

(b)(3):10 USC 424

Defense Intelligence Agency

SPECIAL ANALYSIS

(b)(3):10 USC 424

14 January 2002

Subject: ~~(S)~~ Pakistan: Current Terrorist Threat in Pakistan Remains High Despite Government Crackdown

(U) Summary

~~(S)~~ **President Musharraf's 11 January 2002 security crackdown on militant groups in Pakistan will have no short-term impact on terrorist threats faced by US interests in Pakistan.** Although Musharraf's 12 January 2002 speech on terrorism pushed existing government anti-terrorism measures beyond past boundaries, initial press reporting indicates **the most militant of the banned terrorist organizations have already repositioned to protect themselves against routine government crackdowns.** How far the Pakistani government will carry the current round of arrests and whether it will seek to arrest and imprison all key group leaders remains to be seen.

(U) Discussion

~~(S)~~ **On 12 January 2002, Pakistani President Musharraf banned five Pakistani militant groups and continued a sweep, initiated the previous week, in which more than a thousand militant Islamic group leaders and cadre were arrested and their offices closed.** In his highly-anticipated speech on terrorism [watched particularly closely in India] Musharraf articulated a vision of moderate Islam and outlined a series of measures with which he intends to eliminate terrorism and some of its root causes in Pakistan. Musharraf took pains to stress that the new policy was an evolutionary one that built on previous anti-terrorism steps taken by his government.

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(U) Musharraf's declarations and actions included the following:

- ~~(S)~~ **Outlaw select Sunni and Shia groups active in Kashmir and Pakistan.** Musharraf outlawed two terrorist groups active in Kashmir and India [the Lashkar e Tayyiba, or LT, and the Jaish e Muhammed, or JEM]. He declared illegal one frontier Pushtun Islamist group, which recently fought against the US-led coalition in Afghanistan [the Tehrik i Nifaz i Shariat e Muhammadi, or TNSM]. Following on previous actions, Musharraf proscribed a Sunni political party linked to anti-Shia

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Possible proscription
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sectarian violence [Sipah e Sahaba Pakistan, or SSP], and a Shia political party linked to anti-Sunni sectarian violence [Tehrik i Jaffriya Pakistan, or TJP]. Additionally, a militant group representing a different Sunni ideology, the Sunni Tehrik [ST], was placed "under observation." As Musharraf noted in his speech, these steps followed his outlawing two other groups in August 2001, the Sunni sectarian militant group Lashkar e Jhangvi [LJ] and the Shia sectarian militant group Sipah e Muhammed Pakistan [SMP].

- ~~(S)~~ **Conduct of mass arrests nationwide.** On 11 January 2002 the government began to arrest more than 1400 militants as part of its crackdown; most were associated with the SSP and TJP, which are legitimate political parties. This series of arrests follows the crackdown ongoing since late December 2001 in which dozens of JEM and LT militants have been arrested and offices closed. It remains an open question how long these arrested militants will actually be held. In the past, specific legal cases had to be developed by the government while the militants were in "protective detention"; many often had the charges dropped and were released with little publicity.
- ~~(S)~~ **Reform the madrassahs [Islamic schools].** Musharraf announced a series of new laws and initiatives intended to modernize Pakistan's extensive system of madrassah schools [recently characterized by one US academic as the "nurseries of jihad"]. Musharraf's vision is to transform them from being a fertile source of mujahidin recruits for the Taliban and other mujahidin organizations. Some of the specific measures include modernizing the curriculum so that graduates can find gainful employment, registering and administratively clearing international students with their foreign ministries, and monitoring the instruction to prevent militant Islamist ideology from being taught.

~~(S)~~ **Defiant Terrorist Groups Take Defensive Measures.** All the groups have made defiant statements to the press; however, none of them have challenged the government through illegal street demonstrations [following a pattern last fall when they backed down from publicly agitating against US military intervention in Afghanistan]. All of the major group leaders are currently under arrest, have gone underground, or are remaining out of the public eye. Press reporting suggests that, in order to avoid being completely shut down, groups are following several strategies, including:

- ~~(S)~~ **Filing an appeal in the courts.** The Shia political party TJP is appealing the ban. The mujahidin groups with no real political standing have not yet attempted this tactic.
- ~~(S)~~ **Renaming the group.** This is a proven tactic. On 13 January 2002 the Shia political party TJP announced that it was renaming itself the Millat e Jaffriya Pakistan. Past renaming efforts include the LT's parent religious network renaming itself from Markaz ud Dawa ul Irshad to Jamaat ud Dawa [December 2001], the Jaish e Muhammed renaming itself Tehrik ul Furqan [October 2001], and the Harakat ul Ansar [HUA] breaking up into its constituent groups, Harakat ul Mujahidin [HUM] and Harakat ul Jihad e Islami [HUJI], following the US designation of it as a foreign terrorist organization [October 1997].

- ~~(S)~~ **Becoming more “Kashmiri.”** The Pakistani government has not yet implemented policies to completely suppress the Kashmir insurgency; its actions have been directed toward preventing individual acts of terrorism. There are approximately 16 militant groups currently based in Pakistani Kashmir, but Musharraf only outlawed two of the largest – the other 14 groups, including the Hizbul Mujahidin and the HUJI, remain untouched. Since completely stopping Pakistani support for Kashmir insurgents is the most politically contentious measure, groups are remaking their public image to appear not as Pakistani jihadi groups but as indigenous Kashmiri groups. The most obvious example of this was when the LT announced in late December 2001 that it had replaced all of its Pakistani leaders with ethnic Kashmiri figures, and then named the towns in Kashmir the new leaders were from to reemphasize the point. Since early January 2002 various press reports have noted militant groups anticipating the crackdown have been moving offices and personnel into Pakistani Kashmir, where new measures will probably not be as stringently enforced.
- ~~(S)~~ **Switching to clandestine fundraising and recruiting; placing money in legal investments and property instead of in bank accounts.** A Karachi member of one of the smaller jihadi groups told a reporter that, instead of public fund raising and recruitment, the groups would now use underground cells of experienced supporters to perform the same functions. One tactic groups have adopted to dodge having their accounts frozen is to invest their money in legal businesses and real estate. According to one central banker quoted in the press, past Pakistani efforts to freeze accounts had been completely unsuccessful due, in part, to this tactic.
- ~~(S)~~ **Reorganizing into a more cellular-based structure, emphasizing computer-based clandestine communications.** As one young JEM member recently told a reporter, “We have learned lessons from the blunders made by al-Qaida and Taliban; those will never be repeated in Pakistan . . . In future, each one of our registered activists would use a cover name.”

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(U) Outlook

~~(S)~~ **The terrorism threat in Pakistan will remain High. Current intelligence reporting continues to note a variety of terrorist threats to US and foreign interests in Pakistan,** chiefly from Pakistani groups allied with the Taliban. The crackdown measures implemented by the Musharraf government are unprecedented in their scope and ambition. Although previous policies along these lines have not met with much success, this government’s apparent willingness to fund the necessary police and educational programs, and to risk the associated political fallout, are also without precedent. In the short term, it is likely that popular Pakistani support for these militant groups will decline; how the groups will adapt to a new environment in which the police are against them instead of tacitly supporting them is unknown. As the JEM

and LT members mentioned above demonstrate, **the next generation of Pakistani terrorists are looking at al-Qaida's mistakes in Afghanistan and are determined not to repeat them.**

~~(S)~~ **Government anti-terrorism implementation is popular, but will meet some resistance.** Although Pakistani political reaction has been highly supportive of the new anti-terrorism measures, the thousands of Pakistanis who have served in mujahidin ranks in Kashmir and Afghanistan are strongly opposed. The December 2001 assassination in Karachi of Interior Minister Haider's brother by unknown gunmen was a practical illustration of the terrorist threat posed by militant groups to Pakistani officials and their families.

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~~(S)~~ Assuming government success in the long run, removing highly-visible leaders, prohibiting widespread public fundraising, and restricting the flow of new recruits will eventually reap large dividends. **If Afghanistan can be kept from once more becoming a safe haven and training area for these groups, the combination of effects will help curb the growth of militant Islam in the region.**

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~~Derived from: Multiple Sources~~
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Photo: (U) Police checking that jihadi groups take down signs [January 2001]

Caption: ~~(S)~~ **Pakistani police have closed jihad group offices and arrested hundreds of Islamic militants since late December 2001; however, most of the people currently being held are militant Islamic political workers, not armed terrorists.**

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Photo: (U) Binoori Mosque – Karachi, Pakistan

Caption: ~~(S)~~ **On 12 January 2002 the government announced a wide-ranging set of proposals aimed at curbing militant Islam and stemming the flow of mujahidin volunteers from religious schools, such as the Binoori madrassah in Karachi, where several key pro-Taliban religious figures teach. More sophisticated and deadly international terrorists often study at secular universities, however, and plan to rely on modern information technology to promote their networking.**

Photo: (U) JEM collection box in Muree [August 2000]

Caption: ~~(S)~~ The Pakistani government has prohibited public fundraising by mujahidin groups, such as the JEM, and police officers have forced store owners to hide collection boxes. Although Pakistani terrorist groups have adapted to past government efforts to freeze bank accounts by investing their money in property, it is still unclear how this recent crackdown will affect their finances.

Photo: (U) Pakistani al-Badr Mujahidin jihad poster [October 2001]

Caption: ~~(S)~~ **International terrorist or Kashmiri freedom fighter?** In his 12 January speech, President Musharraf specifically condemned the 11 September terrorist attacks in the US, a 1 October attack against the Jammu and Kashmir State Assembly in Srinagar, and the 13 December attack against the Indian Parliament in Delhi; he stopped well short of generally denouncing Kashmiri groups like the al-Badr Mujahidin. Despite past Pakistani efforts to convince them, the Indians have been unwilling to make this distinction, since they assess that all Pakistani groups active in Kashmir receive monetary and other support from the Pakistani government through the Inter-Services Intelligence Directorate [ISID].
