

CONGRESSIONAL TESTIMONY

U.S.-Pakistan Relations: Reassessing Priorities Amid Continued Challenges

A Belated Reckoning: U.S.–Pakistan Relations in the Trump Era

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My name is Jeff M. Smith and I am a Research Fellow at The Heritage Foundation. The views I express in this testimony are my own and should not be construed as representing any official position of The Heritage Foundation.

When General David Petraeus was named commander of U.S. forces in Afghanistan in 2010 he asked his former boss, General Jack Keane (ret.), to assess accusations Pakistan was playing a "double game" in Afghanistan. A retired four-star general and former vice-chief of Army staff who had served in Vietnam, Somalia, Haiti, Bosnia, and Kosovo, Keane returned from a fact-finding trip with a dour conclusion: "The evidence is *unequivocal* that the government of Pakistan and the military leadership of Pakistan aids and abets [militant] sanctuaries. We have clear evidence to that fact. That's the reality. It's not a question of unable or unwilling."¹

"Every day out of those sanctuaries," he added, "come forces that are killing our forces and maiming our soldiers and interfering with NATO's effort at large. That is the absolute facts of it. Some of them are—actually receive training from Pakistan forces."²

One year earlier, then-Director of National Intelligence Admiral Dennis Blair delivered his own frustrating conclusion to Congress: "No improvement in Afghanistan is possible without Pakistan taking control of its border areas."³

The United States has been pursuing a set of objectives in Afghanistan that, by its own admission, are likely to remain hopelessly out of reach absent a fundamental change in Pakistan's misguided strategic calculus. Military strategists are in near universal agreement on this point: nothing offers an insurgency greater vitality than the provision of support and safe haven across an international border in a neighboring country. It is the equivalent of counterinsurgency kryptonite.

Pakistan's supporters are quick to note the U.S. and Afghan governments have made their own share of mistakes in Afghanistan. That is true. Yet, I would contend nothing has had as pernicious an impact on the war's trajectory as Pakistan's double game. In fact, it is debatable whether the most heroic efforts by the U.S. and Afghan governments could have produced a materially different outcome so long as Pakistan was playing for a different team.

At risk of stating the obvious, a jihadist nexus with the Afghan Taliban and Haqqani Network at its core have for over one decade used Pakistani territory as a springboard for attacks on Afghanistan and the U.S. coalition there. By the account of every interested intelligence agency and objective analyst in the world, these groups have received varying levels of support and safe haven from the Pakistani military and its notorious spy service, the Inter-Services Intelligence Agency (ISI). The latter is in the business of making distinctions between "bad terrorists" that target the Pakistani state and "good terrorists" that target Afghanistan and India.

Pakistan's support for the Haqqani Network, which former Chairman of the Joint Chiefs of Staff Admiral Mike Mullen said "acts a veritable arm of Pakistan's Inter-Services Intelligence Agency,"⁴ has proven particularly destructive to U.S. interests. The group was almost certainly responsible for the December 30, 2009, bombing of a CIA agency outpost in Khost, Afghanistan, that killed seven officers—the single deadliest attack on the agency in its storied history.

The Haqqani Network was also linked to the September 2011 attack on the U.S. embassy in Kabul that resulted in seven deaths and 15 injuries. Most recently, a U.S. military spokesman said he was "very confident" the Haqqani Network was behind a January 28 attack on a hotel in Kabul that killed more than 100 people, including several U.S. citizens.⁵

This intolerable state of affairs is the product of a glaring, fundamental incongruity between American and Pakistani objectives in Afghanistan. Whereas Washington, Kabul, and most of the international community have strived to build a peaceful, stable, democratic Afghanistan, Pakistan's ideal objective is an Afghan government that is pliable, submissive, and hostile to India.

Since the Afghan people, understandably bitter after over a decade of Pakistani malfeasance, are highly unlikely to elect such a government, Islamabad's second order of priorities is to keep the country weak, unstable, and divided. It sees the Taliban, Haqqani Network, and their fellow travelers as the most effective means of doing so, and of securing its secondary objectives and interests in Afghanistan.

Two motivations drive these compulsions and Pakistan's double game more broadly: insecurity and narrow self-interest.

Pakistan's military and intelligence establishment believe a unified and unfriendly Afghan government might be tempted to: (1) stir unrest among Pakistan's restive Pashtun population; (2) invite a greater role for India, which Pakistan believes is determined to encircle and dismember it; and (3) challenge the legitimacy of the Durand Line, the Afghanistan–Pakistan border that no Afghan government has recognized, including the Taliban government of the 1990s.

Are all these concerns illegitimate? No. They are, however, either grossly inflated or problems that are exacerbated, not mitigated, by Pakistan's current strategy. The horrific campaign of violence facilitated by the Pakistani establishment against Afghanistan has generated tremendous hostility toward Islamabad, *increasing* the likelihood Afghanistan will seek closer ties to India or attempt to counter Pakistan's double game with asymmetric tactics of its own.

Pakistan's paranoid obsession with India has proven particularly ruinous. Its expressed concerns about Indian encirclement and charges of Indian interference in Afghanistan remain wholly unsupported by evidence. Delhi is looking East, chasing double-digit growth, solidifying partnerships with the U.S., Japan, and Australia, and contending with new challenges from China. India has moved on.

Pakistan would be well-served by doing the same. But it will not move on because the second driver of Pakistan's double game is the narrow self-interest of the Pakistani military and intelligence establishment. They believe their popularity, legitimacy, and survival are dependent on keeping the Pakistani population consumed with fear and anxiety or intoxicated with anger and conspiracy. Only if Pakistan is under omnipresent threat from India, the U.S., Afghanistan, and other phantom menaces can the Pakistani military justify its generous budget and its tight grip on power.

Aid to Nowhere

In 2009 the U.S. ambassador to Pakistan concluded there was "no chance" that Pakistan would view any increase in aid "as sufficient compensation for abandoning support to these [militant] groups."⁶ The following year the U.S. increased aid to Pakistan by 50 percent, from \$3 billion to \$4.5 billion. Indeed, the year 2010 was telling in two ways:⁷ it was simultaneously the year U.S. aid to Pakistan reached an all-time high, and the year the U.S. casualties in Afghanistan reached their peak.⁸

The greatest trick Pakistan ever pulled was convincing America it faced a dichotomous choice: tolerate and bankroll its double game or risk a fundamental rupture in bilateral relations, stirring an unstable cocktail of Islamist extremism and weapons of mass destruction. In this preposterous narrative the mere specter of U.S. pressure is threatening to the integrity of the Pakistani state, the million-man Pakistani army is powerless to protect its nuclear arsenal, and the severing of bilateral relations would prove more costly to the U.S. than to Pakistan.

This paradigm ensured the U.S. toolbox was brimming with over \$30 billion in carrots but desperately lacking in sticks. Washington responded to each flagrant Pakistani provocation with lucrative aid and scholarly lectures about the unethical and counterproductive nature of its support for Islamist militants. Yet, from Pakistan's perspective, its strategy has been anything but counterproductive.

For the past decade a formidable coalition of powers has been committed to a secure and stable Afghanistan free from Taliban rule. The lone country pursuing a weak and divided Afghanistan ruled by the Taliban has is not only besting this coalition, it is forcing them to bankroll their own defeat.

Trying to alter Islamabad's cost-benefit calculus without imposing costs was always a fool's errand. As former Pakistani Ambassador to the U.S. Husain Haqqani has argued, U.S. aid "makes hardliners in Pakistan believe they are too important to the U.S., and they can do anything they please."⁹

Thankfully, some in Congress began to recognize this years ago and their frustration has been reflected in a steady decline of aid over the past three years. The request for appropriations and military reimbursements to Pakistan fell from \$2.6 billion in 2013, to \$1.6 billion in 2015, to roughly \$350 million for fiscal year 2018.

A New Sheriff

While it was not the first to do so, the Trump Administration signaled very early in its tenure that business as usual with Pakistan was coming to an end. "We're out to change [Pakistan's] behavior and do it very firmly," Defense Secretary Mattis insisted last year.¹⁰ "This is a conditions-based approach and our relationship with Pakistan will also be conditions-based; based on whether they take action," added Secretary Rex Tillerson.¹¹

On the ground, the Administration authorized an increase in drone strikes in Pakistan, including a strike in Kohat that represents the "deepest that American drones have penetrated into Pakistan's airspace."¹² It placed Pakistan on a Special Watch List for religious freedom violations. Its December 2017 National Security Strategy insists "no partnership can survive a country's support for militants and terrorists who target a partner's own service members and officials."¹³

As longtime Pakistan watchers predicted, the Administration's warnings fell on deaf ears. "No, I haven't seen any change yet in [Pakistan's] behavior," General John Nicholson, America's top military commander in Afghanistan, admitted in November 2017. Instead, Pakistan returned to a familiar playbook of deflection, denial, conspiracy, and outright military threats.

If President Trump "wants Pakistan to become a graveyard for U.S. troops, let him do so," the chairman of Pakistan's senate warned last August.¹⁴ After U.S. Ambassador to the U.N. Nikki Haley

insisted Pakistan's "game is not acceptable to this administration," a Pakistani military spokesman explained that Haley is of Indian origin and the "current misunderstanding between Pakistan and the U.S. is created by India."¹⁵

In this context, President Trump's January 1 announcement of a suspension of U.S. aid to Pakistan was not only merited but long overdue. The time has come to rewrite the terms of the U.S.–Pakistan relationship.

Looking Ahead

The contours of a more effective, equitable, and, where necessary, punitive Pakistan strategy have been evident for years. Such an approach was outlined in an excellent 2017 paper, "A New U.S. Approach to Pakistan: Enforcing Aid Conditions Without Cutting Ties," co-authored by the Hudson Institute's Husain Haqqani and Lisa Curtis, then at The Heritage Foundation.¹⁶ Among their recommendations:

- Reducing U.S. aid;
- Prioritizing engagement with Pakistan's civilian leadership;
- Working with international partners to diplomatically isolate Pakistan;
- Increasing unilateral drone strikes inside Pakistan;
- Sanctioning Pakistani military and ISI officials known to have facilitated acts of terrorism, including travel bans; and
- Consideration of designating Pakistan a state sponsor of terrorism and suspending Pakistan's non-NATO-ally status.

The Trump Administration has already begun adopting some elements of this strategy, including increasing drone strikes, reducing U.S. aid, and diplomatically isolating Pakistan. Moving forward it is important the Administration present a clear schedule of demands linked to specific timetables and a specific set of intensifying consequences should Pakistan fail to act on those demands.

It's the Military, Stupid

Some influential figures in Pakistan seem to be taking the Trump administration's threats seriously. Two days after the President's January 1 announcement, Nawaz Sharif, who resigned as prime minister in July, implored Pakistanis to "appraise our actions," "break this spell of self-deception," put Pakistan's "house in order," and "reflect on why the world holds negative opinions about us."¹⁷ Last September Pakistan's Foreign Minister declared: "Every Pakistani must ask whether the [militants] we nurtured during the past 30 or 40 years are still our [strategic] assets today."¹⁸

There are likely many in the Pakistani government, and many more among the Pakistani public, that find Pakistan's double game lamentable. Unfortunately, they lack the power and authority to change Pakistan's trajectory. That power resides exclusively with the Pakistani military and intelligence

services, which have methodically neutered and eliminated any potential opposition or voices of dissent in Pakistan's political class, judiciary, or civil society.

For years America and the international community have bemoaned the Pakistani military's blatant interference in the country's politics. Yet they convinced themselves that, as the country's real power-brokers, the military was the only institution capable of resolving Pakistan's terrorism problem. That experiment has been a failure: The military and ISI have consistently proven to be the *source* of Pakistan's terrorism problem. As a result, the most effective points of pressure on Pakistan will be those targeting the military brass, particularly their considerable interests in, and access to, the West.

Unilateral Action

Pakistani officials and experts regularly claim their country is prosecuting *America's* war. Pakistan is not receiving *aid* from the U.S.; it is receiving *compensation* for military operations conducted on America's behalf.

Nation-states are obligated to ensure that their territory is not being used to launch attacks on other countries. That is their sovereign responsibility—not something they are entitled to receive compensation for. If Pakistan is incapable of or unwilling to exercise sovereignty over its territory and prevent cross-border attacks, it should not be surprised when others take action to defend themselves.

In its first year in office the Trump Administration authorized drone strikes further into Pakistani territory than any that had come before and increased the number of strikes inside Pakistan from the three launched in 2016 to between five and eight in 2017.

This pales in comparison to the over 100 drone strikes launched in 2010. That tempo may not be warranted at this time but if Pakistan continues to refuse to take action against militant groups operating inside its borders, the U.S. must be prepared to increase the quantity and potency of drone strikes moving forward.

Human Rights and Religious Freedom

For too long the U.S. has turned a blind eye to what is by all accounts a deeply troubling human rights situation in Pakistan. Women, Christians, Shi'ites, ethnic minorities like the Baluch, the forgotten people of Gilgit-Baltistan, and Islamic sects like the Ahmadis, are regularly subjected to violence, persecution, discrimination, and state-supported repression.

Journalists critical of Pakistan's military and intelligence services routinely "disappear." Nearly two dozen people are on death row as a result of Pakistan's draconian blasphemy laws and hundreds more have been convicted or killed simply for being accused of insulting the Prophet Muhammed or Islam. As Amnesty International notes, in recent years Pakistan's security forces

perpetrated human rights violations such as arbitrary arrests, torture and other ill-treatment, and extrajudicial executions. Security laws and practices, and the absence of any independent mechanisms to investigate the security forces and hold them accountable, allowed government forces to commit such violations with near-total impunity.... State and non-state

actors continue to harass, threaten, detain and kill human rights defenders, especially in Balochistan, FATA and Karachi.¹⁹

Mohajirs, immigrants that migrated to Pakistan from India after the 1947 Partition, have also complained of mass-scale human rights violations at the hands of Pakistan's security forces as well as economic, political, and social injustices. Based mostly in Karachi, the Mohajirs are one of the few communities in Pakistan to publicly condemn the government's support for extremism and the Talibanization of society—and in recent years have paid a heavy price for it.

The era of excessive deference to Pakistan's sensitivities on the subject of human rights and religious freedom abuses should come to an end.

Logistics

Since the war began, America's dependence on Pakistan for its ground lines of communication (GLOCs) into Afghanistan has repeatedly emerged as the United States' Achilles heel. Defenders of the status quo have met every effort to increase pressure on Pakistan with reminders that America relies on Pakistani territory to supply its war effort in Afghanistan.

That may be changing. In January a Pentagon spokesman explained: "While the U.S. favors shipping cargo via Pakistan because of cost, we have built flexibility and redundancy into our overall system of air, sea, and ground routes to transport cargo into and out of Afghanistan."²⁰ However, the U.S. military continues to rely on Pakistan's GLOCs to handle a considerable proportion of supplies bound for Afghanistan.

The Trump administration should make every effort to reduce its dependence on Pakistan's GLOCs, including opening discussions with Russia and Central Asian countries on the revival of the Northern Distribution Network, as well as pursuing alternative options. There are early signs the Administration has begun such discussions and should be supported by Congress.

Afghanistan has already begun doing so. A recent report suggests "Afghanistan has shifted 80% of its cargo traffic from Pakistan's Karachi seaport to Iran's Bandar Abbas and Chabahar ports."²¹ Last year India began operating a new air supply corridor to Afghanistan and has been active in building new road and rail links to Afghanistan's western border through Iran.

The China Factor

Any further deterioration in U.S.–Pakistan relations is likely to incentivize Pakistan to draw even closer to its "all-weather friend," China. Whether Beijing *wants* the relationship to be any closer, and what opportunities and challenges that may present to the U.S., is a matter of open debate.

Experts have long argued that China's considerable political and economic influence in Pakistan, as well as its relative popularity among the Pakistani elite and public, make it a *potentially* effective partner in persuading Pakistan to abandon its support for Islamist militants and advance a peaceful settlement in Afghanistan.

To date, however, Beijing has proven extremely averse to coordinating approaches with the U.S. on Pakistan. Chinese officials often recoil at attempts to discuss Pakistan policy at even the most basic level. Could that change in the years ahead?

On one hand, the already robust China–Pakistan relationship is positioned for considerable expansion under the banner of the over \$60 billion China-Pakistan Economic Corridor (CPEC). Beijing has particularly ambitious plans for the Gwadar port in Pakistan's Baluchistan province. Reports suggest Chinese firms are planning a \$500 million housing project there that could one day accommodate a half million Chinese citizens across 10 million square feet.²²

China and Pakistan are co-producing the \$500 million JF-17 fighter aircraft and in 2015 China announced its largest-ever defense deal, the sale of eight *Yuan*-class submarines to Pakistan at a cost of roughly \$5 billion.²³ Recent reports suggest China is now considering a full-fledged military base in Pakistan, with rumors of Chinese interest in an offshore naval base at Gwadar and/or a refurbished air and naval base at Jiwani, 60 kilometers west of Gwadar.²⁴

How close is too close? Despite these developments, there are cracks emerging in the China–Pakistan relationship in two separate arenas: (1) concerns over China's expanding economic footprint in Pakistan, and (2) differences over terrorism and the war in Afghanistan.

Pakistan surprised observers earlier this year when it announced it was rejecting a \$14 billion proposed Chinese investment in the Diamer-Basha dam project. The conditions attached to the investment, which would have seen China assume ownership of the project, were "not doable and against our interests," declared the chairman of Pakistan's Water and Power Development Authority.²⁵ Similarly, Pakistan recently rejected a demand that the Chinese currency, the yuan, be used in the Gwadar Free Trade Zone.²⁶

Last November China announced it was suspending funding for three road projects under the CPEC banner.²⁷ The same month, Pakistan's senate was informed that 91 percent of the revenues generated by the Gwadar port would go to China for the next 40 years.²⁸ Pakistani banks, another report noted, have only been involved in financing 10 percent of CPEC projects.²⁹

Pakistan is now expected to repay China \$90 billion for CPEC investments over the next three decades.³⁰ Christopher Balding finds it "mathematically impossible for Sri Lanka and Pakistan to repay big yuan-denominated loans when they're running trade deficits with China."³¹ Notably, since the two countries signed a currency swap agreement in 2011, Pakistan's trade deficit with China has tripled, reaching more than \$12 billion in 2017.³²

Terrorism. For years, China outsourced its foreign policy in Afghanistan to Pakistan. Its chief priority: that Afghanistan did not become a safe haven for Uighur militants that have opposed Chinese rule in its western province of Xinjiang. Since 2012, however, there have been signs of growing divergence on Afghanistan.

China's ambitious plans to build westward connectivity networks via its Belt and Road Initiative has given it a greater stake in stability in Afghanistan. Some in Beijing appear increasingly frustrated by the lack of progress in Afghan peace talks and Pakistan's inability or unwillingness to bring the Taliban to the negotiating table. As Andrew Small notes:

[China] strongly encouraged Pakistan to forge a peace deal between the Afghan government and the Taliban, rather than backing its militant protégés. Chinese interests, from Xinjiang to the new Silk Road schemes, increasingly rely on broad stability in the region, rather than just a defense of narrow security and commercial goals, and it has finally started to bring its influence in Pakistan to bear in trying to achieve them.³³

In one manifestation of this frustration, China no longer relies on Pakistan to serve as its principal interlocutor with Afghanistan. In September 2012, a trip to Kabul by Public Security Chief Zhou Yongkang marked the first visit to Afghanistan by a member of the Politburo Standing Committee in decades.³⁴ The following year Beijing and Kabul signed a terrorist extradition treaty and agreed to intensify cooperation against transnational security threats.³⁵

Beginning in 2013 Afghanistan's intelligence services began sharing detailed dossiers with Beijing on Uighur militants operating in the region, "laying out evidence tracing the militants back to Islamist training camps inside Pakistan."³⁶ Meanwhile, Chinese economic aid to Afghanistan surged from less than \$9 million per year between 2001 and 2013 to \$80 million in 2014 and \$240 million from 2016 through 2019.³⁷

When Ashraf Ghani was elected Afghanistan's president in 2014 he chose China for his first visit abroad, finding Beijing more willing to discuss sensitive security issues than ever before. During the trip, Premier Li Keqiang called on Afghanistan's neighbors to respect its "sovereignty, independence and territorial integrity, [and] not interfere with its internal affairs."³⁸

Recent reports suggest China is in talks with Kabul over the construction of a military base in Afghanistan. The army camp will reportedly "be built in Afghanistan's remote and mountainous Wakhan Corridor, where witnesses have reported seeing Chinese and Afghan troops on joint patrols."³⁹

<u>An opening?</u> Defenders of the status quo in Pakistan have long warned that U.S. attempts to pressure Islamabad risked pushing it into the arms of Beijing. A deterioration of U.S.-Pakistan ties may well lead Islamabad to seek even deeper ties with, and solicit more aid from, Beijing. However, it is important to recognize the China-Pakistan relationship is already—indeed, exactly—as close as China wants it to be. To date, China has reaped all the strategic benefits of its patronage toward Pakistan while allowing the U.S. to assume all the costs and responsibilities.

Ultimately, most experts and officials in Beijing do not want to see a rupture in U.S.-Pakistan relations. They recognize that it could add new stress to their own relationship with Pakistan and further aggravate existing tensions.

China's support for Pakistan is already a controversial subject both internally and internationally. In a 2014 Pew Survey Pakistan only 30% of the Chinese public viewed Pakistan favorably, the exact same favorability rating accorded to Chinese-rival India and far less than the 50% who viewed the U.S. favorably.⁴⁰ China's shielding of Pakistani-based terrorists from sanctions at the United Nations has already cost it dearly in its relationship with India while generating tension with its broader counterterrorism policies and priorities.

The Trump administration must recognize the complexity of the triangular dynamic between the China, Pakistan, and the U.S. and prepare to spend greater political capital—wielding both positive and negative incentives—to encourage more cooperation with Beijing on the Pakistan challenge, much as it has attempted to do with North Korea. The stakes with Pakistan are arguably no less significant and there is arguably a greater alignment of U.S. and Chinese interests in Afghanistan.

Conclusion

The U.S. should be under no illusions that a Pakistan strategy bearing more sticks will serve as a panacea for the myriad problems afflicting bilateral relations. Nor will it result in a swift or dramatic improvement in the situation on the ground in Afghanistan. In fact, the Trump administration must be prepared for at least a short-term deterioration on both fronts.

Attacks in Afghanistan may increase as cooperation with Pakistan becomes even more challenging. American diplomats and journalists operating in Pakistan may be subject to increased harassment. Notably, Radio Mashaal, the Pashto-language service of Radio Free Europe, had its branch in Pakistan abruptly closed on January 19, accused by the Interior Ministry of working on behalf of "hostile foreign intelligence agencies."⁴¹

To date, however, Pakistan has avoided having to make a choice between a lucrative relationship with the U.S. and an addiction to Islamist militancy as an instrument of foreign policy. The Trump administration should muster all elements of American power to present and clarify that choice to Pakistan. One road leads to prosperity, peace, and modernity. The other to an escalating cycle of recrimination, hostility, and retribution. The choice is Pakistan's but it must be forced to choose.

Biography

Jeff M. Smith is a research fellow in Heritage's Asian Studies Center, focusing on South Asia. He formerly served as director of Asian Security Programs at the American Foreign Policy Council. Smith is the author of "Cold Peace: China-India Rivalry in the 21st Century," (Lexington Books, 2014), author and editor of the forthcoming "Asia's Quest for Balance: China's Rise and Balancing in the Indo-Pacific," (Rowman and Littlefield, 2018). Smith has contributed to multiple books on Asian Security issues, testified as an expert witness before multiple congressional committees, served in an advisory role for several presidential campaigns, and regularly briefs officials in the executive and legislative branches on matters of Asian security.

His writing on Asian security issues has appeared in Foreign Affairs, The Wall Street Journal, Foreign Policy, USA Today, War on the Rocks, the Harvard International Review, Jane's Intelligence Review, the National Interest, and The Diplomat, among others. In recent years his expert commentary has been featured by The Economist, The New York Times, FOX News, The Washington Times, Reuters, NPR, and the BBC, among others.

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