And Maleeha argues that if -- former ambassador to America, twice to America, Pakistan ambassador to America -- "If Pakistan does this," "If Pakistan does that," "If Pakistan does this -- " -- a whole series of "ifs." And, in a sense, it's hard to do an analysis if you assume a lot of things ahead of

time; you wind up with a rosy future.

Others have argued that the negative factor, Pakistan's Islamic tendencies, will destroy everything, and this muddling-through strategy will fail.

I'm not quite sure what it is myself. Our book came out sort of in between that.

But I think that two factors may change everything, and will affect the army as well as Pakistan's relations with other countries. And I summarize it -- I'm writing a book now about the future of India-Pakistan relations -- no bad deed goes unrewarded. (Laughs). The two bad deeds were nuclear proliferation, and 9/11, the rise of Islamic, militant Islamic groups. The nuclear proliferation made it impossible to have a regular war in South Asia. So the Pakistanis immediately went underground. And I was told in 1981 by an air force general, a first officer, "Now that we're going to get the bomb -- " -- 1981, this is 10 years, 15 years before they actually had it -- " -- we can hurt the Indians underground. We can affect Kashmir."

Well, it turns out that the Indians resisted that underground strategy of using terrorists as an instrument of state policy. It does not work. It's not a successful strategy.

So, in a sense, the army, Pakistan army is learning how to be an army without a capacity for conventional war. It's going underground, supporting these groups. And that's had blowback in Pakistan. That's one of the big catastrophes that the army has to grapple with, are these groups that they've funded over the years, now threatening the army itself, as well as the Pakistani state.

The second bad deed is 9/11, that is, the rise of Islamic extremists. I think Pakistanis, themselves, including the army, elements of the army, understand this is -- they had to make a choice between supporting and working with these groups, and

battling them. So the army is now deep, up to its nose, into fighting the Pakistan Taliban, which are not Americans, they're not Indians, they're Pakistanis, with the same ideology of the Taliban that the army is supporting in Afghanistan against Americans.

So this contradiction can't go on for that much longer. I think that the army itself will have to undergo a realization that it's a fundamentally self-destructive strategy. And we hope that they will change. You know, "hope," again, is a word I don't like to use in these things. But if they don't change -- I agree with you -- Pakistan is headed for the rocks.

Final point, in looking ahead to Pakistan in particular, the Turkey model is one. The Indonesia model is a better model. But there's also negative models. Pakistan could wind up like Czarist Russia, destroyed by combat with the Germans in World War I, a chaotic state taken over eventually by left revolutionaries. It could wind up like a bunch of other states, where the army itself lost its integrity and could not steer the country, and there was nobody in charge, and then the Islamists have their opportunity.

I think Pakistan is maybe five or seven years away from that -- if that. I think we have five or several years to, you know, in a sense to work with Pakistan towards the modernization of Pakistan. And I do think that the present civilian government, although it's come under a lot of derision from a lot of places, probably the best government Pakistan has ever had. That's not a very high standard at all. (Laughter.) But, clearly, they've tried to undue the damage of the past. They've changed the constitution. Zardari doesn't get must respect, but he's the first Pakistani president to actually reduce his powers.

So if this trend continues, again, there's one sliver of hope, I think, that we should look forward to. But, again, as you point out, there are so many negatives in Pakistan, whether it's demography or education, it's hard to be optimistic beyond five or

seven years.

MR. O'HANLON: Thank you, Steve.

Bruce, are you going to cheer us up? Or are you going to continue in the same vein?

MR. RIEDEL: I'm afraid I'm going to continue in the same vein.

First of all, I also want to thank Ahmed for writing what I think is a superb book. Or, I think, more accurately, as you described it, a collection of brilliant essays together. I think you're going to hear that I'm in pretty much violent agreement with my three colleagues here.

In the book, you at one point say the U.S.-Pakistani relationship is so bad today that it is as if we were on the brink of war. I'd take it a step further. I think we are in war. The United States and Pakistan effectively are fighting a proxy war in Afghanistan.

It is the ISI that makes it possible for the Afghan Taliban to function as it functions today. If there was no ISI support, there would still be an Afghan Taliban, but not at the level of capability that they have today.

A recent NATO study based on the interrogation of 4,000 captured insurgents, which has been leaked to the press, and which every journalist in Washington, I think, has a copy of, very dramatically lays on the relationship between the ISI and the Taliban, and how dependent the Taliban really are now on the ISI in the wake of the increase in American forces in Afghanistan, and the increase of American operations, especially in the south.

It's not a harmonious relationship at all. If the U.S. relationship with Karzai is dysfunctional, the ISI relationship with Mullah Omar is probably even more dysfunctional. But dysfunctional relationships seem to work pretty well in South Asia for long, enduring periods of time. And I don't see this one breaking down, either.

For a long time, the United States and Pakistan, for very good diplomatic reasons, understandable diplomatic reasons have pretended we weren't in a proxy war. We created a series of veils to pretend that we had common interests. But the veils progressively have fallen off. A big veil fell off on the night of May 1st, 2011 -- took off a lot of veils, and the veils now, I think, are pretty much gone.

What's unfortunate is there is still a state of denial on the part of both governments that they're in a proxy war, and a pretense that there's something else that's going on. I think that denial will slowly fade away, as well.

I'm also in violent agreement with you that the paradox is that this is also perhaps the only real common ground between the United States and Pakistan. And I'm very much in agreement that a political reconciliation, a political process is the only viable long-term solution to Afghanistan's civil war, and by far the best solution for the United States to withdraw in an orderly manner.

I don't think there is any reason not to support some kind of political process between the Taliban, the NATO alliance, and the Afghan government. That said, I think it's going to be an extraordinarily difficult thing to do. Both Steve and Ahmed have already rightly highlighted the dysfunctionality of the American interagency system. What we need is to restore a vibrant and strong South Asia bureau in the State Department, and have it paralleled by a strong South Asia desk in the White House that looks at this problem in a holistic way, rather than splitting it up and cutting it up into little pieces. That's the argument that Steve and I made in an article that he referred to earlier.

I, unfortunately, don't see that prospect in the near-term horizon. I would hope that the next administration, whether it's a second Obama administration or a Republican administration, would go back to looking at South Asia in a holistic way.

The immediate reason why the talks between the Taliban and the U.S.

were suspended, Ahmed is absolutely right, it had nothing to do with Koran-burning or any of the other self-inflicted wounds. It had to do with the confidence-building measure that the Afghan Taliban saw as an essential first step, which was a prisoner release. Unfortunately, the Afghan Taliban prisoners are held in Guantanamo, which is the toxic dark hole of American foreign policy, which no American politician, I would predict, will be able to touch -- certainly not in an election year -- and find a way to get those five prisoners out. And the Congress of the United States has already made it virtually impossible for the President to release people from Guantanamo without some kind of Congressional approval. And in an election year, I don't see that happening.

You rightly looked for the Republicans to behave in a bipartisan spirit on Afghanistan. I would say that the initial results at this point don't suggest to me that's what we're going to have. Governor Romney this year has come out strongly against talks with the Taliban. He has said if he was President he would not authorize or allow any talks with the Taliban, that the only solution with the Taliban is force of arms.

Now, he is said to believe -- he's said to be capable of remaking himself, according to his own aides -- (laughter) -- so we'll see whether or not that's really his policy after he secures the nomination and, even more importantly, if he is inaugurated. But right now, it doesn't look very likely.

So, while I agree this is the right road to pursue, I don't have high hopes that it will be pursued in the next six months or so.

When I look at the other side, I can envision a whole series of things that could make what is a very bad relationship today even worse. I'll start with the simplest.

The CIA will find Ayman al-Zawahiri sometime in the foreseeable future. They are on the track. They have demonstrated, in finding Osama bin Laden, that they've cracked the code to penetrating how Al Qaeda communicates, and I think they will find

Ayman al-Zawahiri. I'll even venture a guess that he will probably be somewhere in Azad Kashmir, relatively close to Rawalpindi. That's purely a guess; it's not based on any information.

When they find him, I think one thing is certain: This President will send in another commando team. Whatever you may think of Barack Obama's first three years in office, one thing he has demonstrated, without doubt in my mind, he's prepared to pull the trigger and kill terrorists whenever he finds where they are. And when they find Ayman al-Zawahiri, he will pull the trigger again. And if the army is embarrassed over Osama bin Laden, it will be embarrassed, humiliated, when it happens a second time.

The other thing that could easily happen in the foreseeable future -- it may even have happened in the last couple of days -- is we may have another serious terrorist attack in the West that's postmarked "Pakistan."

Why do I say it may even have happened? The preliminary information that we're getting on the Toulouse murder indicates that he made at least two trips to Pakistan in the last couple of years. He says, himself -- he said, himself, before he died this morning that he was in contact with Al Qaeda, and being trained by Al Qaeda in Pakistan. And his actions are consistent with what we know is the new strategy of Ayman al-Zawahiri and Al Qaeda, which is to carry out what they call "mini-Mumbai's" in west European cities, and conceivably, some day, in North American cities. This is a very mini-mini-Mumbai, but it's very consistent with the strategy that they've been talking about.

We could have a host of other things go wrong. The last point I would make -- and here I'm also in violent agreement with Steve -- which is that the Zardari government, for all of its faults -- and we could stay here all day long and go over their faults in detail -- is probably the most pro-American government that we're going to see in Pakistan for the foreseeable future. President Zardari's vision of Pakistan is more

consistent, in my view, with what we would like to see in Pakistan than it is of any other senior Pakistani politician today.

The unfortunate thing, of course, is that given his own personal, given his image, given the fact that he is Mr. 10- Percent, if not Mr. 20-Percent, that only damages the possibility of a vibrant U.S. Pakistani relationship in the future. In other words, if you're salesman is as bad a salesman as he is, it doesn't help to sell your product as you're trying to look forward to a better U.S.-Pakistani relationship.

Final, final point: Nonetheless, a better U.S.-Pakistani relationship is absolutely essential. While we may disagree on so many issues, it is impossible for these two countries not to find a way, ultimately, to engage and talk about them. We may have very, very violent disagreements when we do talk, but we need to get back to engagement. And I think it's time for the Obama administration to stop waiting for the Pakistani parliament, and get moving right now, without hesitation.

MR. O'HANLON: Thank you very much, Bruce.

A fascinating initial discussion. I've just got, really, three questions for you gentlemen, and then we'll go to the audience.

And, Ahmed, before I come back to Pakistan and U.S.-Pakistani relations, which is where I want to wind up with these three questions, I'd like to ask you a little bit more -- especially for Americans in the crowd who are trying to forge a relationship, or maintain one, with President Karzai in Afghanistan, you know him rather well. You've known him for a long time. You've watched the evolution of his thinking.

You refer in the book, in a few places, to what motivates him and what drives him. I continue to be of the view that Americans don't really have a good mental image of who President Karzai is, and of what motivates him, and why he has the strengths and weaknesses that he displays.

I think you have, perhaps, an ability to spend a couple of minutes helping us understand this man, where he is in 2012, you know, as a process of the evolution of his time as president, what are his strengths and weaknesses, what can we realistically expect out of him, and what's a bridge too far? Is he an adversary of ours? Is he an ally? Or is it something more complicated?

MR. RASHID: Well, this is another subject that would need a whole seminar.

But, you know, I mean, very briefly, let me just say that he faces a country that remains, 10 years later, totally fragmented on all major issues -- you know, a country with a lack of consensus on anything. His own failure to build a consensus -- but he doesn't see it as his failure, he sees this as, you know, it should be done automatically, and everybody should be owing to me as president. That's not the case.

And, he has to appeal to all these various factions -- the Pashtuns, the non-Pashtuns, the Taliban, the Northern Alliance, et cetera, et cetera. He has to appeal to all these factions. That constitutes the gallery.

So, what is easy to appeal to the gallery, to all the gallery, is to take on, at times, a position of anti-Americanism, with crocodile tears. And that's very -- you know, it can happen, the burning of the Korans, et cetera, et cetera. So you become, you know -- the Americans are the Satan and the great enemy of the Afghanistan people, and the Taliban are our friends. And everyone's shocked.

Well, you know, that is the minimalist kind of appeal that he can make to all the various factions that Afghanistan is composed of, ethnic groups, factions.

The other problem is that he is getting totally conflicting advice within his own cabinet. His own -- and I would say, beyond the cabinet, the presidential staff are totally divided on this issue of America and the role of the Americans, on the issue of

contacts with the Pakistanis, or to tell the Pakistanis to buzz off, and on the issue of talking to the Taliban. And literally, I mean, you know, one guy's walking in and saying one thing, and five minutes late another guy is walking in and saying completely the opposite.

And there's a Pakistani lobby there, there's an American lobby there, there's a Taliban lobby there, there's an Iranian lobby there -- all within his own team. And there is no concert.

So, I mean, we're talking about, you know, the lack of unity in Washington. I mean, it's 10 times worse in Kabul. It's really bad, chronically so.

Thirdly, he is very concerned about issues regarding sovereignty. And he does not want to appear -- he is very hurt, for example, when the Taliban calls him the stooge of the Americans, and the puppet of the Americans. He considers himself -- look, "I fought with the Americans. I've been telling them what to do. And I abuse them, and I accuse them. And why can't the Taliban have a little more respect for me for doing these things?"

But the fact is that, you know, Afghanistan is an occupied country. And, you know, he is the leader of an occupied country, you know.

But he has been a very keen supporter of talks with the Taliban. But he's also screwed it up in the last few months. You know, we were on the verge, at the Bonn summit late last year, we were on the verge of, you know, having a much faster dialogue between the Americans and the Taliban and Karzai. And Karzai suddenly dumped everything, you know. And again, what he's scared about is his future.

The key question for Karzai -- and I don't know whether he's really got to grips with this -- is 2014. He has to step down. He has to have presidential elections. And there has to be a new president. Now, to my mind, the best thing would be you

should start anointing someone now, or certainly by 2013, to be your successor. And you should make it absolutely clear that you're stepping down.

And in 2014, you have to have a presidential election, which, of course, is going to add to the headaches of NATO and the U.S. forces. I mean, how, in the midst of a withdrawal, are you going to have a presidential election, which will also require the presence of U.S. forces to protect that election? And will it be a free and fair election, or is it going to be a rigged election like last time? Anyway, these are all complex questions.

But the real point is: is Karzai going to step down? Or is he going to make an excuse that, oh, the situation is too critical, and I am needed here, you know, to serve the people of Afghanistan, and I'm not stepping down, I'm delaying my stepping down. That will create an enormous political crisis. The non-Pashtuns, the Northern Alliance will never accept that.

So -- but, if he was clear, I mean, he should by now anoint, appoint, you know, the kind of successor he would like, and bring back -- he's angered so many good people. I don't think there's a dearth of good candidates to be president in Afghanistan, except they've all been used and discarded by Karzai. And they're all out on the political, you know, pale. They need to be brought back in again. And some of these people who are disrupting his cabinet need to be got rid of.

So I think the key thing is 2014. I mean, this withdrawal, and the talks with the Taliban, would be enormously helped if there was a new faith in Kabul, who would be dealing with all this as president. Perhaps, you know, that is too hopeful.

MR. O'HANLON: Thank you.

Let me now ask about the motivations of two other key players -- and, again, with an eye a little bit more towards the Afghanistan conflict, but I'll finish on the Pakistan and U.S.-Pakistan relations in a minute.

I'm curious, from all three of you, what you think motivates the Taliban to consider a peace deal at this point? Why there's a little bit more hopefulness on this stage about why there could be a deal than I have necessary sometimes heard in the past? So what's the motivation, and therefore how could it lead them towards a willingness to have a peace accord now?

And then, secondly, what's the motivation of Pakistan? You mentioned, yourself, Ahmed, earlier, you weren't sure what Kayani and others really wanted in Afghanistan. Is it strictly defense against India? Or is there a sense that Pakistan feels quasi-hegemonic towards Afghanistan, and feels that it should control this poor, impoverished, small neighbor to its northwest, and it's just the way the world should work, that Pakistan should be dominating the place, keeping it weak enough that it can always call the shots?

In other words, is it largely a defensive motivation, or is it partly an offensive motivation? Because that may also tell us a little bit about what kind of deal Pakistan would consider supporting within Afghanistan.

So -- motivations of those two groups in particular, I'd be curious to hear you all speak about.

Bruce, do you want to start, and we work back this way.

MR. RIEDEL: I'll start with the motivation of the Afghan Taliban, which it's not a very easy picture to develop. The Afghan Taliban is not one of the more prolific organizations, in terms of putting out long, thoughtful statements of its positions (laughter). So one has to read between the lines.

But I think the NATO study I mentioned earlier gives you some answers.

One, unlike 2008 and 2009, I think when the Taliban looks to post-2014 now; they don't see an easy victory. The Afghan army is a much more formidable force

today than it was a few years ago. It is far from being the Wehrmacht, but the Taliban are not the Red Army, either.

So the chances of a rather quick march to Kabul, I think, have receded. And I think as the Afghan Taliban looks to the post-2014 era, what they see is the prospect of going back to where they were in 1999 -- which is a long-term civil war with the Northern Alliance, or whatever it will now refashion itself as.

And I think for particularly the mid- and upper-level leadership of the Taliban, that's not a very attractive future. They've now been fighting war for 30, 35 years, and they're getting a little bit tired of it.

Secondly, I think it has to do with the nature of the Taliban's relationship with the ISI. It is an incredibly close relationship, but it's not a relationship of friends, it's a relationship of one party, which is using the other. The ISI is manipulating the Afghan Taliban, and does so, in many ways, in very brutal and harsh ways. If you stray off the reservation, it is not just you who will feel the ire of the ISI; it is your family, and your extended family, which can feel the ire of the ISI.

So if you're an Afghan Taliban leader, and you're looking towards the future, the future right now is, well, yes, the Americans will be largely gone, but the civil war will continue, and you will continue to be under the boot of the Pakistanis for the foreseeable future. And that's not a pretty picture.

The only way out of that is to find some kind of political process to move forward. That will have to mean, in the end, also accepting that Karzai's government has a degree of legitimacy. That's going to be a pretty big hurdle for the Afghan Taliban to overcome.

Therein, though, lies an opportunity, which is that Karzai's departure in 2014 could be a happy coincidence that he leaves, and therefore whatever political

process is emerging can now rally behind some new Afghan political leadership, and we can put the Karzai era behind us. And we can do that in a happy way, that makes Hamid Karzai the father of his country, even if he moves on to work for the U.N. for the rest of his life in Rome which, after all, would not be such a bad thing to end up spending the rest of your life doing. (Laughter.)

Thank you.

MR. O'HANLON: Steve, can you comment on either of those groups and their motivations?

MR. COHEN: Well, not on the Taliban. I don't claim to be an expert on the Taliban. But the people I know who've dealt with them are very pessimistic about the Taliban negotiating anything. And from their perspective, what I hear from folks, both Pakistanis and Americans who have dealt with them over the years, they see themselves as eventually victorious, much like the North Vietnamese dealing in Vietnam. And their concept is a totalitarian system, Islamic style. And they defeated the Soviets, you know -- not they, but Afghans defeated the Soviets, why not the Americans, and eventually the Pakistanis? And the Pakistanis I've talked to have had bitter problems with them.

So, I think the real interesting question is, why have not the Americans and the Iranians and the Indians and the Pakistanis gone back to what you proposed, Rashid, that is a regional framework so we confront the Afghans and the Taliban with a broad international consensus about what Afghanistan is going to look like.

In that Afghanistan, I don't see much role for Taliban, but I do see this being a popular idea for many Afghans, though maybe not the Taliban. And I think, in the end, the Taliban will only be defeated by force.

MR. O'HANLON: Care to comment on either of those two groups and their motivations?

MR. RASHID: Well, I do believe -- I mean, look, I do believe the Taliban has changed, simply because, if you look at their statements, they have distanced themselves from Osama bin Laden. They have said they will not allow any foreign terrorist group to take up soil, take up a position in Afghanistan. They have stopped burning girls' schools. They are allowing girls' education. Now, okay, I mean, these are not major, you know, but for the Taliban, you know, these are big deals.

The Pakistani Taliban, on the contrary, is burning girls' schools just outside Peshawar. They continue to burn boys' schools, as well, and stop all education. So the Pakistani Taliban, in that sense, haven't learned even the lessons of the Afghan Taliban.

But I think there are two reasons why the Taliban are looking to the future. The first is, they really are fed up with Pakistan. The Taliban anger again the manipulation of the ISI is so acute now it is even more than the presumed anger against the United States -- right now. And I don't think Pakistan realizes that they are creating, or they're continuing to support a group, which is, you know, wholly and entirely dependent on Pakistan, but wholly and entirely lacks all trust and faith in Pakistan. This is the first problem.

The second problem is the fact that the Taliban know that if they were to walk into Kabul, they would get cut off by everyone immediately -- just like what happened in the 1990s. You remember, even the U.N. had to abandon humanitarian aid to Afghanistan because of the Taliban and the presence of Al Qaeda. They don't want a fate like that. They know that they can't govern the country. They don't have the personnel to do that. They know that if they were to replace Karzai or anyone else, you know, there would be no money, no aid, and within six months, Afghanistan would be starving, the people would be at their gates wanting, you know, money and food.

So, better do a deal with somebody like Karzai or the next president, who at least can guarantee that foreign aid, et cetera, will continue, you know. And don't forget, I mean, the biggest crisis to come in Afghanistan, really, post 2014, is going to be economic. For 10 years the West has failed to build an indigenous economy in Afghanistan, which is not dependent on foreign forces' being there. Tens of thousands of Afghans are occupied today because they work for the foreign forces.

Now, these guys leave, what are these Afghans going to do? And this is your elite, this is your English-speaking, educated, semi-educated, pro-democracy, pro-Western Afghan elite, you know. And they're going to be all rendered jobless, once these foreign forces leave. And there's no economy on the ground to absorb them. So this is going to be -- and the economic crisis is very grave in Pakistan, too. So, you know, I think this is the biggest crisis they're going to face.

And the Taliban are, you know, I mean, may not have the needs of the Afghan urban elite, but they're also aware that, look, if we lose all international support, we cannot sustain this Afghan economy on our own.

So I think that's -- you know, these are all indicators of -- and don't forget, I mean, if you read the chapter of my book on talking to the Taliban, it is the Taliban who initiated this discussion. The Taliban sent a message to Holbrooke wanting to talk. It is not Holbrooke who sent a message to the Taliban, you know.

So, I mean, and as I said about, you know, these various things that have happened, they are very frustrated by the slowness of this prisoner exchange. You know, as you've explained, I mean, it's very difficult for the U.S. to do. I mean, how do you explain to the Taliban the interagency process, you know? It's bloody difficult. (Laughter.) I mean, how do you explain to the Taliban that, you know, Guantanamo, you know, we've got this Romney, and we've got these, you know, McCain, and all these guys

who will throw a fit if somebody is released from Guantanamo?

MR. O'HANLON: One last question -- thank you -- and then we'll open up.

And, Ahmed, for you, I was going to ask you, if you don't mind, you've emphasized economics, I think very appropriately, for both Pakistan and Afghanistan, in your book and today.

Bruce, as you know, and as you refer in your book, has been talking about a new concept of U.S. relations with Pakistan, in which a lot of the emphasis would shift towards trying to support the civilian sector, the non-military sector. The *New York Times* op-ed page gave it the title of "Containment of Pakistan," but that's probably not a totally accurate depiction of what's going on with his proposal. I should let him correct the term if he wishes.

But the way I interpret it, he wants to see us distance ourselves to some extent from the Pakistani military, with which relations haven't been as productive, but make a much more emphatic show of support for the Pakistani civilian economy, and civilian sector, and political sector. And this would mean that our aid would shift more towards economics, that we would consider proposing a free-trade accord with Pakistan to encourage economic commerce.

And I wonder if that's in the vein of what you seem to also favor, in terms of your economic vision, and also your U.S.-Pakistan relations vision within the book. I can't quite tell, because you're suggestive of that sort of thinking in the book, but that's sort of where you stop with your series of essays. And I just wondered if you could say a word more?

MR. RASHID: Bruce, do you stand by that "containment?"

MR. RIEDEL: I think Mike accurately describes the argument I made,

which is we need to continue to engage Pakistan. We need to try to support progressive forces in Pakistan. I think the most effective way to do that is to lower trade tariffs on Pakistani goods, below the levels and China and India, to actually make them more competitive in the United States, as well as other kinds of economic assistance. But at the same time, have a harder edge in dealing with the Pakistani ISI, and contain the worst excesses of the ISI. That's how I would describe it, in short.

MR. RASHID: Well, certainly, you know, I think this administration tried, with the Kerry-Lugar bill, when Holbrooke tried earlier on. And of course, but a lot of that -- I mean, this aid to the civilian sector continues, but it's being, obviously, slowed down because of this worsening relationship.

Remember that the U.S. has given $20 billion to Pakistan since 9/11. 70 or 80 percent of that has gone straight to the military. Nobody has ever seen the money, you know. And that's why it's so easy to whip up anti-Americanism in Pakistan.

And I think, you know, earlier in this administration, people like Holbrooke were very keen to do something substantial -- you know, to build something substantial, of infrastructure and other things that would really demonstrate to the Pakistanis what, you know, what is possible.

But I think, you know, the key issue is what I talked about earlier. We need to change our foreign policy. We cannot sustain this foreign policy, this Cold War foreign policy, any longer.

Now, I think this is becoming increasingly -- you know, the people of Pakistan are becoming increasingly aware of this, that the army's foreign policy, this exercise, is a total liability on the country. The country cannot move forward with this Cold War foreign policy.

And I would suggest that when the Americans do resume relations with

Pakistan, that for a few months you do not talk about even an intelligence, you know, go after Haqqani, go after Mullah Omar. You know, "Are you doing this?" -- I mean, the sort of nagging relationship that developed at the end.

I would really say that the U.S. should have one focus -- two focuses, one, what Bruce has talked about, in the sense of, you know, an economic relationship, and shifting the aid and the money, and having real serious economic discussions about how to help Pakistan reform its economy.

But the other thing is a strategic discussion on how to help Pakistan and the army reform its foreign policy. For example, we will have to do something with all these fundamentalist groups -- you know, the Lashkars of this world -- who are all out there. There is no plan, there is no agenda, there's no money, there's no nothing.

So what do we do? The army pushes them out into the streets every few months, just to tell the Americans, look, we've got all these bad guys here. You know, they're all bad guys.

We need a discussion as to how this kind of state sponsorship of extremism, you know, can end -- not with the Pakistani army going in and blowing up a lot of people, and killing a lot of people. But, you know, we need a strategy as to reconciling with them, giving them new skills, giving them -- you know, trying to deal with them as Pakistani citizens.

And that kind of strategic discussion, I think, is required. And I think if the U.S. were to say, look, we really want to help you change the parameters of your foreign policy, you know, and we're willing to mobilize international support -- I mean, if you want to de-radicalize, so and so and so, you know, we'll give you the money and the means and the wherefore, you know, to do this.

So, you know, I really hope that something like that can happen.

MR. O'HANLON: Thank you.

We're going to go to the crowd now. I'm going to take two questions at a time, if you don't mind. And please state your name, wait for a microphone.

And if you -- I'll presume that the question is directed to Ahmed, although, of course, Steve and Bruce will comment, as well. But that would -- you know, if you have a question for one of the other two, you can let us know. But obviously we're focused primarily on the book.

So we'll start here, the fourth row, please.

MR. GRINDSTAFF: Hugh Grindstaff, THIS for Diplomats.

You know, you've mentioned the whole thing, but the American troops, though they're fighting in Afghanistan, they're paying taxes which go to Pakistan, to give to the Taliban, to shoot at them. And this current, I think we've reached the point of victimization of the American troops in Afghanistan that they are saying, "We're fighting here, but who's getting the justification of us being here?"

When we could go in the morning on the metro to come here, we think of what happens. They get up in the morning saying, "What's my mission today? Who's going to appreciate my mission?"

And I think right now the American troops are the ones that are really getting the raw end of the deal. And now the Pakistani -- we're talking more about the Pakistani army than we are the American Army, even though they focus is on Pakistan.

MR. O'HANLON: Great. I'll take one more.

Towards the back -- Tara, yes. No, the one in front of --

MS. McKELVEY: Hi. My name is Tara McKelvey. I'm a correspondent for *Newsweek* and The Daily Beast.

Can you talk a little bit more about the ISI and the changes within that

leadership, and how it might affect the U.S. and the diplomacy?

MR. RASHID: Well, you know, I agree with you. I mean, you know, this is the -- it's even a worse crisis in Europe right now, because Europe has no money, and the Egyptians are even more angry that, you know, what are our troops there? You know, they're being shot at, you know, by Taliban who are sitting in Pakistan, et cetera, et cetera.

So, I mean, you know, that is -- you know, that is absolutely true. And unfortunately, we still remain in a state of denial about all this -- Pakistan. And this is extremely dangerous and upsetting.

I mean, you know, as I see it, it's absolutely necessary now that Pakistan addresses these issues in a public way. And one way to address this issue would be that, you know, once these relations -- Pakistan, U.S., Taliban, et cetera -- come together, Pakistan needs to, you know, issue an ultimatum to the Taliban, to say, look, in six months you have to go home. Or in one year you have to negotiate something with Karzai and the Americans and go home. We're not keeping you any longer.

Pakistan has to take some steps to -- especially after the denials of Osama, and everything that has happened -- Pakistan has to take some steps to restore some degree of confidence in the international community. And if it doesn't, then exactly what you are saying is going to get worse and worse, you know.

I really have very little information about the change in the ISI and what that means. But, I mean, you know, the ISI is not some sort of rogue body, acting on its own, or anything like that. The ISI remains an institution of the state, which is very much under the control of the military and the army chiefs. And, you know, just as General Pasha was doing what General Kayani told him to do, so will this new ISI chief follow the same.

MR. O'HANLON: Steve?

MR. COHEN: I would add one point to that. The ISI is composed of Pakistan officers from all three services who rotate in and out. So they get to see the world, they get to see the fighting, or they could see the India front, the Afghan front, and so forth.

But there's also a corps of civilians there who are there permanently. Many of those civilians are ex-military. They constitute -- I won't say "reactionary," but sort of a -- they are the memory of the ISI, and they remember all the past grievances that Pakistan has ever had. So, I'd say they're a more conservative element that, I'd say, even the army. The army is sort of transformed periodically by its service on the frontiers.

So to the degree the ISI has an influence, it's a conservative retrograde influence.

MR. O'HANLON: So now we'll start with the gentleman that was about to speak a moment ago. Yes, please.

MR. AKBAR: My name is Malik Siraj Akbar. I'm from the National Endowment for Democracy.

The Pakistani government took almost two months to decide to review the relations with the U.S. And eventually what they came up with was a demand --

MR. O'HANLON: Microphone a little closer to your mouth.

MR. AKBAR: -- that the drone strikes should be stopped.

My question to Ahmed is, how effective have the drone strikes been, in terms of dismantling Al Qaeda?

And, to Bruce, do you think that the U.S. Government is going to respond to the Pakistani parliament's demand that drone strikes should be stopped?

MR. O'HANLON: Why don't we go straight to answers to this, since it's a

very specific question on drone strikes?

MR. COHEN: I don't know historically whether there's a been another case where America is bombing an ally -- sometimes, in this case, with the ally's permission, sometimes without the ally's permission. I think that relationship will probably continue.

But the Pakistanis should come out in the open as to where they do approve, or actually work with the Americans on the drone strikes.

MR. O'HANLON: Bruce, do you want to --?

MR. RIEDEL: I see there is virtually no possibility that the United States that the United States is going to cease drone strikes.

Drone strikes have been effective in disrupting Al Qaeda's operational pace of activity in the border region. I don't subscribe to the view that Al Qaeda has been destroyed by the drone strikes. I think every director of central intelligence, and every director of national intelligence since George Tenet has proclaimed victory over Al Qaeda.

I think it's premature to write the obituary of this organization too early. But I don't doubt that they have put a lot of pressure on Al Qaeda in the area.

I think what we're going to see, most likely, is that drone strikes will now continue against Al Qaeda targets, but we're also going to see a transition to the drones' now becoming more of a tactical weapon, as well, against Afghan Taliban strongholds trying to cross the border. We're already seeing this move from strategic counterterrorism to more tactical counterterrorism, to try to deal with the problem of the safe-havens and the sanctuaries. And I think it is inconceivable that this administration, or any administration that is likely to come in the future, will cease carrying out drone operations.

And, after all, since it is a covert operation, how can the United States say it's ceasing doing something, which it never started doing in the first place?

(Laughter.)

MR. O'HANLON: You'll leave that one alone, or -- okay, next question.

We'll go here, the gentleman on the aisle.

SPEAKER: This is mostly for Ahmed.

Did you say anything -- I don't know if you've covered it in your book or not -- about what the continuing role of Chief Justice Chaudhry is likely to be? What is he looking for as things go along, given the extraordinary power the Supreme Court has to take things up on its own initiative?

MR. O'HANLON: Did you hear it? He's asking about the future role of the Chief Justice Chaudhry, and what his role will be in Pakistani politics, or policy?

MR. RASHID: Oh. Another one?

MR. O'HANLON: Let's take one more.

Garrett, up here in the front.

MR. MITCHELL: Thanks. I'm Garrett Mitchell, and I write the Mitchell Report.

And I'm having one of those experiences that is forcing me to think of the notion of, when this over, heading outside, sitting down in a room with 25 people who couldn't be here this morning, and answering their basic question, which is, "What did they say?" What were the conclusions? And I'm wondering if -- I'm wondering if what I think I've heard is what I've heard.

On the one hand, Ahmed, I think I've heard you say that it's essential for us to do a deal with the Taliban. It's the only way we're going to get where we need to get in Afghanistan. And I think I heard Steve say that the people that he talks to who are experts about the Taliban say that you can't negotiate with them.

And then, second, that Bruce, it seems to me, and maybe others have

suggested that when the Taliban looks at 2014 and beyond, they see a dim picture for a variety of reasons I need not recount. And yet, what I think we continue to hear is that there's a real question about whether the U.S.- and NATO-led mission in Afghanistan is really achieving its objectives.

So I'm wondering, A, whether what I heard was a case of bad ears, or whether we're really in one of those situations where, for every plus there's a minus, and so we're sort of in a kind of policy gridlock?

MR. O'HANLON: Care to begin this -- either the future role of the Pakistani Supreme Court? Or the question of the viability of peace talks?

Ahmed, why don't you begin, if you like?

MR. RASHID: Well, the chief justice's role remains very controversial. And the gunning for the government, and for Husain Haqqani, and for other things that he's done, have shown for many people to be in cahoots with the military, and to be carrying out basically what the military wants, which is to get rid of this government, without having the issue of having a military coup alongside it.

But at the same time, it must be said that the chief justice has taken up a lot of other cases regarding, for the first time ever, the disappearances that have been carried out, you know, by the ISI and the military, in Balujistan, in the front, in Fata, where the Taliban are. So, you know, I mean, he has balanced himself by carrying out these investigations into the disappeared.

You know, which way he will tilt? Certainly, you know, if the chief justice is going to have an order which eventually throws out the prime minister, I think it's going to be something that the courts are going to find very difficult to live down, because they will be throwing out an elected government. Good or bad, they will be throwing out an elected government. And I don't think that's the job of the courts to do. I think that's the

job of the electorate, and there's only nine months to go before the electorate can exercise.

Look, you know -- yes, I think you heard, you know, you outlined what you heard.

I think one fact that we haven't talked about is that I think there is real U.S. exhaustion, there's U.S. military exhaustion. And these incidents are a reflection of that, you know.

I think the U.S. military really, the grunts on the ground, don't really have a purpose, and they don't see their purpose as to what they're supposed to be doing. Because they're not seeing this kind of wave of support and sympathy, you know, where they are based up in the south. They're not seeing the Pashtuns all clamoring to go and hammer the Taliban. They're seeing the Pashtuns basically sitting on the fence, and waiting for the Americans to leave. And that must be very difficult for these small units deployed in Helmand and Kandahar, coupled with these sudden explosions of anti-Americanism that come out when something disastrous happens.

So, you know, you've been fighting the longest war in your history -- you know, longer than the First and Second World Wars together. And the Afghans have been fighting for over three decades. And there's complete exhaustion now on all sides.

And that's why I'm very negative about these calls that the Northern Alliance is saying that we're going to arm, we're arming ourselves, we'll fight a civil war, we'll never talk to the Taliban. You know, the Northern Alliance is not going to fight a civil war. Yes, they may be arming themselves, and they don't want the Taliban, and they don't necessarily support a deal with the Taliban. But, at the end of the day, they're not going to fight a civil war. So that means they'll have to work out some political compromise with Kabul.

MR. O'HANLON: Other comments?

MR. RIEDEL: I have the dubious distinction of having had the pleasure of negotiating with the Taliban. And drawing on that analogy, I would come out where Steve said earlier, that they're not a negotiating machine.

But I think that I, in the end, come out where Ahmed is, which is that they are in the process of changing. Whether they will make the change completely to becoming a negotiating machine is an open question now. It's worth finding out the answer to that question.

The best outcome for the United States and Afghanistan is some kind of political reconciliation process. That doesn't mean that will be the outcome. The odds favor it will be a more negative outcome than that, but that is the best outcome the United States should get.

But we should understand that when we enter into these talks, this is not going to be Mars talking to Venus. This is going to be Mercury talking to Pluto. We are not going to be able to engage very well. And ultimately we have to get out of it and let Afghans do it, and have us just on the sidelines with a pretty big bat in our hands, making sure that they keep talking to each other.

And we have to get the ISI involved in that process. You cannot get the Afghan Taliban to make serious compromises without the ISI involved. And in the end, that means re-engaging in a dialogue with the new DG ISI, General Zahir. And we can only hope that he will, for whatever reasons, find it in the Pakistani army's interests to move in that direction.

It's a long shot. But a long time ago we squandered the opportunity for a clean victory in Afghanistan. We're now trying to make a very disastrous situation come out as good as possible.

MR. O'HANLON: Steve.

MR. COHEN: Let me just emphasize that point. I had a friend of mine who was in the Bush Administration, and I said why don't we defer the Iraqi war until the second Bush term? Why don't we fix, clean up Afghanistan first -- you know, establish some kind of stable government while we have the opportunity? He said, "We can do both."

And the answer is, it turns out, that we did both -- we're not doing both, and we did one badly, and the second one we may not do at all.

MR. O'HANLON: So we have time for one more round of two quick questions. And I'm going to take those, and then we're going -- okay, good -- and then we'll take yours to start. And then, after that, we'll come back here to the gentleman in the third row. Those will be our last two.

Then we'll go Bruce, Steve, and Ahmed to wrap with concluding comments, as well as answers to the questions.

Over to you.

MR. CARP: Thank you. Craig Carp from Carpology Consulting.

Ahmed, I wanted to pick up on something that you said at the end of your talk about the strategic environment. But first, a small point.

I don't think that reconciliation among the Afghans is impossible, or otherwise someone would not have gone to the trouble of assassinating Professor Rabbani. I think, again, the targeting of Professor Rabbani shows that even between the Taliban and the Northern Alliance, some kind of rapprochement is possible. And I agree very much with Bruce that this is an Afghan job. That while the United States should talk with the Taliban, that negotiating an Afghan government with the Taliban is: first, it won't stick. You know, as soon as we get out of there, there's no reason for them to uphold

those accords.

So, I think, conversely, what we have to do, as Bruce, is work on ISI, and work on what you were talking about as to the strategic environment. But the strategic environment really involves a much broader picture -- that is, addressing what Pakistani national security elites see as the existential threat to Pakistan posed by India. And there is their principal motivation for their 40-year engagement with the Afghan insurgencies.

And for the United States --

MR. O'HANLON: That's another question.

MR. CARP: Okay. So the question is -- two questions.

How does Pakistan --?

MR. O'HANLON: One. Sorry. I'm going to be tight. It's 10:29. One question.

MR. CARP: How does Pakistan engage with -- how does the United States engage with Pakistan and India to help address this strategic environment.

And also, will the merry-go-round go back to the Sharif brothers?

MR. O'HANLON: And here, to finish.

SPEAKER: Thanks. I'm [inaudible] from the Pakistani-American Leadership Center.

First question is for Bruce. You mentioned that we shouldn't be waiting for the Pakistani parliamentary review, we should be moving forward, besides, as you mentioned, engaging with the new DG ISI.

What other steps should the U.S. be taking to engage with Pakistan?

Second question is for the panel, which is in a post-2014 environment, will we see an exponential improvement in the U.S.-Pakistan relationship, given that we might no longer be fighting that proxy war?

MR. O'HANLON: Okay -- so, Bruce, then Steve, then Ahmed, to wrap up as wish, please.

MR. RIEDEL: First of all, I think we have to bring in the regional partners. I think that the strategy of this administration as it was originally developed was to bring in India in dealing with this question.

If you want to change the strategic direction of Pakistani politics, you've got to deal with the itch that drives the strategic direction of Pakistani politics. And I am, frankly, disappointed the administration hasn't worked harder on that problem.

So, what do I mean by doing more earlier? I think it's time for the President and President Zardari to meet face-to-face. I think we should have the high-level discussion between our two leaders.

I think the notion that we're going to wait for the Pakistani parliament to come up with the answer is as ridiculous as waiting for the American Congress to come up with the answer to U.S.-Pakistani relations. (Laughter.)

You're going to get the wrong answer, and you're going to find yourself hobbled by the wrong answer.

You know, we've been, I think, uniformly pretty pessimistic here this morning, which is not unusual for a Pakistan event. But I want to leave on an upbeat moment, which is you've heard from a real Pakistani, a progressive Pakistani talk about the things that his country needs to do.

And the thing that gives me hope about Pakistan is that there are not just one Ahmed Rashid, but there are lots of Ahmed Rashids -- not as good writers as Ahmed Rashid, but a lot of people who believe in the same things.

They are dying for what they believe in. Okay? And it is imperative that the United States of America support those people. Because their vision of Pakistan is

the only vision that is compatible with what we would like to see this world look like.

MR. COHEN: I agree with that. I think that we're suffering, in terms of the Pakistani military from the Aziyah generation -- those young men who went into the army during that period and adopt some of Aziyah's views and so forth. They're not the most liberal Pakistanis you can imagine. And America's worsened the problem by cutting off training programs here.

But even the army, even an army understands reality. And I think there's a debate within the military. Of course, there's massive debate in Pakistani society that's unique in its history, about what Pakistan is, and where it's going.

In the question, in your question, I've been arguing for a couple of years now that two odd couples are critical. The Indians and the Pakistanis, they both want a moderate, non-extremist Afghanistan. Yet they're working at cross-purposes in Afghanistan. And the Americans and the Iranians, we both want a moderate Afghanistan that's not anti-this or anti-that. We can't talk to the Iranians about Afghanistan. Our Iran policy is so focused on other issues that, you know, these two odd couples can't get together. And a regional approach would at least bring in these four countries, plus the Russians and others, I think, in settling the parameters for an Afghan kind of settlement of Afghanistan problems.

MR. O'HANLON: Ahmed, over to you.

MR. RASHID: Well, you know, in the light of what Bruce said, I just want to want to remind you that we've just had a brilliant young girl from Pakistan who's won an Oscar for her documentary. Now, you get that kind of talent in Pakistan. She's been given the highest civilian award -- even though her subject matter, throwing acid on girls by extremists, or by husbands, is a very and dire and depressing subject.

But, you know, the government, thank God, has had to recognize the fact

that, you know, she won an Oscar, and that, you know, this documentary, dire as it is, has been acknowledge by the States. So, you know, that's a change.

On the India thing, let me just say that I think there is an improvement. And part of that improvement has been because I think the military has signaled to the Indians that Pakistan is willing to accept an Indian presence in Afghanistan, but that Indian presence should be qualified or modified.

Now, the way that can be done is through direct talks. Both sides need to talk about Afghanistan. Both countries have never had a dialogue with each other on Afghanistan. And I think that's what is needed.

Certainly, the question -- you know, you can't throw India out of Afghanistan, and India's aid program has been extremely lavish and very effective. And so if there can be a dialogue between India and Pakistan on Afghanistan, and their roles in Afghanistan -- you know, how many ISI agents, how many RAW agents, how many consulates, et cetera.

And the other thing is, remember, the Taliban are not going to be anti-Indian. The Taliban -- even Haqqani, who has attacked the Indian Embassy twice, and killed Indians on other occasions, you know, once they're free of Pakistani influence, they are not going to be anti-Indian. The Taliban have no interest whatsoever in isolating themselves from India -- knowing fully well that the aid that India is giving to Afghanistan is fairly crucial, and knowing fully well that that aid is likely to continue, whereas Western aid could probably collapse after 2014.

So, you know, the Pakistanis have to face the fact that the Taliban will be the first to establish improved relations with India. It won't be like the 1990s.

And I think, you know, that's a positive thing for the future, which, you know, Pakistan has to take on board. The Taliban will not be a Pakistan stooge anymore,

or Pakistan's puppet anymore. They will want good relations with all countries, because that will be what will suit economic development and progress in Afghanistan -- even for the Taliban.

MR. O'HANLON: Well, first, a quick note -- this book is on sale out front. So please consider buying it. It's an excellent read.

And please join me in thanking Bruce, Steven, but especially Ahmed.

(Applause.)

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