

## **From ‘tradecraft’ to ‘statecraft’: The rise of ISI as a ‘state within a state’**

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On October 07, 2001 General Pervez Musharraf, the President of Pakistan sacked the Director General of Inter Services Intelligence (DG-ISI) Lieutenant General Mahmoud Ahmed. Various analyses cited two main reasons for this decision on the part of Musharraf. First, India was reported to have produced evidence to the USA that under General Ahmed’s instruction, \$100,000 were transferred to Mohammed Atta, the leader of the terrorist group responsible for the September 11 attacks.<sup>1</sup> Secondly, a week after 9/11, General Musharraf had sent the DG-ISI to meet the Taliban chief Mullah Mohammed Omar to request the extradition of Bin Laden to USA; the spymaster had instead secretly told Omar to resist US pressure.<sup>2</sup> While the second case was a deliberate act of insubordination; it would be a fair and rational guess to assume that Ahmed did not act on the permission of President Musharraf to send the money to Mohammed Atta. Then the big question is why the top intelligence officer of Pakistan acted against the country’s national interests and defied the orders of its President. But this was not the first time when the ISI tried to sabotage the government’s policy or the government itself; the history of ISI is replete with such murky operations which attempted to destabilize the very Pakistani government which it was meant to protect, earning for itself the title of ‘state within a state’<sup>3</sup> used very often by the media and political leaders to describe ISI.

This article seeks to analyse the growth of ISI in the light of four permanent factors – political influence, its budget, its ideology and capabilities, which are in many ways quite unique to the Pakistani society and which have played the most critical role in the development of ISI as an organization.

### **Political influence or political abuse?**

Power politics in Pakistan is individual oriented rather than collective or party based (during democratic rules). As a result, the major concern of the person in power is to

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<sup>1</sup> Michel Chossudovsky, *Cover-up or Complicity of the Bush Administration? The Role of Pakistan’s Military Intelligence (ISI) in the September 11 Attacks*, Centre for Research on Globalization (CRG) (2/11/2001).  
<http://www.globalresearch.ca/articles/CHO111A.html>

<sup>2</sup> CNN TV, April 29, 2002, *Has Pakistan tamed its spies?*. Tim McGirk/Islamabad with reporting by Hannah Bloch/Islamabad and Massimo Calabresi/Washington.  
<http://www.cnn.com/ALLPOLITICS/time/2002/05/06/spies.html>

<sup>3</sup> For this article a ‘state within a state’ can be understood as an organization or a group of people with vested interests who exercise extraordinary illegitimate influences over the policy making and governance of a nation and who possess the capabilities as well as intent to pursue their interests with or without the approval of the government.

guarantee his/her own survival and what better way to do so than using the covert means of intelligence agencies, headed by the most able ISI. From the first military dictator Ayub Khan till the most recent Pervez Musharraf, including most of the intermediate civilian rulers abused the capabilities of ISI to foster their political survival. Ayub Khan made ISI an integral part of the corridors of power when he entrusted it with maintaining the national security of Pakistan which eventually meant consolidation of his regime, keeping watch on undesirable politicians and civil servants, assessment of public opinion etc.<sup>4</sup> By 1965, ISI was so preoccupied with internal political affairs that during Indo-Pakistan war of 1965, it lost track of a division of Indian tanks.<sup>5</sup> When Ayub Khan sought an explanation for this failure, the DG ISI replied ‘Sir, from June 1964, [intelligence agencies have] been given political assignments on elections and post-election repercussions.’<sup>6</sup> Successive military dictators from Yahya Khan to Zia-ul Haq till Musharraf followed the same trend of making ISI their ‘eyes and ears’.

It is expected that in a military regime, intelligence agencies are bound to be abused. But in case of Pakistan, the same trend continued unabated under most of the democratic rulers. During the civilian rule of Zulfikar Ali Bhutto from 1971 – 1978, the ISI’s involvement in domestic politics was legalised and a new internal political cell was added to the organizational infrastructure of ISI<sup>7</sup> and Zulfikar Bhutto used ISI for internal intelligence gathering in the Baluchistan state of Pakistan, where a nationalist movement was going on and the loyalty of local Intelligence Bureau (IB)<sup>9</sup> officers were suspected by the central authority. It is also alleged that Zulfikar Bhutto used ISI to rig the elections of 1977 in favour of his Pakistan People’s Party (PPP). The trend continued with future democratically elected leaders as well. They all wanted to use the intelligence agencies to achieve their personal political goals. Benazir Bhutto tried to do so by making ISI weak and transferring its political cell to IB, while Nawaz Sharif used ISI to bug the rooms of senators of the *Mohajir Qaumi Movement* (MQM)<sup>10</sup>, a party of his ruling alliance.

In its six decades of existence, Pakistan has been under direct military rule for more than half the time and in the remaining time there were at best some limited democracy in practise with high centralization of power. Consequently, the concept of a free press was never allowed to take birth in Pakistan and as a result, the hallmark of news media – credible

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<sup>4</sup> Altaf Gauhar, ‘How Intelligence Agencies Run Our Politics’, *The Nation* (17/11/1997).

<http://www.fas.org/irp/world/pakistan/isi/politics.html>

<sup>5</sup> Federation of American Scientists (FAS) Intelligence Resource Program – ISI.

<http://www.fas.org/irp/world/pakistan/isi/>

<sup>6</sup> Bhutto, Zulfikar Ali, *If I am Assassinated*; with an introduction by Pran Chopra and reproduced in PDF form by Sani H. Panhwar, p. 92. <http://bhutto.org/Acrobat/If%20I%20am%20Assassinated.pdf>

<sup>7</sup> Kashmir Sentinel, September 1 – October 15, 1998. *Living in the ISI’s shadow*. Maloy Krishna Dhar.

<http://www.hvk.org/articles/1198/0022.html>

<sup>8</sup> Earlier the ISI had only two fields of activities – External and General.

<sup>9</sup> IB is Pakistan’s main domestic intelligence agency and its duties include counter-intelligence and internal security.

<sup>10</sup> Bindanda M. Chengappa, ‘The ISI Role in Pakistan’s Politics’, *Strategic Analysis*, Vol. 23, No.11, p. 1863.

news reportage, judging the pulse of the nation and thus the best source of information to the leaders as a tool for governance was never available. The Pakistani Generals during their direct rules were thus completely dependent on the intelligence agencies as the sole source of information as a tool for governance. This eventually meant complete dependence on ISI, as the Pakistani military has always been comfortable with the ISI's military-style command structure, and latterly its adherence to rigid Islamic doctrine. This dependence on ISI for critical information permeated through the entire system and by the time there was a shift to democracy, the elected ruler felt more comfortable in maintaining the status quo with respect to ISI, which ultimately meant abuse of its capabilities and thus making it more powerful. So this is basically a vicious circle where irrespective of who rules Pakistan, the power of ISI keeps growing; in the words of noted Pakistani political analyst Ahmed Rashid 'ISI [is] too powerful for the government of the day to question and too intrusive for any army chief of staff to clean up'<sup>11</sup>.

### Self funded?

The operational capabilities of an intelligence agency depend to a great extent on the amount of funding it receives. ISI is a major beneficiary of Pakistan's national budget, with a large unaccountable chunk coming from the defence outlay. In Pakistan, no one knows, not even the Prime Minister, as to how much ISI costs to run or precisely how many people it employs.<sup>12</sup> In addition to these, ISI also has its own source of funding in the form of drug trafficking in the region known as the 'Golden Crescent'<sup>13</sup>. It started in the early 1980s in Afghanistan, where there was an invasion of Soviet troops. ISI got involved in the production of heroin and opium through various local *Mujahideen* leaders; the goals being to convert the Soviet troops into drug addicts as well as using the profit generated to forward ISI objectives as well as the personal profit of its various officials.<sup>14</sup> Trucks from Pakistan Army's National Logistics Cell were used to transport heroin from Afghanistan to Pakistan in sealed containers and were protected from police search by ISI papers.<sup>15</sup> In 1986, drug trafficking was estimated to be a \$100 billion industry, out of which the Pak-Afghan share was estimated to be \$30 billion<sup>16</sup>; its not hard to imagine how much profit would this have generated to the chief mentor of this entire operation-ISI. The underlying fact is that ISI was not entirely dependent on the Pakistani government to sustain itself and this lead to its decrease of

<sup>11</sup> Rashid, Ahmed, *Taliban: Islam, Oil and the New Great game in Central Asia*, I.B. Tauris (2002), p. 180.

<sup>12</sup> Deva, Major General Yashwant, AVSM (Retd), 'ISI and its Chicanery in Exporting Terrorism', *The Indian Defence Review* (1995). <http://www.bharat-rakshak.com/LANCER/idr00006.htm>

<sup>13</sup> This space overlaps three nations – Pakistan, Afghanistan and Iran.

<sup>14</sup> Peter Dale Scott, *Oil and War: The United States in Afghanistan, Columbia and Indochina*, Rowan & Littlefield (2003), pp.49-50.

<sup>15</sup> Haq, Ikramul, 'Pak-Afghan Drug Trade in Historical Perspective', *Asian Survey*, Vol. 36, No. 10 (Oct. 1996), pp. 945 – 963.

<http://links.jstor.org/sici?sici=0004-4687%28199610%2936%3A10%3C945%3APDTIHP%3E2.0.CO%3B2-7>

<sup>16</sup> *Ibid.*

accountability to the government. It developed its own agenda on matters related to Pakistani national security and did not necessarily stop pursuing the same even if the government of the day disapproved of such agenda.

Such funding also made it fierce protector of its interests. When Benazir Bhutto became the Prime Minister of Pakistan after the death of Zia, she tried to stop ISI's illegal income by dismissing two of ISI's top administrators associated with the drug trade.<sup>17</sup> She also tried to transfer the functions of the political cell of ISI to the interior ministry; but rumour has it that sensitive files were transferred to the military General Head Quarter and later they found their way back into the very drawers from which they were taken.<sup>18</sup> The ISI retaliated by launching *Operation Midnight Jackal* in a bid to sway Benazir's party members of the National Assembly to back a vote of no-confidence against her.<sup>19</sup> But Bhutto survived this attack. Again in 1989, when Indian Prime Minister Rajiv Gandhi visited Pakistan, the ISI bugged the private conversation between Rajiv and Benazir, when they were discussing the mutual troop reduction from Siachen region of Kashmir.<sup>20</sup> The ISI then used this to project Benazir as an Indian agent and eventually got her government overthrown by the President in 1990. It was a clear signal to the power circles – do not interfere with ISI.

This drug trade in Afghanistan is continuing till date<sup>21</sup> and it will be very hard to imagine that its creator, the ISI, is not getting benefitted from this in any way.

## Radicalized?

The biggest ideological shift in ISI took place during the dictatorship of General Zia-ul Haq. Zia launched an Islamization program in Pakistan in order to legitimize his own regime and while doing so, his first target was the military in general and ISI in particular. During this period, military officers were actively encouraged to become Islamic fundamentalists and those officers who were practising Muslims only received promotions. Experts now believe that 30% of Pakistani military officers consider themselves as fundamentalists.<sup>22</sup> The radical Islamization initiated by Zia had the greatest influence on the operational principle of ISI. Religious motivation became as important a guiding force as the national security of Pakistan while making decisions on the activities of ISI. The Soviet invasion of Afghanistan made the situation even better for the Islamization process of Zia. Afghan *Mujahideen* groups with radical Islamic beliefs were only considered for any assistance by the ISI. And naturally, the most favoured group in this regard was the *Hizb-e-*

<sup>17</sup> Haq, Ikramul, <http://links.jstor.org/sici?sici=0004-4687%28199610%2936%3A10%3C945%3APDTIHP%3E2.0.CO%3B2-7>

<sup>18</sup> Deva (1995).

<sup>19</sup> Chengappa (2000), p.1870.

<sup>20</sup> 'The ISI', *NewInternationalist*, July 2007, No. 402.

<http://www.newint.org/columns/worldbeaters/2007/07/01/isi/>

<sup>21</sup> United Nations Office on Drugs and Crime; *World Drug Report – 2007: Trends in World Drug Market – Opium/Heroin*. [http://www.unodc.org/pdf/research/wdr07/WDR\\_2007\\_1.2\\_opium\\_heroin.pdf](http://www.unodc.org/pdf/research/wdr07/WDR_2007_1.2_opium_heroin.pdf)

<sup>22</sup> Rod Nordland, 'A Dictators Dilemma', *Newsweek* (01/10/2001). <http://www.newsweek.com/id/75522>

*Islami* lead by Gulbuddin Hekmatyar, the most militant Islamist of the *Mujahideen* commanders.<sup>23</sup> ISI's agents in Afghanistan were all Pashtun officers, most of whom became highly radicalized themselves.<sup>24</sup> Working closely with Hekmatyar and later the Taliban, this Pashtun cadre developed its own agenda aimed at furthering Pashtun power and radical Islam in Afghanistan. In the words of one retired ISI officer, 'these officers became more Taliban than the Taliban'.<sup>25</sup> When asked about the negative impact of radicalization, the then DG-ISI Hamid Gul said,

We are fighting a *jihad* and this is the first Islamic international brigade in the modern era. The communists have their international brigades, the West has NATO, why can't the Muslims unite and form their common front?<sup>26</sup>

The ISI had thus developed a sense of religious commitment towards Afghanistan and when the USA abandoned Afghanistan after the Soviet withdrawal in 1989, the ISI considered this as a betrayal and developed a strong anti-American sentiment, which according to Ahmed Rashid is still nurtured by the officials of the ISI.<sup>27</sup> It took over the responsibility of Afghanistan in its own way and this eventually made it support the Taliban. The success of the mujahideens in Afghanistan also convinced ISI to repeat the same experiment in the Indian state of Kashmir. It formed radical Islamic groups like Harkat-ul-Mujahideen (HUM)<sup>28</sup> to spread terror in the Kashmir valley and kill Indian soldiers. These groups were trained in the mujahideen camps in Afghanistan. ISI also manipulated elections so that no secular parties could come to power in Pakistan. During the election of 1988, the ISI helped to forge a right wing<sup>29</sup> electoral alliance named *Islami Jamhoori Ittehad* (IJI, Islamic Democratic Alliance) headed by Nawaz Sharif of Muslim League<sup>30</sup>, the purpose being to prevent Benazir Bhutto and her Pakistan People's Party from coming to power. During the general election of 1990, the ISI disbursed an amount of Rs. 140 million (US \$ 4.5 million at 1993 rate) to a selection of anti-PPP politicians and rigged the election in favour of Nawaz Sharif.<sup>31</sup> And all this was because of the socialist-secular ideology of Benazir Bhutto and her party, whom the ISI could not tolerate from the days of Zia-ul Haq and considered it

<sup>23</sup> Rubin, Michael, 'Who is responsible for the Taliban?', *Middle east Review of International Affairs*, Vol. 6, No. 1 (March 2002). <http://meria.idc.ac.il/journal/2002/issue1/jv6n1a1.html>

<sup>24</sup> Rashid, p.188.

<sup>25</sup> *Ibid.*

<sup>26</sup> *Ibid.*, p.129.

<sup>27</sup> Documentary *Pakistan – Secret Government*; Journeyman Pictures (11/11/2001). <http://www.journeyman.tv/?lid=9537>

<sup>28</sup> Group profile, Harkat-ul-Mujahideen; MIPT Terrorism Knowledge Base. <http://www.tkb.org/Group.jsp?groupID=50>

<sup>29</sup> Right wing politics in Pakistan roughly means greater adherence to Islamic ideology as against the secular socialist approach of the PPP.

<sup>30</sup> International Crisis Group (ICG); *Pakistan: Transition to democracy?* Report No. 40, (2002), Islamabad/Brussels. [http://www.crisisgroup.org/library/documents/report\\_archive/A400788\\_03102002.pdf](http://www.crisisgroup.org/library/documents/report_archive/A400788_03102002.pdf)

<sup>31</sup> Ardeshir Cowasjee, 'We Never Learn From History', *The Dawn* (05/08/2007). <http://www.dawn.com/weekly/cowas/20070508.htm>

to be anti-Islam and blamed her father Zulfi Bhutto as the main reason for the liberation of East-Pakistan in 1971.

### **How good is ISI at spying?**

The Soviet invasion of Afghanistan in 1979 helped forge a close relation between the CIA and ISI. During the 1980s, CIA through ISI transferred some 3 billion dollars worth of arms and aid to the Afghan *Mujahideen*.<sup>32</sup> With encouragement and technical support from CIA, a part of this money had also been used to carry out an enormous expansion of the ISI. The ISI inducted hundreds of army officers to monitor not just Afghanistan, but India and all of Pakistan's foreign intelligence as well as domestic politics, the economy, the media and every aspect of social and cultural life in the country.<sup>33</sup> It made hard cash by siphoning off arms meant for the mujahideens and selling them to Iran.<sup>34</sup> It luxuriated in joint collaboration with CIA and was privy to arcane ways, learning the latest tricks of the trade. The CIA provided ISI with the latest technologies, including equipments that enabled ISI to monitor every telephone call in the country.<sup>35</sup> When asked about the power of DG-ISI, Ahmed Rashid said,

‘There is so much power there, there is so much ability to manipulate, to monitor, to do surveillance; that you develop an enormous sense of power and unless you are a very well balanced person, I am sure it will go to your head.’<sup>36</sup>

Michael J Barrett once wrote ‘Espionage is the world’s second oldest profession and just as honourable as the first’. Intelligence agencies are created to operate in those grey areas where governments can not officially make their presence felt. Its unique characteristics – expertise in surveillance and covert operations, control of important information and functioning behind a veil of secrecy – mean that any intelligence apparatus contains the potential to act independently, threaten government leaders and endanger democratic governance and the basic rights and liberties of citizens.<sup>37</sup>

From 1947 till today three constitutions were written for Pakistan and three Generals removed democratically elected rulers to grab power. Constitutions were amended without

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<sup>32</sup> Deva (1995).

<sup>33</sup> Rashid (2002), p. 184.

<sup>34</sup> Deva (1995).

<sup>35</sup> Rashid (2002), p. 184.

<sup>36</sup> Documentary: Pakistan–Secret Government.

<sup>37</sup> Caparini, Marini; *Challenges of control and oversight of intelligence services in a liberal democracy*; paper presented at the Workshop on ‘Democratic and parliamentary oversight on intelligence services’, held in Geneva, 3<sup>rd</sup> – 5<sup>th</sup> October, 2002. [https://pforum.isn.ethz.ch/legal\\_wg/ev\\_geneva\\_10.02\\_caparini.pdf](https://pforum.isn.ethz.ch/legal_wg/ev_geneva_10.02_caparini.pdf).

following the procedure, judges of the Supreme Court sacked in unconstitutional manners. It is one of the most corrupt countries in the world<sup>38</sup> and it is one of the eight countries in the world who spend less than 2% of GDP on education<sup>39</sup>, while it has more than 20,000 madrassas in action.<sup>40</sup> Quite understandably, Pervez Musharraf had described Pakistan as ‘a very difficult country to govern’.<sup>41</sup> The political situation in Pakistan is very volatile with persisting polarization along three intersecting fault lines: between civilians and military, among different ethnic and provincial groups, and between Islamists and secularists. Consistent military intervention has not allowed any stable form of governance to be developed there and even when democracy is alive, the Generals exercise political influence from behind the scene using intelligence agencies like the ISI. Continuous manipulation by the people in power has led to general disregard towards the rule of law in the society; the general feeling being that if you have enough money or you know the right people, you can get away by doing anything. The ISI being a part of the same society is not free from this negative influence. Moreover, it being deeply associated with the power politics of Pakistan, knowing the vulnerabilities of the legal system, the ISI does not really mind breaking any of the laws which are meant to govern its actions.

From this article it is quite evident that the usual mechanism for government oversight of intelligence agencies - legal and constitutional framework, executive control, legislative oversight, judicial control, and internal administrative control,<sup>42</sup> never really existed in the Pakistani context; its constitution being repeatedly changed to favour the person in power, executives abusing the intelligence agencies (especially ISI), a failed democracy with no legislature for over half the time, judiciary being manipulated and a religious indoctrination of ISI – all these had a cumulative effect on the accountability of ISI, which decreased over the years and made it more autonomous in nature. Basically there has been a tremendous growth in the power of ISI and with power there has been a rise in ambition of ISI to employ its tradecraft into performing statecraft. Although, historically ISI had operated in a responsible manner during military regimes and have helped the Generals in consolidating their rules, but, as mentioned earlier, this tradition changed when DG-ISI Lieutenant General Mahmoud Ahmed acted independently before and after September 11, 2001. Although he got sacked, but what emerges out of this incidence is that ISI is now so powerful that it can even

<sup>38</sup> Transparency International, Corruption Perception Index – 2007.

[http://www.transparency.org/policy\\_research/surveys\\_indices/cpi/2007](http://www.transparency.org/policy_research/surveys_indices/cpi/2007)

<sup>39</sup> Pakistan: Key Facts; BBC (February 15, 2008). [http://news.bbc.co.uk/1/hi/in\\_depth/629/629/7247481.stm](http://news.bbc.co.uk/1/hi/in_depth/629/629/7247481.stm)

<sup>40</sup> Alastair Lawson; *Pakistan’s Islamic schools in the spotlight*; BBC South Asia Desk, July 14, 2005.

[http://news.bbc.co.uk/1/hi/world/south\\_asia/4683073.stm](http://news.bbc.co.uk/1/hi/world/south_asia/4683073.stm)

<sup>41</sup> Haqqani, Husain, ‘The Role of Islam in Pakistan’s Future’, *The Washington Quarterly*, Vol. 28, No. 1, pp. 85 – 96, Winter 2004-05. [http://www.twq.com/05winter/docs/05winter\\_haqqani.pdf](http://www.twq.com/05winter/docs/05winter_haqqani.pdf)

<sup>42</sup> Caparini and Born, Hans; *Democratic and Parliamentary oversight of the intelligence services: Best practices and procedures*; Geneva Centre for Democratic Control of Armed Forces, Working Paper Series – No. 20 (2002).

[http://66.102.1.104/scholar?hl=en&lr=&q=cache:rAPm5Bw5iEwJ:www.dcaf.ch/publications/Working\\_Papers/20.pdf](http://66.102.1.104/scholar?hl=en&lr=&q=cache:rAPm5Bw5iEwJ:www.dcaf.ch/publications/Working_Papers/20.pdf)

act or think to act against the military regimes of the day and this indeed suggests that ISI has really mutated into 'a state within a state'.