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REASSESSING AMERICAN GRAND STRATEGY IN SOUTH ASIA

HEARING

BEFORE THE

SUBCOMMITTEE ON OVERSIGHT AND INVESTIGATIONS

OF THE

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REASSESSING AMERICAN GRAND STRATEGY IN SOUTH ASIA

TUESDAY, JULY 26, 2011

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON OVERSIGHT AND INVESTIGATIONS,
COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC.

The committee met, pursuant to notice, at 2:30 p.m., in room 2200 Rayburn House Office Building, Hon. Dana Rohrabacher (chairman of the subcommittee) presiding.

Mr. ROHRABACHER. On the record. I'm not going to repeat what I just said. So anyway, I want to welcome all of you, welcome our witnesses and thank our witnesses for joining us today.

U.S. policy in Southwest Asia needs to be changed and changed quickly because we are currently funding people who are directly responsible for killing Americans. The purpose of today's hearing is to explore how we get out of this particular mess.

The main powers in Southwest Asia are Democratic India, Bankrupt Pakistan and Communist China. The latter is not located in the region but is always there stirring the pot due to its alliance perhaps with Pakistan and its rivalry, mutual rivalry, with India.

Afghanistan, which has been the focus of U.S. involvement, is part of a larger regional contest. This is a truism that has failed to be apparent to many Americans over the years. The India-Soviet alignment alienated the United States during the Cold War, resulting in what was clearly an adversarial relationship between the United States and India.

China's occupation of Tibet and invasion of the Himalayan India certainly escalated tensions in that part of the world, and when the Soviets invaded Afghanistan in 1979, the U.S. and Pakistan worked together to support Afghan insurgents against the Soviet occupation.

Following the Russian withdrawal in 1989 the U.S. shifted its focus away from Southwest Asia. The Pakistan-China friendship, however, as we begin to focus away, deepened and became more intense as both parties targeted India as their major enemy. China now is a natural ally of Pakistan which, of course, has manifested a gut hostility toward India since the founding of that country. That is the power dynamic that is at work in Southwest Asia.

China arms Sri Lanka, Burma, Bangladesh and pours money into these states to influence their alignment. Nepal on India's northeast border has recently been taken over by a malice movement which has ties to Beijing.

All of this is a dangerous rivalry, one that the United States was unfortunately drawn into when devising a Cold War strategy, but that strategy must be dramatically and immediately changed because the times have changed. The Cold War is over and we have been on a pathway that was directed by those policies established during the Cold War for far too long.

With U.S. support, Pakistan has played a major role in creating the Taliban. Islamabad independent of U.S. interest hoped to use this radical element of the Taliban as a vanguard, its own vanguard, to gain control of Afghanistan and to strengthen their position against India.

After 9/11 the United States used both carrots and sticks in an attempt to focus Pakistan to break with these terrorists. In the latter category, the carrots and sticks, basically we moved to improve relations with India as we saw Pakistan conducting themselves in a way that was totally unacceptable to our interests. So we moved to improve our relations with India and also, for example, sought a role for India in Afghanistan's reconstruction. Ties were further advanced with the ratification of the United States-India Agreement for Cooperation on the Peaceful Uses of Nuclear Energy in 2008 which China, of course, denounced.

The Mumbai attack on 2010 which was linked to a Pakistan-based terrorist group with links to the ISI—that's the Inter-Services Intelligence system there in Pakistan—reminded both India and the United States that they had a common enemy. So did the continued and close military cooperation between Pakistan and China remind us that perhaps Pakistan was slipping away from being a friend into being an adversary.

Pakistan has acquired Chinese fighters, frigates, submarines, armored vehicles. Pakistan's nuclear weapons and ballistic missiles are based on Chinese technology which was provided by Beijing as an explicit act of proliferation. China is building more nuclear reactors in Pakistan along with military air fields, ports and other strategic infrastructure.

As far as relations with Pakistan, they have been getting worse rather than getting better, and in the wake of the discovery that Osama bin Laden had been living in a Pakistani garrison town for 5 years, the Obama administration has rightfully withheld $800 million in aid to Islamabad.

Chairman of the Joint Chiefs of Staff Admiral Mike Mullen has confirmed, and it is well-known, that the ISI has a longstanding relationship with a number of terrorist groups, and it is funding and training these terrorists who are at this moment killing Americans and coalition partners in Afghanistan.

Pakistani officials have called on the Afghan Government to expel U.S. forces and to join a Pakistani-Chinese alliance. So, friends, our Pakistani friends are there asking the Afghans just to drop us and join the Chinese and Pakistanis.

I have proposed legislation H.R. 1792 to end all aid to Pakistan, and have also offered amendments to both the Defense and State Department authorization bills to do so, but what needs to be seriously discussed is a fundamental shift in America's Southwest Asia strategy, a break with the Cold War policies that no longer apply.

What is the best way for the United States to protect its security, its interests, and its values in Southwest Asia? Well, these are questions that we hope to answer today, and that's what this hearing is about.

I will be introducing the witnesses for their testimony in a moment. But, first, open remarks from Ranking Member Carnahan.

[The prepared statement of Mr. Rohrabacher follows:]

OPENING REMARKS: STRATEGY IN SOUTHWEST ASIA HEARING
(7/26/11)

Chairman Dana Rohrabacher
House Committee on Foreign Affairs
Oversight and Investigations Subcommittee

U.S. policy in southwest Asia needs to change and change quickly because we are currently funding people who are directly responsible for killing Americans. The purpose of today's hearing is to explore how we get out of this mess. The three main powers in Southwest Asia are a Democratic India, Communist China, and bankrupt Pakistan. The latter is not located in the region, but it is always stirring the pot in South Asia due to its alliance with Pakistan and its rivalry with India. Afghanistan, which has been the focus of U.S. involvement, is part of the larger regional contest. This is a truism that has failed to be apparent over the years.

The India-Soviet alignment alienated the United States during the Cold War, resulting in what was clearly an adversarial relationship. China's occupation of Tibet and invasion of Himalayan India escalated tensions.

When the Soviets invaded Afghanistan in 1979, the U.S. and Pakistan worked together to support the Afghan insurgents against the Soviet occupation. Following the Russian withdrawal in 1989, the U.S. shifted its focus away from Southwest Asia. The Pakistan-China friendship deepened and became more intense as both parties targeted India as their major enemy. China is a natural ally for a Pakistan which has manifested a gut hostility towards India since its founding. That is the power dynamic in Southwest Asia.

China arms Sri Lanka, Burma and Bangladesh, and pours money into these states to influence their alignments. Nepal, on India's northeast border, has recently been taken over by a Maoist movement with ties to Beijing.

All of this is a dangerous rivalry; one that the United States was uncomfortably drawn into when devising its Cold War strategy. But that strategy must be dramatically and immediately changed because the times have changed.

With U.S. support, Pakistan had played a major role in creating the Taliban. Islamabad, independent of U.S. interests, hoped to use this radical element as its vanguard to gain control of Afghanistan to strengthen their position against India.

After 9/11 the U.S. used both carrots and sticks in the attempt to force Pakistan to break with the terrorists. In the latter category were improved relations with India, including a role for India in Afghan reconstruction.

Ties were further advanced with the ratification of the U.S.-India Agreement for Cooperation on Peaceful Uses of Nuclear Energy in 2008, which China also denounced.

The Mumbai attack in 2010 which was linked to Pakistan-based terrorist groups with links to the ISI (Inter-Services Intelligence) reminded both India and the U.S. that they had a common enemy. So did the continued close military cooperation between Pakistan and China. Pakistan has acquired Chinese fighters, frigates, submarines, and armored vehicles. Pakistan's nuclear weapons and ballistic missiles are based on Chinese technology, provided by Beijing as an explicit act of proliferation. China is building more nuclear reactors in Pakistan, along with military airfields, ports, and other strategic infrastructure.

As far as relations with Pakistan, they have been getting worse rather than better. And in the wake of the discovery that Osama bin Laden had been living in a Pakistan garrison town for five years, the Obama administration has withheld $800 billion in aid to Islamabad.

Chairman of the Joint Chiefs of Staff Admiral Mike Mullen has confirmed that it is well known that the ISI has a longstanding relationship with a number of terrorist groups; funding and training thugs who are killing Americans and coalition partners in Afghanistan.

Pakistani officials have called on the Afghan government to expel U.S. forces and join the Pakistan-Chinese alliance.

I have proposed legislation, H.R. 1790, to end all aid to Pakistan, and have also offered amendments to both the Defense and State Department authorization bills to do so. But what needs to be seriously discussed is a fundamental shift in America's Southwest Asia strategy; a break with the Cold War policies that no longer apply.

What is the best way for the United States to protect its security, interests, and values in Southwest Asia?

To help answer these and other questions we have with us today:

Aparna Pande is a Research Fellow with the Hudson Institute's Center on Islam, Democracy, and the Future of the Muslim World. A 1993 graduate of Delhi University, Aparna holds a Master of Arts in History from St. Stephens College at Delhi University and a Master of Philosophy in International Relations from Jawaharlal Nehru University. Aparna Pande received a Doctorate in Political Science from Boston University. Aparna Pande's book 'Explaining Pakistan's Foreign Policy: Escaping India' was published in March 2011 by Routledge.

John Tkacik is a retired U.S. foreign service officer, businessman and policy commentator with over 35 years' experience in China, Taiwan and Mongolian affairs. He spent 24 years in the Department of State and in diplomatic and consular offices in Taiwan and China and was Chief of China Analysis in the Bureau of Intelligence and Research before retiring in 1994. He joined The Heritage Foundation in 2001 where he was senior research fellow in Asian studies. He has edited two books: *Reshaping the Taiwan Strait* and *Rethinking One China*. He is fluent in Chinese and has degrees from Harvard and Georgetown universities. He is currently president of China Business Intelligence.

Sadanand Dhume is a Resident Fellow at the American Enterprise Institute. He is also a South Asia columnist for the *Wall Street Journal*. He has worked as a foreign correspondent for the *Far Eastern Economic Review* in India and Indonesia and was a fellow at the Asia Society here in Washington. His political travelogue about the rise of radical Islam in Indonesia, *My Friend the Fanatic: Travels with a Radical Islamist*, has been published in four countries. His BA is from Delhi University and he has Masters degrees from both Columbia and Princeton.

Mr. CARNAHAN. Thank you, Mr. Chairman, for organizing this hearing on this key topic, particularly at this time. And thank you for our panel of witnesses for being here to lend us your expertise and your knowledge on this issue.

Obviously, relations between the U.S. and Pakistan are clearly strained right now. Many folks in this county still find it hard to believe that top government officials or military leaders in Pakistan were not being straightforward during the time we were trying to find Osama bin Laden.

We've seen the latest sign of tension was the administration's decision to suspend nearly $800 million in counterterrorism funding to Pakistan. And the chairman has rightly stated that that was the correct action of the administration.

Given the mounting concerns over a series of decisions made by the Pakistani Government and the military, suspension of a portion of the U.S. military aid was the right thing to do.

We need to ensure that every dollar of the U.S. taxpayer funded assistance is being used properly. This vigorous oversight role for all of U.S. foreign aid is critical to the success of our programs there. It's a key component to building infrastructure and capacity in Pakistan.

Officials throughout the country have to do better from rooting out corruption to vigilantly pursuing terrorists. The government and military absolutely have to step up and do a better job.

Pakistan faces enormous economic, security, development and political challenges. And I believe that it's critical that the U.S. and the international communities stay engaged and our people stay engaged in Pakistan. As we look toward the post 2014 draw-down of U.S. troops in Afghan, we need to ensure that we are making decisions that move Pakistan, Afghanistan and the region toward more stability and not less.

Diplomacy and development are key. They're going to continue to be key compounds of our policy in the region especially after 2014. I'm very interested to hear what our witnesses have to say as to the best way forward and how our strategy in Pakistan and the region should unfold in the months and years ahead.

Thank you for being here today to testify. And I want to give a little bit of a disclaimer here. I have a second hearing going on right around the corner. I may have to step out briefly. But I'm going to do my best to juggle both hearings today. So again thank you.

Mr. ROHRABACHER. Thank you very much. We will now proceed with our witnesses, the first of which is—and you all will forgive me—my better talent is something to do with surfing in California. My worst talent has something to do with pronouncing names, and please forgive me if I—and you might correct me to the right way. Shuja Nawaz. Is that the right pronunciation?

Mr. NAWAZ. Shuja Nawaz.

Mr. ROHRABACHER. All right. Then he's a native of Pakistan, now a U.S. citizen. First director of South Asia Center at the Atlantic Council in Washington. He has worked for Rand Corporation and U.S. Institute of Peace and the Center for Strategic and International Studies, and we also have with us over at this side—please tell me how to pronounce your first name.

Mr. PANDE. Aparna.

Mr. ROHRABACHER. Aparna. Okay. Aparna Pande, a research fellow with the Hudson Institute Center on Islam, Democracy, and the Future of the muslim World. A 1993 graduate of Delhi University. You hold a master's degree in history from St. Stephen's College, Delhi University and then a master's in international relations as well, and you've received a doctorate in political science from Boston University, and you have a book explaining Pakistan's foreign policy. Boy, we'll be interested to hear that, and escaping India I might add. It was published in March 2011 by Routledge, and then John Tkacik.

Mr. TKACIK. That's correct.

Mr. ROHRABACHER. All right. Retired Foreign Service officer, businessman, policy commentator with over 35 years experience in China, Taiwan and Mongolia, he spent 24 years in the Department of State and in diplomatic and counselor offices in Taiwan and China, and was the Chief of China Analysts in the Bureau of Intelligence and Research before he retired in 1994.

He joined the Heritage Foundation in 2001 where he was a senior fellow in Asian studies. He has edited two books, Reshaping the Taiwan Strait and Rethinking One China. He is fluent in Chinese and has degrees from Harvard and Georgetown Universities. He's currently president of the China Business Intelligence, and then Sadanand Dhume, got it, is a resident fellow at the American Enterprise Institute. He is also a South Asian columnist for the Wall Street Journal. He has worked as a foreign correspondent for the Far Eastern Economic Review and my friend, Bertil Lintner. Is he still there?

Mr. DHUME. Bertil's still there, but the magazine isn't though.

Mr. ROHRABACHER. But the magazine isn't. Bertil is there, but the magazine folded. Okay, and was a fellow at the Asian Society here in Washington, DC. He has a political travelogue about the rise of radical Islam in Indonesia, My Friend, The Fanatic, travels with a radical Islamist, has been published in four countries, has a B.A. from Delhi University and a master's degree from Columbia and Princeton, and we should go from right to left. Which right? This right. Okay. From her, she'd be on the lefthand side.

Why don't we start with you. If you could try to condense it down to 5 minutes that would be helpful and then we'll go to questions and answers after that. So you may proceed.

STATEMENT OF APARNA PANDE, PH.D., RESIDENT FELLOW, HUDSON INSTITUTE

Mr. PANDE. Good afternoon, I would like to start by thanking the chairman and the committee for having me here today.

Any attempt at a certain American grand strategy will face some difficulty in South Asia. This is because it will be difficult to place either India or Pakistan into set categories or strategies. During the Cold War, Pakistan was more interested in being part of a grand strategy, but India adopted the policy of nonalignment.

Today, while India may appear more interested in partnering with the United States, Pakistan will resist being part of any grand strategy. Therefore, instead of a grand strategy, it might be better if they were country and region specific strategies.

The U.S.-Pakistan relationship has been one of differing expectations and that is often why both sides feel let down. Pakistan's leaders have always feared an existential threat from India and believe that the aim of India's foreign policy is to undo the creation of Pakistan. Pakistan has always seen the United States as the ally who would provide assistance to help Pakistan gain parity with India and ensure its safety and integrity against any Indian attack. In return for supporting some American policies, Pakistan has sought U.S. aid and support against India especially in the context of Kashmir and Afghanistan.

For the United States, however, Pakistan was just one part of its larger containment strategy during the Cold War era. Post 9/11 Pakistan was invaluable for the war in Afghanistan and against terrorism. For the United States, the relationship has been tactical and transactional, not strategic and long term. Further while desirous of peace in South Asia, the U.S. has never seen India as an enemy or threat.

Pakistan seeks in China a strong ally who would build Pakistan's economic and military resources, to help achieve parity with India and a country that has an antagonistic relationship with India and hence would support Pakistan in any conflict with India. While China has been a close Pakistani ally since the 1950s, Chinese assistance has been limited to the military-nuclear area, in facilitative development and trade related investment. The investment has been targeted in such a way as would benefit China in the long run. For decades, Indian policymakers viewed American policy as that of an offshore balancer to counter so-called Indian hegemony in South Asia.

Starting with the Bush administration, there was a change in policy beginning with a desire to treat India and Pakistan differently. Economic, security and defense ties have grown in the last decade.

Over the years, the U.S. has provided vast amounts of aid to Pakistan. However, most of this aid has been military in nature. It is only in 2009 that with the Kerry-Lugar-Berman Act a significant amount of nonmilitary aid was offered to Pakistan.

If the United States withdraws all its assistance, especially nonmilitary aid, and walks away from Pakistan, there will be further destabilization of the country and the region. This move will negatively affect American operations in Afghanistan.

Without an American presence or assistance, Pakistan will be even less reluctant to act against terror groups operating from its territory. This means that if any future attacks in India are traced back to Pakistan, then without an American stake in the region, it will be difficult to dissuade either country from taking military action.

The threat of nuclear proliferation to terrorists is another issue that directly threatens U.S. foreign and domestic interests. Further, Pakistan's economy is weak and has yet to recover from the devastating floods of 2010 and the massive refugee crisis. Pakistan's depends on outside support both from U.S. and multi-lateral institutions like IMF, World Bank and others.

Pakistan's foreign and security policies have traditionally been and continue to remain the domain of the military bureaucratic es-

tablishment. Civilian politicians have rarely had any say and have been unwilling or unable to change the direction of these policies.

While the Pakistani security establishment's world view does not match that of the American, boosting the civilian side of the Pakistani state which shares the American world view is critical. In the long run, U.S. policy would benefit by weaning Pakistan away from its fundamental orientation and ideological driven identity and world view by helping the civilian, secular and liberal elements in the country. In this context non-military aid that furthers the growth of a modern middle class and civil society is well worth the investment. Non-military aid less thinly spread that is targeted to impact the lives of large numbers of people is also going to have a higher payoff.

Moving ahead, the relationship with Pakistan is going to be difficult. But it will be beneficial to both parties concerned if one tried to find areas of agreement. Thank you.

[The prepared statement of Dr. Pande follows:]

Testimony of Dr. Aparna Pande, Research Fellow, Hudson Institute on
"Reassessing American Grand Strategy in South Asia"

Subcommittee on Investigations and Oversight
House Committee on Foreign Affairs

July 26, 2011, 2:30 pm

Any attempt at a certain American Grand strategy will face difficulty in South Asia. If we go back in history, the containment strategy was adopted during the Cold War. However, India adopted the policy of non-alignment and this led to years of estrangement between India and U.S. Additionally, U.S.' policy towards Pakistan was also framed in the context of the Cold War. Instead of a grand strategy it would be better if there were country and region specific strategies.

A stable and effective, civilian democratic Pakistan is the best bulwark against radical Islamism, Al Qaeda and other jihadi groups in South Asia. Not only U.S. but even the region will benefit from a stable Pakistan. A stable Pakistan is necessary for a stable Afghanistan. China and India share the desire for a stable Pakistan since the last thing they want is Pakistan failing or collapsing or radical Islamists becoming stronger in Pakistan and crossing in greater numbers across the border.

U.S.-Pakistan relations and Pakistan's policy towards terrorism

The U.S.-Pakistan relationship has been one of differing expectations and that is often why both sides feel let down. Pakistan's leaders have always feared an existential threat from India and believe that the aim of India's foreign and security policy is to undo the creation of Pakistan. This has led to a foreign and security policy where Pakistan seeks to build its own resources to stand up to India and also have a friendly state in Afghanistan. Close ties between Afghanistan and India are viewed as antithetical to Pakistan's interests.

Pakistan has always seen the United States as the ally who would provide assistance to help Pakistan gain parity with India, and ensure its safety and integrity against any Indian attack. In return for supporting some U.S. policies, Pakistan has desired American aid and support against India, especially in the context of Kashmir and Afghanistan.

For the United States, however, Pakistan was just one part of its larger containment strategy during the Cold War era. A close ally against Communism during the Cold War, Pakistan's geo-strategic location was indispensable during the anti-Soviet Afghan jihad during the 1980s. Post 9/11 Pakistan was invaluable for the war in Afghanistan and against terrorism. For the U.S., the relationship has been tactical and transactional, not strategic and long-term. Further, while desirous of peace in the South Asian subcontinent, the U.S. has never seen India

as an enemy or threat. For decades Pakistan was the only American ally in South Asia. Today, America has three allies in the region: India, Pakistan and Afghanistan.

Pakistan's security establishment has always sought a pro-Pakistan, anti-India, Afghan government. The Pakistani military-intelligence complex has adopted a dichotomous attitude towards the various jihadi groups operating within Pakistan. The Pakistani security establishment views the Tehrik-e-Taliban Pakistan (TTP) as an enemy because the latter focuses its attacks within Pakistan. However, groups like the Haqqani network, Afghan Taliban and their local Pakistani allies, sectarian groups like Lashkar-e-Jhangvi and India-focused groups like Lashkar-e-Taiba (LeT) are treated as 'assets' or proxies who would be helpful in achieving Pakistan's goals in Afghanistan and India.

U.S. aid to Pakistan

Over the years the U.S. has provided vast amounts of aid to Pakistan. However, most of this aid has been military in nature. It is only in 2009 that through the Kerry-Lugar-Berman bill a significant amount of non-military aid was offered to Pakistan. Unfortunately, owing to various factors, as pointed out by the U.S. G.A.O., not enough non-military aid has been disbursed to make a significant impact. There are studies which have shown that American non-military aid has made a significant difference in Pakistan. A study by Pomona college professor Tahir Andrabi and his colleague Jishnu Das, of the areas affected by the 2005 earthquake in Pakistan, showed that even five years after the earthquake residents of the region had a positive view of American aid because the non-military aid was localized, targeted and visible.

If the United States withdraws all its assistance – especially non-military aid- and walks away from Pakistan there will be further destabilization of the country and the region. This move will negatively effect American operations in Afghanistan. Without an American presence or assistance Pakistan will be reluctant to act against terror groups operating from its territory. This means that if any future terror attacks in India are traced back to Pakistan without an American stake in the region it will be difficult to dissuade either country from taking military action. There will also be a greater risk of war between India and Pakistan – possibly nuclear in nature - which would cause immense human devastation.

The threat of Nuclear Proliferation to terrorists is another issue that directly threatens U.S. foreign and domestic interests. As long as U.S. remains engaged with Pakistan, military-to-military and intelligence-to-intelligence cooperation – even if limited – will provide U.S. with an opportunity to understand and observe as well as provide incentives to prevent future proliferation.

The economic effect of the withdrawal of American non-military assistance and aid will be devastating for Pakistan and the region. Pakistan's economy is weak,

has yet to recover from the devastating floods of 2010 and the massive refugee crisis, and has a very low tax-to-GDP ratio resulting in not enough revenue generation. Hence, the country depends on outside support, both from U.S. and multi-lateral institutions like the IMF, World Bank and others. The current IMF loan is dependent on support by the American government and American withdrawal would hit the Pakistani economy very hard. This will only further exacerbate the country's problems and will serve to destabilize the civilian democratic government to an extent that has yet to be witnessed.

A stable civilian democratic Pakistan is crucial for South Asia. All of Pakistan's neighbors – Afghanistan, India and China – benefit from a stable Pakistan. Even the United States benefits from a stable civilian democratic Pakistan.

Key Drivers of Pakistan's Foreign Policy

In order to understand the mainsprings of Pakistan's foreign policy we need to understand its underlying paradigm which is rooted in the origins of the Idea of Pakistan. The Idea of Pakistan rested on the two nation theory: Hindus and Muslims are not just two religious communities but two nations, and hence are equal and should have an equal say in policymaking. Even after two independent states emerged the desire of the newly created state of Pakistan for parity with India still remained a key goal along with the other goal of escaping any Indian-ness in Pakistani identity.

An ideology-based Islamic Pakistani identity was constructed to foster an identity separate from the common civilizational identity shared by Hindus and Muslims in the sub-continent as well as to counter the perceived existential threat from India.

Hence, the key drivers of Pakistan's foreign and security policies are a desire to "escape India" and "seek parity with India." These aims have defined and still define Pakistan's policies vis-à-vis other countries. Pakistan's relations with U.S., China and Muslim countries in the Middle East reflect the desire for allies who would help Pakistan achieve economic and military parity with India as well as support Pakistan in any conflict with India.

Pakistan civilian-military imbalance

Pakistan's foreign and security policies have traditionally been and continue to remain the domain of the military-bureaucratic establishment. Civilian politicians have rarely had any say and have been unwilling or unable to change the direction of these policies.

While the Pakistani security establishment's worldview does not match that of the U.S., boosting the civilian side of the Pakistani state – which shares the American worldview – is critical. Supporting civilian, democratic and liberal forces

in Pakistan would help American goals in South Asia and the greater Middle East. While a stable democratic Pakistan is still some years in the future, timely support to the civilian elements who want to bring that change is vital. Pakistan's economy is fragile and there is need for both American and international non military aid.

Pakistan-China

Pakistan seeks in China what it has always wanted from an ally: a strong ally who will build Pakistan's economic and military resources to help it achieve parity with India, and a country that has an antagonistic relationship with India and hence will support Pakistan in any conflict with India. While China has been a close Pakistani ally since the 1950s, Chinese assistance has been limited to the military-nuclear area, to infrastructure development, and trade related investment. The investment has been targeted in such a way that as would benefit China in the long run e.g. the Karakoram highway, Gwadar port.

Also, since the 1990s, Sino-Indian relations have improved and China has repeatedly requested Pakistan – both in public and private - to peacefully resolve its issues with India. China is one of India's top trading partners and both countries have military-to-military ties as well. Further, China is concerned about the spread of radical Islam within Pakistan and its impact on Chinese Muslims, especially Uyghurs. Yet Pakistan's leaders insist on having a mythical view of the Sino-Pakistani relationship and often try to use it as leverage vis-à-vis the United States.

India – U.S. - China

India and China have been rivals and are likely to be rivals again. Both take pride in being five thousand year old civilizations and in adopting a long-term in their foreign and security policies. They cannot be ignored in any American global strategy or regional level strategy. The trick will lie in how to balance the two and how to maximize US advantage from ties with the two countries.

Just as the second half of the 20th century was characterized by America's Atlantic partnership, the India-U.S. relationship will be the defining feature of the 21st century. For decades Indian policy makers viewed American policy as that of an off-shore balancer to counter so-called Indian hegemony in South Asia. Starting with the Bush administration, there was a change in policy starting with a desire to treat India and Pakistan differently (de-hyphenation). Economic, security and defense ties with India have grown in the last decade. The India-U.S. nuclear deal as well as American support to India's bid for a seat in the Security Council has gone a long way in deepening the trust between the two sides.

Although India has moved away from a strict non-aligned policy and from the 1990s has built deep economic, diplomatic, technological and cultural ties with the United States, the Nehruvian legacy of non-alignment status quoism is still visible. India has the capability and the desire to be a global power and an ally of the United States. However, New Delhi's interests may not always be aligned with Washington's and that is something both sides will have to bear in mind, to agree to often disagree and still remain friends.

India seeks and will continue to have close diplomatic, economic, defense, and cultural ties with U.S. However, India also seeks good relations with all its neighbors, including China. And while India and China have a border dispute, the two countries are top trading partners and often see eye-to-eye on issues like climate change. India is thus unlikely to bandwagon with the U.S. or any other country against China.

Policy recommendations

The U.S.-Pakistan relationship has been tactical and transactional right from the beginning. The two countries have had differing goals from the relationship. However, at certain times their interests converged. In order to move forward there is a need to place the U.S.-Pakistan relationship on a more realistic basis, one that recognizes diverging strategic goals but also areas where shared interests can be strengthened. Moving ahead the relationship with Pakistan is going to be difficult but it would be beneficial to both parties concerned if one tried to find areas of agreement. As General Petraeus stated recently, ""We know what happens when we walk away from Pakistan and Afghanistan, we've literally seen the movie before, it's called 'Charlie Wilson's War' (about covert US support for anti-Soviet Afghan fighters) and indeed that is not in my view a good option. However difficult the relationship may be it's one we need to continue to work, it's one where we need to recognize what our Pakistani partners have done, they've sacrificed several thousand soldiers and police and their civilians have suffered substantial levels of violence."

The argument made in this testimony is not for writing a blank check with respect to aid and assistance to Pakistan. There is good reason to be concerned with effectiveness of the aid already provided as well as legitimate concerns about the lack of transparency. The argument being made here is that the challenges in disbursing non-military aid should not lead to stoppage of aid, but rather to finding ways to do it better. Further, these challenges should not be allowed to override the larger concerns about Pakistan and the region.

In the immediate future U.S. objectives are to reduce the terror threat to itself and its allies and South Asia to a minimum. The best way to achieve this goal would be to wean Pakistan away through incentives, not coercion. Military and non-military aid and assistance provide immense leverage, both of coercion and incentives. While it is right to be more discriminating in providing military aid one

should not forget that this aid could also be used to provide incentives to the military.

In the long run, U.S. policy would benefit by weaning Pakistan away from its fundamental orientation and ideological driven identity and worldview by helping the civilian, secular, and liberal elements in the country. In this context non-military aid that furthers the growth of a modern middle class and civil society is well worth the investment. Non-military aid less thinly spread that is targeted to impact the lives of large numbers of people is also going to have a higher payoff.

Mr. ROHRABACHER. Thank you very much, and we will have some questions for you later on.

John, would you like to proceed?

STATEMENT OF MR. JOHN TKACIK, JR., PRESIDENT, CHINA BUSINESS INTELLIGENCE (FORMER CHIEF OF CHINA ANALYSIS IN THE BUREAU OF INTELLIGENCE AND RESEARCH, U.S. DEPARTMENT OF STATE)

Mr. TKACIK. Thank you, Chairman Rohrabacher and members of the committee. I am honored to be here to testify before you on what may be the most important dimension of America's grand strategy in South Asia which is the strategic relationship between China and Pakistan.

I've entitled my presentation "The Enemy of Hegemony is My Friend" because China views the United States as the hegemon in the world and Pakistan views India as the hegemon in South Asia.

At the outset let me say that in the 21st century there can be no more profound a strategic alliance than one in which the members exchange nuclear weapons, materials, technology and delivery systems between themselves and aid each other in their development.

This is the kind of relationship that China and Pakistan have. In fact, the United States only has one such relationship and that's the so-called special relationship with the United Kingdom. China and Pakistan's relationship although it appears that China's far more tolerant and abetting of Pakistan's further proliferation of nuclear weapons and delivery systems to third parties such as North Korea and Libya. These are only two examples of the peculiar strategic relationship that China and Pakistan have.

Recently there has been considerable speculation in the news that somehow China recently has come to eclipse the United States as Pakistan's most important ally. But this is unfounded. It's unrealistic. It betrays an misunderstanding of Pakistan's strategic relationship with China.

China has always been Pakistan's most important strategic ally. And the intensity of Pakistan's relationship with the United States has always been a subfunction of Pakistan's all-consuming strategic calculus about India.

The relationship between China and Pakistan goes back, of course, to the 1962 war between China and India which was rooted in China's occupation of the Aksai Chin portion of the India-claimed portion of Kashmir 6 years earlier.

Mr. Chairman, as you're aware, the United States cooperated with India in the 50s and 60s to support a large Tibetan exile nation based in India. China came to regard Pakistan as a strategic ally to India's geographical rear and Pakistan for its part had likewise come to see China as a counterweight to India.

In the 1965 First Indo-Pakistani War after Pakistan was soundly defeated, China immediately provided Pakistan with a considerable amount of war materiel including at least an armored division's worth of T–59 medium tanks and two air wings of MiG–19 jet fighters. This was weaponry that China at the time was not in a position to give away. But China could not tolerate strategically In-

dia's preeminence in the subcontinent if China were to consolidate its legitimacy in its occupation of Tibet.

From that time on, China-Pakistan alliance has been the single most important military relationship that either of the two nations has had since the 1950s. I won't go through the history of it, but I will say, before my time is up, that China's complicity in providing Pakistan with nuclear weapons technology, nuclear weapons materials, including fissile materials, China's provision to Pakistan of ballistic missile technology and when the United States put pressure on China to stop, China managed a very subtle but quite apparent trade between North Korea and Pakistan.

North Korea gave Pakistan ballistic missile technology in return for which Pakistan gave North Korea uranium separation technology and weapons technology. This was all revealed by former Prime Minister Benazir Bhutto to a friend of hers before she passed away. And the Washington Post had two articles on it that I thought were quite revealing. We can discuss it if you wish when the time comes.

Let me move right to my conclusion. For the United States to achieve a true strategic partnership with Pakistan, the United States must then share Pakistan's posture toward India. It follows that subduing India also demands acquiescing in China's ultimate hegemony in Asia.

In reassessing America's grand strategy in South Asia, the United States must first reassess its total global grand strategy. If the United States can live with an Asia under Chinese hegemony and with a crippled India, then America can have Pakistan's enthusiastic partnership against the Taliban or whomever else it wants.

But decisions like this are, as they say, above my pay grade. Instead they are the proper focus of the Congress and the Executive. I would only say that both the Congress and the Executive should look at South Asia's strategy in the context of its broader global strategy. And I'll leave the rest of my presentation to the questions. Thank you very much.

[The prepared statemeent of Mr. Tkacik follows:]

House Committee on Foreign Affairs Oversight and Investigations Subcommittee

"Reassessing American Grand Strategy in South Asia"

The Enemy of Hegemony is My Friend:

Pakistan's *de facto* 'Alliance' with China

Prepared testimony by

John J. Tkacik,

President of China Business Intelligence

Alexandria, Virginia

July 26, 2011

Since the successful elimination on May 1st of al Qaeda chieftain Osama bin Laden in Abbottabad, Pakistan, and Pakistan's official expressions of unhappiness with America's perceived violations of Pakistan's sovereignty, there has been considerable speculation in the news media that somehow China recently has begun to eclipse the United States as Pakistan's most important ally.[1]

This is unfounded, unrealistic and betrays a lack of understanding of Pakistan's strategic relationship with China. China has *always* been Pakistan's most important strategic ally,[2] and the intensity of Pakistan's relationship with the United States has always been a subset of Pakistan's all-consuming strategic calculus about India.

History of a Strategic Relationship

China's geopolitical interests in Pakistan were kindled in the first Sino-Indian War of 1962, a war rooted in China's occupation of the Aksai Chin portion of Indian-claimed Kashmir six years earlier. In March 1963, as the Sino-Indian war died down, the Pakistani government signed a border agreement with China in which China formally recognized Pakistan's claims to Kashmir,

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[1] This is the subtext of several analyses. See James Lamont and Farhan Bokhari, "China and Pakistan: An alliance is built," *Financial Times*, June 30, 2011, at http://www.ft.com/intl/cms/s/0/417a48c4-a34d-11e0-8d6d-00144feabdc0.html; Griff Witte, "Pakistan courts China as relations with U.S. grow strained," *The Washington Post*, June 22, 2011, at http://www.washingtonpost.com/world/asia-pacific/2011/06/19/AGDCyWfIL.html; David Pilling, "China's masterclass in schmoozing Pakistan," *Financial Times*, May 25 2011at http://www.ft.com/intl/cms/s/0/cac10ffc-8701-11e0-92df-00144feabdc0.html; Kathrin Hille and Farhan Bokhari, "Show of support as China hosts Pakistan PM in Islamabad," *Financial Times*, May 19, 2011 at http://www.ft.com/intl/cms/s/0/f59629b6-81a7-11e0-8a54-00144feabdc0.html; "Pakistan's Gilani visits old ally China as Islamabad deals with strained ties with Washington," The Associated Press, May 17, 2011; Farhan Bokhari and Daniel Dombey, "Kerry talks of 'make or break' Pakistan ties," *Financial Times*, May 16, 2011, at http://www.ft.com/intl/cms/s/0/99184e36-7fe5-11e0-b018-00144feabdc0.html;

[2] Aside from the *China-Pakistan Treaty of Friendship, Cooperation and Good-neighborly Relations*, signed on April 5, 2005, there is no specific treaty of alliance binding Beijing and Islamabad. But the relationship certainly qualifies as an alliance: Professor Stephen M. Walt defines an alliance as a "formal or informal relationship of security cooperation between two or more states" which includes "some level of commitment and exchange of benefits for both parties." Stephen M. Walt, *The Origins of Alliances*, Cornell University Press, Ithaca, NY, 1990.

and Pakistan, in turn, demarcated Pakistan's claimed border in Kashmir (which was, in fact, occupied by India – see annex map) to the south of the Aksai Chin.[3] Moreover, China and Pakistan pledged to build a highway through the Karakoram range as the first land bridge between the two countries. India was, of course, livid. But India had lost its war with China and was not interested in fighting another.

Pakistan came to rely on China for weapons and military equipment almost immediately after losing the first Indo-Pakistan War in 1965. Between 1965 and 1968, China provided Pakistan with a considerable amount of war materiel, including at least 160 T-59 medium tanks and 124 MiG-19 jet fighters.[4] Certainly, theirs has been the single most important military alliance that either of the two nations has had since the late 1950s.

Pakistan and China have cooperated quite closely across the entire spectrum of military and security affairs ever since. The news last month that China and Pakistan are cooperating in the joint development of the JF-17 multirole jet fighter is essentially old news. The two countries have been working on the JF-17 for at least a decade. Nor was it surprising that China is considering sales of a newer, more capable fighter, the J-10, to Pakistan, as the Pakistani defense minister announced in May.[5] The Pakistan Naval Ship *Aslat*, the fourth jointly-developed China-Pakistan F-22P *Zulfiqar* class frigate, was launched from its drydock in Karachi in May.[6] China reportedly is preparing for the sale of six advanced diesel-electric submarines with "air independent propulsion" (AIP) to Pakistan, submarines which contain some of the most advanced underwater propulsion systems in the world.[7]

Pakistan is, by any measure, a major strategic ally of China's; in military and naval systems, in naval base construction (at Gwadar), in nuclear power, hydro electric power and cross border highways which China hopes will link China's far west with the Indian Ocean.[8] More significantly, China has, for at least thirty years, provided Pakistan with equipment, technical aid, designs, fissile materials and money essential to Pakistan's development of nuclear weapons and missile delivery systems. This is documented amply in the public record – particularly in

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[3] The Aksai Chin, though as remote a plot of 10,000 square miles as exists on earth, was seized by China's People's Liberation Army in 1956 apparently in the belief that India wouldn't notice. And indeed India didn't notice until the PLA constructed military highway through it; it was China's only land route between Chinese Xinjiang and Western Tibet. India's Prime Minister, Jawaharlal Nehru only informed Parliament of the Chinese occupation in August 1959 at the onset of the ideological split between Moscow and Beijing.

[4] Immediately following the First Indo-Pakistan War, Pakistan also covertly transferred to China spare parts and material samples of the U.S. F-104 supersonic fighter jet. See U.S. Department of State *Intelligence Note—944* of December 4, 1968 entitled "Pakistan and Communist China Strengthen Cooperation," available at http://www.gwu.edu/~nsarchiv/NSAEBB/NSAEBB6/index.html.

[5] Jeremy Page, "China to Speed Up Fighter Jets for Pakistan," *The Wall Street Journal*, May 19, 2011, at http://online.wsj.com/article/SB10001424052748704083904576333192239624926.html.

[6] Lamont and Bokhari, "China and Pakistan: An alliance is built."

[7] Farhan Bokhari and James Lamont, "Islamabad splurges on defence hardware," Financial Times, May 22, 2011 at http://www.ft.com/intl/cms/s/0/9b19baf6-848d-11e0-afeb-00144feabdc0.html. Indian sources are cited as describing the submarines as "Qing" class diesel-electrics, "a variant of the Type 041A Improved Yuan-class SSK." That report appears at "Submarine Sails, China-Pakistan all-weather friendship scales new heights," *Force* magazine, July 2011, at http://www.forceindia.net/Issue4.aspx .

[8] For a current review of this relationship see James Lamont and Farhan Bokhari, "China and Pakistan: An alliance is built," *Financial Times*, June 30, 2011, at http://www.ft.com/intl/cms/s/0/417a48c4-a34d-11e0-8d6d-00144feabdc0.html; and Griff Witte, "Pakistan courts China as relations with U.S. grow strained," *The Washington Post*, June 22, 2011, at http://www.washingtonpost.com/world/asia-pacific/2011/06/19/AGDCyWfIL.html.

documents declassified at the request of the National Security Archive project at George Washington University.[9]

China-Pakistan Treaty of Friendship, Cooperation and Good-neighborly Relations, signed on April 5, 2005,[10] is as close as the two countries get to a formal declaration of strategic alignment. In May 2006, Pakistani Prime Minister Shaukat Aziz emphasized Pakistan's deep military and economic relationship with China was one, not based on "transient interests", but that was "higher than the Himalayas, deeper than the sea" (no Pakistani has ever expended quite such fulsome encomium on its ties with the United States). Aziz went on to explain the geopolitical ramifications of Pakistan's ties with China, referring to Newton's third law of motion – every action has an equal and opposite reaction – that a strong Pakistan-China relationship was a natural reaction to the India-U.S. relationship.[11]

Evidently, China felt the same way. When Chinese President Hu Jintao visited Islamabad in November 2006 (a few days after China's Ambassador in New Delhi reiterated China's territorial claim to the entire Indian state of Arunachal Pradesh[12]), he and Pakistani President Pervez Musharraf issued a joint statement which explained that the Treaty provided "an important legal foundation for the Strategic Partnership" between their two nations. But in fact, the security relationship extends at least to 1965.

It is difficult to overstate how important Pakistan views its strategic relationship with the People's Republic of China. China is, quite simply, central to Pakistan's view of its survival. Without its alliance with China, Pakistan believes it could not exist as an autonomous state actor on the South Asian subcontinent. Indeed, in the world today, there is no more profound demonstration of the existence of a strategic alliance than the exchange of nuclear weapons materials, technology and delivery systems between states.

By the same token, Pakistan is central to China's entire strategic posture in South Asia. Without a militarily powerful Pakistan, China believes it is vulnerable along its entire southwestern border with India – not simply in military terms, but also in terms of the legitimacy of China's

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[9] William Burr, "Declassified Documents Show That, For Over Fifteen Years, Beijing Rebuffed U.S. Queries on Chinese Aid to Pakistani Nuclear Program," National Security Archive, March 5, 2004, at http://www.gwu.edu/~nsarchiv/NSAEBB/NSAEBB114/press.htm.

[10] A discussion of the strategic dimensions of the Treaty is found at D.S. Rajan, China: *Revisiting the 2005 Friendship Treaty with Pakistan*, South Asia Analysis Group, October 12, 2006, at http://www.southasiaanalysis.org/%5Cpapers21%5Cpaper2058.html. While the Treaty's language seems tilted more towards and explicit commitment by Pakistan to control Islamic elements that may support Xinjiang separatists in China ("each Contracting Party shall prohibit, on its own soil, the establishment of organizations or institutions which infringe upon the sovereignty, security and territorial integrity of the other Contracting Party"), the Treaty does require that "the Contracting Parties shall enhance and consolidate trust and cooperation in the military and security fields to strengthen their security." See the Chinese explanation of the Treaty at http://english.peopledaily.com.cn/200504/06/eng20050406_179629.html.

[11] See telegram 04 ISLAMABAD 9705 from the American Embassy in Islamabad, "Subject: Pak-Sino Relations: 'Higher than the Himalayas, Deeper than the Sea,'" a copy of which is available at http://wikileaks.org/cable/2006/05/06ISLAMABAD9705.html.

[12] (No author cited), "PRC Ambassador to India claims 'whole of Arunachal Pradesh is Chinese Territory'," CNN-IBN News India, November 13, 2006, at http://www.ibnlive.com/news/arunachal-is-chinese-territory-envoy-minces-no-words/26108-3.html.

continued occupation of Tibet from the tri-border junction with India and Burma in the east, all along its 5,600 kilometers of borderlands with India, Bhutan, Nepal to Pakistan in the west.[13]

The America factor in the Sino-Pakistan Alliance

Twice, first in the 1965 Indo-Pakistan War and again in the second Indo-Pakistan War of 1971, China faced the prospect of Indian dismemberment of Pakistan and the subjugation of the subcontinent to India. At the same time, the United States was clandestinely supporting Tibetan refugee armies based in India that constantly harassed Chinese military deployments in Tibet and supported the Tibetan government in exile based in India.

As the Sino-Soviet ideological split became visible in 1958 and burst into full hostilities in 1962, India appeared in Beijing's eyes a strategic ally of the Soviet Union. Yet it was not until 1969 that the United States – during the Nixon Administration – began to regard India, too, as a Soviet client state. By the time of Dr. Henry Kissinger's first secret mission to Beijing – exactly 40 years ago this month – the United States had begun to see China as a strategic counterweight to the Soviet Union. Indeed, Pakistan's president Yahya Khan was the most essential line of communication between Washington and Beijing's leaders in arranging for Kissinger's secret mission. In this context, Kissinger had become sympathetic and cooperative with China's desire to tilt the balance of power in South Asia away from India and toward Pakistan.[14] (By December 6, 1971, Kissinger recommended that President Nixon tacitly approve a proposal by the Shah of Iran covertly transfer U.S.-origin weapons to Pakistan at the height of the Second Indo-Pakistan war, despite the fact that the transfer would, in Kissinger's words, "be illegal."[15])

Through the rest of the Cold War and five subsequent U.S. administrations, the United States maintained a strong – if not always consistent – geopolitical alignment with the Sino-Pakistan alliance and generally tolerated Beijing's determined efforts to build a strong Pakistan vis-à-vis India. The most visible part of this triangular relationship was the US-China-Pakistan cooperation in supplying the anti-Soviet resistance in Afghanistan from 1979 through 1989.

Valentine's Day 1989, the withdrawal of Soviet troops from Afghanistan marked the successful conclusion of the US-China-Pakistan trilateral *entente* in South Asia – at least as far as the United States was concerned. The collapse of the Soviet Union on January 1, 1992, made America's strategic cooperation with Pakistan and China irrelevant.

China and Pakistan in the 1990s: Prologue to September 11

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[13] In addition, China was concerned by private financial support given by Pakistani citizens to Muslim separatists in China's far western Xinjiang autonomous region, but that concern seems to have dissipated by the mid 1990s.

[14] In its introduction to *FOREIGN RELATIONS OF THE UNITED STATES, 1969–1976, VOLUME E–13, DOCUMENTS ON CHINA, 1969–1972*,The U.S. Department of State Office of the Historian underscores "Pakistan's role in Sino-American rapprochement could not be divorced from its conflict with India. The stability of Pakistan was a key area of cooperation between the United States and the PRC after mid-1971 prompting a remarkable measure of diplomatic coordination. In Kissinger's meetings with PRC diplomats in New York during November and December 1971, both sides exchanged positions and messages concerning the UN and the antagonists on the subcontinent, India and Pakistan. (173, 175, 176) South Asia was also one of the important substantive issues discussed by Kissinger's deputy, Alexander M. Haig, during his January 1972 trip to Beijing. (183, 184)." A version is located at http://history.state.gov/historicaldocuments/frus1969-76ve13/summary.

[15] The Watergate Tapes, December 6, 1971, available at the Nixon Library, Yorba Linda, California.

But the strategic imperatives of the Pakistan-China alliance persisted as both countries continued to perceive strategic vulnerabilities with India. Through the 1990s, Pakistan adjudged that India was trying to regain a foothold in Afghanistan – to Pakistan's strategic rear – especially in India's complex relationship with the Afghan Northern Alliance. Pakistan believed that its financial and military support for the Afghan Taliban was essential to controlling India's presence.

By the summer of 2001, the destabilizing nature of China's missile and nuclear relationship with Pakistan had frustrated Washington which was already intensely irritated with China (because of a collision of military aircraft over the South China Sea and the detention of U.S. service personnel in April). On September 1, the Bush Administration announced sanctions against a major Chinese state-owned arms company for transferring "substantial amounts" of missile parts and technology to Pakistan just a few months after signing an accord with Washington was supposed to halt all missile exports.[16] A few days later, Beijing dispatched a senior military delegation to Pakistan to implement "enhanced" military cooperation.[17]

America's role in the Sino-Pakistan calculus changed somewhat with the terrorist attacks on the United States of September 11, 2001, as Pakistan came under excruciating American pressure to acquiesce in dislodging Islamabad's own Taliban clients from Afghanistan. But it is quite evident from the contemporaneous media reports that China was uneasy with this development – not just it considered India, but primarily because it portended an entirely new American military footprint in Central Asia. In the days following the terrorist attacks, China appeared somewhat disappointed that Pakistan felt compelled to cooperate, even superficially, with American plans to destroy the Taliban government in Afghanistan. If America could bully China's most important ally in Asia, Beijing reasoned, China's newly- crafted leadership role in Central Asia, via the Shanghai Cooperation Organization (SCO), would be undermined.

The complexity of the Pakistan-China alliance relationship was apparent in the first weeks after the September 11, 2001, terrorist attacks on the United States. Some analysts have claimed China encouraged Pakistan to cooperate with the United States in the days after September 11. The evidence suggests that opposite was true. China's top Asia specialist, Vice Foreign Minister Wang Yi, was dispatched to Islamabad on September 22, but was unable to reach any consensus with the Pakistanis other than a vaguely-worded statement that "it can be said that China and Pakistan's position on the fight against terrorism are in accord with each other."[18] The strange lack of a joint statement following such an important diplomatic move suggested that the vice minister's real purpose in Islamabad was to reassure Pakistan of Beijing's unwavering support against American pressure.[19] Chinese troop movements that same day heading down the

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[16] Robin Wright, " U.S. to Sanction Chinese Firm Asia: Washington says the arms maker has sold parts to Pakistan in violation of an accord reached with Beijing," *Los Angeles Times*, September 1, 2011, page A-01

[17] Muhammad Saleh Zafir, "Pakistan, China Agree to Enhance Defense Cooperation," Rawalpindi Jang, September 7, 2001, cited in Srikanth Kondapalli, "The Chinese Military Eyes South Asia," Chapter 9 in Scobell, *et.al.* eds, *Shaping China's Security Environment; The Role of the People's Liberation Army*, Strategic Studies Institute, U.S. Army War College, Carlisle Barracks, October 2006.

[18] Willy Wo-Lap Lam, "The Terror Attack and China's Deeper Concerns," *China Brief* Volume 1, Issue 6 of September 27, 2001, at *china.jamestown.org/pubs/view/cwe_001_006_001.htm*.

[19] See, for example a toughly-worded article in the PRC-owned *Ta Kung Pao* newspaper shortly after the visit which warns Pakistan that Washington is cooperating with New Delhi to encircle Pakistan. Ba Ren, "The United States Meddles With Afghanistan To Kill Three Birds With One Stone—On The White House's Military Deployment and

Karakoram highway towards the mountainous areas around the Pakistani and Afghan borders were obviously not designed to prevent Afghan intruders (the mountains separating China and Afghanistan are over 20,000 feet high, and were controlled by anti-Taliban forces), but instead to reassure Pakistan of the proximity of Chinese forces.[20]

In October, 2001, Beijing's diplomatic coolness toward U.S. plans to strike *al Qaeda* bases in Afghanistan was grounded in fears of greater U.S. involvement in Central Asia, a region that it saw within its own sphere of influence by virtue of the Shanghai Cooperation Organization (SCO) treaty of a few months earlier which China hoped would cement its leadership in Central Asia. In a call to Pakistan's President Musharraf on October 1, 2001, just prior to the U.S. air war against *al Qaeda* and the Taliban, Chinese President Jiang Zemin stressed one thing: any conter-terrorism operation must be conducted with "conclusive evidence and concrete targets" *and* must comply with the United Nations charter and international law. Jiang, however, stressed that no matter what Pakistan chose to do, friendship between the two countries "had stood the test of time, and no matter what happens, the friendly relations will not be affected."[21]

It was in this context that China's Chief of General Staff, General Fu Quanyou, in comments to his visiting Pakistani counterpart, warned the U.S. against using the War on Terror to dominate global affairs: "counter-terrorism should not be used to practice hegemony."[22] "Hegemony," in the post-Cold War era of America's "Unipolar Moment," had become a Chinese codeword for "The United States." In March 2002, General Xiong Guangkai, deputy chief of staff for intelligence in the Chinese Peoples Liberation Army, visited Islamabad and signed two agreements on "defense cooperation" and "Defense production" with Pakistani counterparts. Pakistan still regarded China as a more reliable ally than the United States. Commenting on Gen. Xiong's visit, Pakistan's *The Nation* newspaper put it in the context of "Deepening U.S.-Pak relations [in the wake of 9/11 that] could lead to unintended strain in its ties with a trusted and sincere friend like China."[23]

Sino-Pakistani Nuclear Weapons and Missile Cooperation[24]

Twenty years ago, when United States intelligence assets first obtained conclusive evidence of China's transfer of nuclear-capable M-11 short range ballistic missiles, components, designs and manufacturing technology to Pakistan (even after Presidents Carter and Reagan had concluded that China was central to Pakistan's *nuclear* weapons development[25]), Washington put

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Variable of Central Asian Strategic Patterns," Hong Kong *Ta Kung Pao*, September 24, 2001 (translated by the Foreign Broadcast Information Service at FBIS-CHI-2001-0924).

[20]"More on China FM Spokesman Comments on Border Security, Terrorism," Agence France Presse, Beijing, September 25, 2001; transcribed by Foreign Broadcast Information Service Document Number: FBIS-NES-2001-0925.

[21] "China Stresses ties with Pakistan in war on terror," Reuters, October 1, 2001.

[22]See "Fu Quanyou Yu Ba Canlianhui Zhuxi Huitan" (Fu Quanyou meets Pakistan Chairman of Joint Command), *Jiefang Jun Bao* (Liberation Army Daily), January 16, 2002, at http://www.pladaily.com.cn/gb/pladaily/2002/01/16/20020116001011.html.

[23] "Strain in U.S. China ties," *The Nation*, March 20, 2002, transcribed in FBIS-CHI-2002-0320.

[24] See also Carey Sublette, "Pakistan's Nuclear Weapons Program Development," *The Nuclear Weapon Archive*, January 2, 2002, at http://nuclearweaponarchive.org/Pakistan/PakDevelop.html.

[25] In a "Back of the Book"(BoB) intelligence analysis dated June 23, 1983, to Secretary of State George Shultz, the Bureau of Intelligence and Research notes: "We have concluded that China has provided assistance to Pakistan's program to develop a nuclear weapons capability. Over the past several years, China and Pakistan have maintained

considerable pressure on Beijing to stop these transfers. In 1992, Chinese arms control diplomats explained to American counterparts that the "US-Soviet nuclear arms race produced a *de facto* political stability that prevented direct conflict," and questioned whether other rival states, "such as Pakistan-India" shouldn't be allowed the same chance to prevent conflict through nuclear deterrence" and noted that China had already "accused Washington of 'nuclear blackmail' and of using its post-September policy review as a pretext to resume nuclear tests and develop new weapons."[26]

Those were the days when Washington still had leverage in Beijing.

Initially, American officials were gratified that Beijing curtailed its proliferation to Pakistan and North Korea, but were quickly dismayed to find instead that China had begun to facilitate the exchange of Pakistani nuclear weapons technology – across Chinese territory – for North Korea's short- and medium-range missiles.

China's decades of robust technical assistance and provision of specialized equipment and materials to Pakistan's nuclear weapons program is well known.[27] But China's central role in Pakistan-North Korea exchanges of missiles and nuclear weapons is less frequently commented upon.

For over a decade beginning in 1993, China had acquiesced in (but more likely it had actively encouraged) Pakistan's barter trade of nuclear weapons designs, technologies and equipment for North Korean long-range missiles following China's cessation of direct missile and nuclear weapons materials to Pakistan (apparently in an as-yet undisclosed *quid pro quo* deal with the Clinton administration that Chinese leader Jiang Zemin found most agreeable).[28]

In 2003, Pakistan's late prime minister Benazir Bhutto – concerned that her legacy might be one of pro-Americanism rather than Pakistan patriotism, confided in a friend: "Let me tell you something, I have done more for my country than all the military chiefs of Pakistan combined."[29] She then revealed that she had delivered "critical nuclear data" as part of a barter deal for North

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contacts in the nuclear field. For some time, China's involvement was limited to operational aspects of the KANUPP power reactor in Karachi. We now believe cooperation had taken place I the area of fissile material production and possibly also nuclear device design." A heavily redacted version of this report is available at http://www.gwu.edu/~nsarchiv/NSAEBB/NSAEBB6/index.html. Sublette (above) notes that in return for this support, A.Q. Khan provided China with the details of the Dutch URENCO uranium gas centrifuge design and manufacture.

[26] U.S. Embassy Beijing telegram 92 BEIJING 37734 dated November 25, 1992, declassified August 27, 2003.

[27] William Burr, "China's role as a leading provider of sensitive technology to Pakistan has repeatedly strained U.S.-China relations." See a review of declassified U.S. intelligence and diplomatic documents at Joyce Battle, "India and Pakistan -- On the Nuclear Threshold", National Security Archive Electronic Briefing Book No. 6, (no date), at http://www.gwu.edu/~nsarchiv/NSAEBB/NSAEBB6/index.html.

[28] Private conversation in June 2008 with a U.S. intelligence official. That China was still exporting M-11 ballistic missiles and samarium-cobalt rare earth ring-magnets for use in frictionless centrifuge bearings in uranium isotope separation to Pakistan as late as early 1996 was a constant irritant to the Clinton Administration. See Bill Gertz, "China Nuclear Transfer Exposed, *The Washington Times*, February 5, 1996, p. A-01. For a vague description of National Security Advisor Anthony Lake's talks with Chinese counterparts in Beijing on June 8, 1996, see Robert L. Suettinger, *Beyond Tiananmen, The Politics of US-China Relations 1989-2000*, The Brookings Institution, Washington, D.C., 2003, p. 277.

[29] Glenn Kessler, "Bhutto Dealt Nuclear Secrets to N. Korea, Book Says," *The Washington Post*, June 1, 2008; A16, http://www.washingtonpost.com/wp-dyn/content/article/2008/05/31/AR2008053102122.html.

Korean missile components and designs on her December 30, 1993, visit to Pyongyang, known to – and aided by – China.

Before arriving in Pyongyang, Bhutto conferred with top Chinese leaders, including Premier Li Peng with whom she spent two hours, a session she termed as "most rewarding."[30] In a meeting with Pakistani reporters, Bhutto noted only that she discussed Kashmir and nuclear nonproliferation with her Chinese counterparts, and added "I was deeply moved during my talks with the president. The president stated that Pakistan was China's closest friend and that China would never forget an old friend. The prime minister assured me that China will always remain Pakistan's staunch ally regardless of any changes in the world."[31] Bhutto described Pakistan-China friendship as an "all-weather relationship", and according to Xinhua news agency, averred that "her countrymen will never forget China's assistance to Pakistan at critical times." Bhutto then, in a revealing portrayal of Pakistan-China relations, "reiterated that *Pakistan-China ties are 'the cornerstone' of Pakistan's foreign policy*, saying that her government wants to further its all-round co-operation with China."[32]

The Bhutto visit to Pyongyang took place at a particularly sensitive time for Pakistan, China and North Korea. The United States threatened sanctions on China for transferring nuclear-capable missiles to Pakistan. North Korea was in delicate negotiations with the United States over its refusal to allow the International Atomic Energy Agency to inspect its nuclear facilities. So perhaps even the Pakistani Prime Minister believed she was obliged to maintain strict operational security in transferring CD-ROM's of sensitive nuclear data to Pakistan, and therefore needed "an overcoat with the 'deepest possible pockets' into which she transferred CDs containing the scientific data about uranium enrichment that the North Koreans wanted." Bhutto's visit to Beijing and Pyongyang, her first trip abroad after her October 1993 election as Prime Minister, were marked by oratorical paeans to Pakistan-China and Pakistan-North Korea friendship, including Bhutto's own avowal that "nuclear nonproliferation should not be made a pretext for preventing states from fully exercising their right to acquire and develop nuclear technology."[33]

The atomic weapons designs that Bhutto transferred to North Korea were likely Chinese.

In the 1980s, Beijing transferred to Pakistan's chief weapons researcher, A.Q. Khan, blueprints for a smaller nuclear device that could fit atop a ballistic missile, designs that had the names of

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[30] Xinhua noted of the Bhutto-Li Peng consultations, that "Before the formal talks, both prime ministers had a private meeting which lasted half an hour. They *discussed in detail the international situation*, regional affairs including Kashmir, and bilateral relations. There *was a total identity of views* on various issues and they agreed to further promote the existing good bilateral relations." (emphasis added.) "Pakistani Prime Minister Bhutto Continues Visit; Li Peng Remarks on Kashmir Noted" Islamabad Radio Pakistan Network December 28. 1993, at FBIS-CHI-247.

[31] "Further on Visit by Pakistan Prime Minister," Islamabad PTV Television Network in English, December 30, 1993, transcribed at FBIS-EAS-93-249.

[32] (emphasis added) "Pakistani Prime Minister Bhutto Continues Visit; Spokesman on Li Peng-Bhutto Talks," Xinhua in English December 28, 1993, at FBIS-CHI-247.

[33] See "'Text' of Bhutto Banquet Speech," Pyongyang Korean Central Broadcasting Network in Korean, December 30, 1993, transcribed by the Foreign Broadcast Information Service, *Daily Report* at FBIS-EAS-93-249. In a perhaps telling moment, the North Korean media noted that Kim Il Sung and Bhutto exchanged gifts, and uniquely noted that each "saw the [other's] gift and expressed thanks for it." See "Kim Il-song, Bhutto Exchange Gifts", FBIS Daily Report, December 30, 1993, at FBIS-EAS-93-249. I can find no other instance of an exchange of gifts with Kim Il Sung where Kim is ever described as "expressing thanks."

the Chinese ministers involved in the deal scribbled upon them.[34] Khan resold these blueprints to Libya, and certainly paid the same favor to North Korea.[35] Indeed, Chinese assistance has always been essential to Pyongyang's plutonium separation program. Through 2002, according to the *Washington Post*, The United States observed "a series of suspect purchases" by Pakistan from North Korea and vice versa.[36] In July 2002, U.S. intelligence-collectors had happened upon a Pakistani military C-130 transport plane that had flown through Chinese airspace carrying a cargo from Pakistan's top-secret nuclear weapons base, the Khan Research Laboratory. The C-130's cargo was probably $75 million worth of equipment relating to a uranium enrichment centrifuge. It landed at a Chinese military base to refuel, and proceeded on to North Korea. The aircraft returned to Pakistan carrying a North Korean No-dong ballistic missile, again, via a refueling stop at a Chinese military base.[37] The flights were only a small fraction in a series of secret Pakistani C-130 missions, facilitated by its ally China, to North Korea that dated back at least to 1998.[38]

Since 2002, The United States has sanctioned Chinese companies for providing North Korea with tributyl phosphate, an acid solvent used in the extraction of uranium and plutonium salts from nuclear reactor effluents[39] – most recently in April 2004 (incongruously just one month before the U.S. State Department recommended that China be admitted to the Nuclear Suppliers' Group, an ad hoc international nonproliferation organization).[40] In 2003, at U.S. insistence, China interdicted one such shipment[41] but there is no indication that China has made any other

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[34] William J. Broad and David E. Sanger, "As Nuclear Secrets Emerge in Khan Inquiry, More Are Suspected," The New York Times, December 26, 2004, at http://www.nytimes.com/2004/12/26/international/asia/26nuke.html.

[35] William J. Broad and David E. Sanger, "Warhead Blueprints Link Libya Project To Pakistan Figure," *The New York Times*, February 4, 2004, p. 1.

[36] Kessler

[37] David E. Sanger, "In North Korea and Pakistan, Deep Roots of Nuclear Barter," *The New York Times*, November 24, 2002, p. A-01. Danny Gittings, "Battling the Bribers," *Asian Wall Street Journal*, October 29, 2002, p. 18. William C. Triplett II, "Road to Pyongyang through Beijing?" *The Washington Times*, February 21, 2003, p. A18. On September 11, 2003, Senator Feingold asked Assistant Secretary of State James Kelly "about North Korean planes flying through Chinese airspace or even making refueling stops in China when these planes may well be involved in proliferation activities. . . . have we raised this issue with the Chinese?" Kelly responded "Yes, sir, we have raised that issue with the Chinese. It would probably be best to brief you more completely on that particular topic in a closed hearing, sir." See U.S. Senate Committee On Foreign Relations "Hearing On U.S.-China Relations, September 11, 2003."

[38] Paul Watson and Mubashir Zaidi, "Death of N. Korean Woman Offers Clues to Pakistani Nuclear Deals," *The Los Angeles Times*, March 1, 2004.

[39] Bill Gertz, "N. Korea seeks aid from China on nukes"; *The Washington Times*, December 9, 2002, page A-01 at http://findarticles.com/p/articles/mi_hb5244/is_200212/ai_n19696552.

[40] Private conversations with a Bush Administration official. In May 2004, Assistant Secretary of State John Wolf told a congressional committee that the U.S. still supported China's membership in the NSG. He explained, "Let me be clear on the April cases. And when you talk about, I mean, the Iran Non-Proliferation Act covers all of the export control regimes, not just the Nuclear Suppliers Group list. And *most* of the sanctions that were imposed on Chinese entities related to things that were non-nuclear (emphasis added)." He then noted, "We haven't seen the kinds of activity that worried us several years ago. That doesn't mean that it's not taking place. It's only that we haven't seen it." See "U.S. Representative Henry J. Hyde (R-Il) Holds Hearing On China And The Nuclear Suppliers Group - Committee Hearing," May 18, 2004, transcript by Federal Document Clearing House.

[41] See "Remarks at Conference on China-U.S. Relations," Secretary of State Colin L. Powell, Texas A&M University, College Station, Texas, November 5, 2003, at http://www.state.gov/secretary/former/powell/remarks/2003/25950.htm . A Rand Corporation researcher sees the

effort to enforce its export controls on North Korea. It is the opinion of arms control experts at the U.S. State Department that China enforces its rules "only under the imminent threat, or in response to the actual imposition, of sanctions" and that China's failure to respond is not so much an "inability" to enforce its export regulations as an "unwillingness" to do so.[42]

As late as March 2003, U.S. intelligence reportedly tracked a cargo ship carrying ten "Scud" SRBM's from North Korea to Pakistan "possibly in return for Islamabad's nuclear technology", which "was refueled at a PRC port" before proceeding on to Pakistan.[43] It is difficult, then, to avoid the conclusion that China acquiesced in these transfers, and probably facilitated them outright.

Conclusion: the Enemy of Hegemony is my Friend

In the fourth century before Christ, ancient Taxila – now in Pakistan – was home to one of the most revered figures in the history of strategic thought, Kautilya. In his treatise, the *Artha-Shastra* ("The Science of Material Gain") Kautilya outlined for the Mauryan emperor a model of international conflict and alliances that provides a framework for understanding the geographic determinants of Pakistan's contemporary international conflicts and alignments. Basically, it read "the enemy of my enemy is my friend, and the friend of my enemy is my enemy." A king, observed Kautilya, will always find a bordering state hostile, and should seek an ally to the rear of that hostile state. Likewise, this enemy state will seek an ally on the other side of the king, and so too will those states seek allies likewise. Thus Kautilya explained:

> *The third and fifth states from a Madhyama king are states friendly to him; while the second, the fourth and the sixth states are unfriendly.*[44]

It was the first articulation of the maxim "the enemy of my enemy is my friend." It is this fact which is at the center of the Sino-Pakistan alliance, a comprehensive strategic relationship that has been a part of South Asia's geopolitical landscape for over 50 years. So far as Pakistan is concerned, its giant neighbor India seeks hegemony on the subcontinent, and Pakistan's existential imperative is to confound that hegemony. Likewise, China's grand strategy posits that the United States seeks global hegemony – and India is America's ally in that quest.

Chinese action as a sign of cooperation (Evan S. Medeiros, *Chasing the Dragon - Assessing China's System of Export Controls for WMD-Goods and Technologies*, The Rand Corporation, Santa Monica, 2005, p. 90, at http://www.rand.org/pubs/monographs/2005/RAND_MG353.pdf. However, when confronted with a simple question, "Intelligence reports aside, are you satisfied that China is not assisting North Korea's nuclear weapons programs," State Department spokesman Richard Boucher told a press briefing on December 17, 2002, that he could not make a judgment on whether China is helping North Korea's nuclear program "without having to base it on intelligence sources," which he could not do. http://www.state.gov/r/pa/prs/dpb/2002/16081.htm.

[42] See testimony of Assistant Secretary of State for Verification and Compliance, Paula A. DeSutter in Hearings conducted by the U.S.-China Economic and Security Review Commission entitled "China's Proliferation Practices and the North Korean Nuclear Crisis" on July 24, 2003, pp. 7-31 at http://www.uscc.gov/hearings/2003hearings/hr03_7_24.php. This comment appears on p. 26.

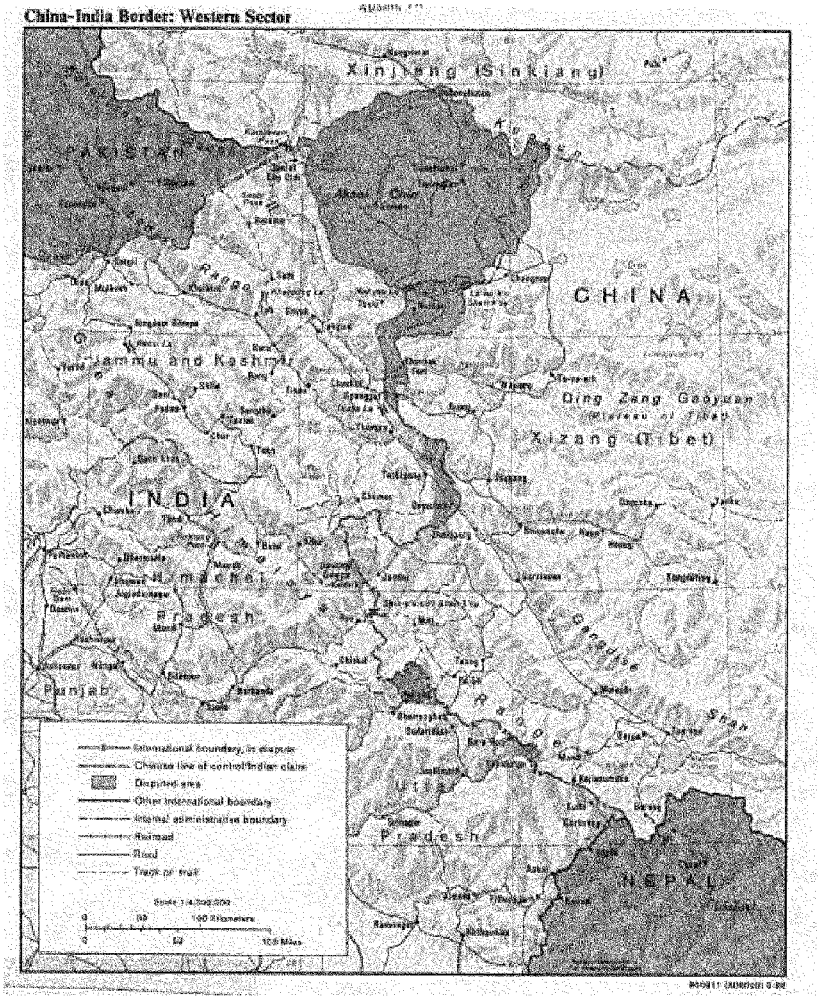
[43] (No author cited), "North Korea Exported Scud Missiles to Pakistan in March: Japanese Report," Agence France-Presse, April 2, 2003. AFP cited Japan's *Sankei Shimbun* newspaper as the source of its report.

[44] Kautilya, *Arthasastra*, translated by R. Shamasastry, Third Edition, Weslyan Mission Press 1929 Mysore, p. 296.

For the United States to achieve a true strategic partnership with Pakistan, it must share Pakistan's posture toward India. It follows, then, that subduing India also demands acquiescing in China's ultimate hegemony in Asia. In reassessing America's grand strategy in South Asia, the United States must first reassess its global "grand strategy." If America can live with an Asia under Chinese hegemony, and with a crippled India, then America can have Pakistan's enthusiastic partnership against the Taliban. Decisions like this are, as they say, above my pay grade. Instead, they are properly the focus of these hearings and the deliberations of the Executive.

Aksai-Chin Border Area Map – Taken from

http://www.lib.utexas.edu/maps/middle_east_and_asia/china_indiaw_border_88.jpg



Mr. ROHRABACHER. Thank you very much.
Mr. Dhume.

STATEMENT OF MR. SADANAND DHUME, RESEARCH FELLOW, AMERICAN ENTERPRISE INSTITUTE

Mr. DHUME. Thank you. Mr. Chairman Rohrabacher and Mr. Ranking Member Carnahan and all of the committee members. It's an honor to be here.

I would argue that there is in fact—we do have the contours of U.S. grant strategy in South Asia and I would say that pillars of that sort of to understand what U.S. policy should be in the region we could actually look back at another part of Asia where U.S. policy was very successful which is Southeast Asia from I'd say between 1966 until about the late 90s. And just as the U.S. in Southeast Asia was instrumental in prevailing over Indonesia and Malaysia, for example, to end their squabbles and presiding over three decades of outstanding economic growth, rising prosperity, opening market economies and so on, I think that ought to be—that provides a kind of template for what should be U.S. grant strategy in South Asia where the U.S. has been arguably much less successful.

So I'd say that this grant strategy has four pillars as I see it. The first, of course, is to take a leaf out of successful U.S. strategy in Southeast Asia to preside over a period of peace and prosperity.

The second key factor here is that India is naturally the fulcrum of U.S. policy in South Asia quite simply because of its size, because of its economy, because of the fact that its economy is increasingly open and it has private sector companies that are driving it, because of very close people to people ties between the U.S. and India, particularly the large Indian American community from whom you have two members over here. For all these reasons, democratic India as you said is a natural American partner in the region which acts against both the hegemony of authoritarian China and also acts as a kind of firebreak against a rise of radical Islam as an ideology unfortunately much of which is emanating from Pakistan.

The third leg of this grant strategy apart from taking a leaf from Southeast Asia and using India as a fulcrum would be making sure that Pakistan stops spreading terrorism both in its neighborhood and beyond and making sure that Pakistan nuclear weapons do not fall in the hands of any terrorist group.

And finally, the fourth leg would be greater economic integration.

Now when I look at these sort of pillars the one that seems most problematic which you alluded to also, Mr. Chairman, is Pakistan and the current state of that state. I'd say if you were to sum up what the U.S. needs to achieve in Pakistan very simply it is to change the nature of the Pakistani state. And by this I mean it has to go from being a state where the Army and the Army's intelligence agency, the ISI, play a disproportionate role that destabilizes its neighbors, both Afghanistan and India, to one where Pakistan's legitimate security interests are respected such as its borders. But its capacity to destabilize its neighbors and effectively keep India hobbled which plays into Chinese ambition is restricted. And that has to be the central goal of U.S. policy in South Asia.

For the foreseeable future, it has to be changing the course of Pakistan.

Now you spoke of carrots and sticks and I agree wholeheartedly that American carrots have not entirely been successful, $20 billion of aid, and you still find Osama bin Laden in Abbottabad, Pakistan, a garrison town. So I agree that the method has not been entirely successful.

But I would add that instead of taking away all the carrots which would be shortsighted, we need a combination of targeted carrots and bigger sticks. You can't take the sticks off the table. But you can't take the carrots away either because the alternative which would be a Pakistan that is disengaged from the U.S. would hurt their elements in Pakistani society. And they do exist. Liberal secular elements in Pakistani society who want their country to focus on development and the betterment of its citizens. And those people need to have the support of the United States even while the Army is turned into something that we would recognize as resembling a more "normal" military, one that is concerned with guarding its own borders and less with destabilizing its neighbors. Thank you.

[The prepared statement of Mr. Dhume follows:]

AMERICAN ENTERPRISE INSTITUTE

Testimony of Sadanand Dhume
Resident Fellow
American Enterprise Institute
Before the House Committee on Foreign Affairs Subcommittee on Oversight and Investigation
"Reassessing American Grand Strategy in South Asia"
Tuesday, July 26, 2011

The views expressed in this testimony are of the author alone and do not necessarily express those of the American Enterprise Institute.

Mr. Chairman, Mr. Ranking Member, thank you for the opportunity to testify today before the Committee on reassessing American grand strategy in South Asia. I am Sadanand Dhume, a resident fellow at the American Enterprise Institute, a non-profit, non-partisan public policy research organization based in Washington, DC. My comments today are my own and do not necessarily reflect the views of AEI.

Against the backdrop of the successful operation against Osama bin Laden in the Pakistani garrison town of Abbottabad, and the suspension of $800 million of US military assistance to Pakistan, the question of whether US grand strategy in South Asia requires reassessment has acquired new salience. In particular, the effectiveness of US aid to Pakistan—upward of $20 billion since September 11, 2001—has been called into question.

I would like to take this opportunity to present the outline of a strategy that advances US interests and fosters peace and prosperity in the region. In a nutshell, this involves continuing the bipartisan consensus on deepening ties with India while devising a new, more robust approach toward Pakistan that presses it to combat radical Islamist militancy more effectively.

Key recommendations:

*Strengthen democracy in Pakistan by encouraging improved governance capacity and greater civilian control over the military.

*Recognize that the Pakistani military will likely embrace reform only if it feels its own interests—particularly its respected place in society—are threatened, and devise policies accordingly.

*In the absence of meaningful Pakistani action against anti-US groups such as the Haqqani network, accelerate the successful drone campaign in Pakistan's border regions with Afghanistan.

*Target military aid to encourage the creation of a pro-democracy culture in the Pakistani army.

*Encourage freedom of the press and freedom of expression to counter disinformation and intimidation by the army and its spy agency, the ISI. Leverage India's growing soft power in the region to encourage liberal voices in Pakistan.

Background:

The first seven months of this year have been tumultuous both for Pakistan and for US-Pakistan relations. In January, a bodyguard assassinated Salmaan Taseer, governor of Punjab province, for speaking up for an illiterate Christian woman on death row under Pakistan's harsh blasphemy laws.

Two months later, Taliban militants murdered Shahbaz Bhatti, federal minister for minority affairs, and the only Christian in the overwhelmingly Muslim nation's cabinet. In May came the dramatic US raid on Osama bin Laden's compound in the garrison town of Abbottabad, near Islamabad. Since then Islamist militants have assaulted a naval base in Karachi, and killed 40 people in separate bombings of a market and a police station in Peshawar.

Over the same period, US-Pakistan relations—challenging at the best of times—have struck a new low. The most recent downturn began in January after Pakistani authorities arrested an alleged Raymond Davis, a CIA operative posted at the US embassy, for shooting two motorcycle borne men in what was most likely a botched robbery. Despite his diplomatic immunity, Pakistan imprisoned Davis for nearly two months before releasing him in return for a reported blood money payout to the dead men's relatives.

The Abbottabad raid raises troubling questions about Pakistan's possible complicity in hiding the world's most wanted terrorist. But even before it US officials had stepped up criticism of Islamabad for not doing enough to combat terrorism, or to eradicate safe havens used to target NATO troops in Afghanistan. According to a Fox News poll, post-Abbottabad three out of four Americans would like the US to cut off aid.

Despite substantial economic, diplomatic and military assistance over the past decade, Pakistan has responded to US concerns with belligerence rather than contrition. Parliament passed a resolution condemning the US for violating Pakistan's sovereignty in Abbottabad, and demanding an end to drone strikes. Pakistani officials have allegedly leaked the name of the CIA station chief in Islamabad to local newspapers. The army's spy agency, Inter-Services Intelligence, has arrested locals who (unknowingly) helped the US track bin Laden rather than those who gave him shelter. US approval ratings among Pakistan's public remain abysmal. According to the Pew Global Attitudes Project, only 12% of Pakistanis hold a favorable opinion of America, the second lowest in the world after Turkey.

Most recently, the denial of visas to US trainers has contributed to the reported suspension of about $800 million in US military assistance to Pakistan. The public invitation to China by Pakistan's defense minister to run the Chinese-built Gwadar port in Balochistan and build a naval base there as well, and press reports that suggest that Prime Minister Yousuf Raza Gilani urged Afghan President Hamid Karzai to abandon the US and throw in his lot with China have also contributed to a broad souring of ties between Washington and Islamabad.

Grand objectives for US policy in South Asia

Developments in the US-Pakistan relationship must be viewed against the backdrop of policy toward the region more broadly. Over the past decade, a broad bipartisan consensus toward US policy in South Asia—encapsulated by visits to the region by presidents Clinton, Bush and Obama—has emerged. Its main pillars:

*Working to diminish the odds of war between nuclear-armed India and Pakistan, curtailing both authoritarian Chinese influence and radical Islam in the region, and encouraging India to deepen economic reforms in order to build a platform for peace and prosperity that will benefit the region, the US and the world.

*A rapidly growing economy, a pluralistic democracy, a prosperous Indian-American community, and a population that dwarfs all other South Asian countries combined make India the natural fulcrum of US policy in the region. Over the coming decade, the US will likely continue to deepen ties with India spurred by people-to-people relations and stepped up trade and investment.

*The overarching US objectives toward Pakistan include encouraging democracy, and reorienting the country toward improving the lives of its citizens rather than exporting terrorism and pan-Islamism to its neighbors and beyond.

Rethinking US policy toward Pakistan

Against the backdrop of troubled ties between the US and Pakistan, it's fair to ask if the US needs to radically rethink its policy toward Islamabad and toward South Asia more broadly. The short answer: the overarching US goals in the region listed above remain unchanged, but the methods used to achieve them require refinement.

To begin with, this means accepting that 10 years of generous assistance to Pakistan have not produced the desired results.

Pakistani elites, particularly the army, continue to balk at cracking down on the Haqqani network and other elements of the Afghan Taliban who use sanctuaries in Pakistan to attack NATO forces and hurt international efforts to stabilize Afghanistan. Pakistan has also shown little resolve in bringing to justice the perpetrators of the horrific 2008 terrorist attacks in Mumbai in which six US citizens were killed. Pakistan's acceleration of its rogue nuclear weapons program, the fastest growing in the world, and its failure to crack down on the rump al Qaeda leadership in the country, or on home grown terrorist groups with global ambitions such as Lashkar-e-Taiba, raise serious doubts about where Islamabad's sympathies lie.

At the same time, however, it would be wrong to suggest that Washington's record in Pakistan has not also included modest gains. Ten years ago, the country was ruled by a general who had seized power in a coup, housed a largely tame and ill-informed media, and had spent the previous two decades welcoming jihadists from across the globe. Indeed, pre-9/11 Pakistan more or less openly backed terrorism as an instrument of policy, and helped create arguably the world's most brutal Islamist regime in history under the Taliban in Afghanistan.

Today things are less black and white. The army still wields far too much influence, but at least it has handed over the formal reins of power to elected politicians. And though Pakistan's intelligence agencies are widely believed not to have severed their links with jihadist proxies,

they have also helped capture hundreds of al Qaeda leaders—including the 9/11 mastermind Khalid Sheikh Mohammed, his co-conspirator Ramzi bin Al-Shibh and al Qaeda number three, Abu Faraj al-Libi. In the long run, Pakistan must be encouraged to persevere with elections, next due in 2013. In a best case scenario, over time civilian politicians will assert control as they have in Bangladesh, Indonesia and most of Latin America.

In short, the answer to the Pakistan problem lies not in walking away, but in continued engagement that works toward strengthening democracy, turning the Pakistani military away from its historic support for radical groups in Afghanistan, India and beyond, and ensuring that neither a nuclear weapon nor fissile material fall into their hands.

Key policy recommendations to achieve US goals in Pakistan and South Asia:

**Strengthen Pakistani democracy.* Both of Pakistan's major political parties, Pakistan Peoples Party and Pakistan Muslim League (N), leave much to be desired in terms of their capacity for governance, their record on corruption, and their ability to take enlightened steps to reverse the continued rise of radical Islamic sentiment in Pakistani society. Some smaller parties such as former cricketer Imran Khan's Tehreek-e-Insaf and the Islamist Jamaat-e-Islami base their popularity in part on rabid anti-Americanism.

Nonetheless, in the long run, inept democrats are better for Pakistan, the US and the region than the most competent generals. As in India and Bangladesh, democratically elected politicians—including those of a mildly anti-American hue—are more likely to focus on jobs, education and roads than the army with its record of seeking to subjugate Afghanistan and its historic ties with terrorist groups such as L-e-T. Only democratic control over the military, including the budget, top officer promotions and control of the ISI, will help Pakistan become a country that focuses more on its own citizens' welfare and less on destabilizing its neighbors.

**Continue and possibly accelerate the successful drone campaign in Pakistan's border regions with Afghanistan.* This program is unpopular among Pakistan's public, in part because elements in Pakistan's establishment encourage the erroneous view that it causes large scale civilian casualties. But the drone program is also essential for two reasons. First, it keeps the Afghan Taliban and its allies off balance. Second, the threat of stepping up drone attacks further may force Pakistan's army to recognize that acting against militant groups such as the Haqqani network and Gulbuddin Hekmatyar's Hezb-i-Islami is in its own interest. The alternative: loss of legitimacy and face in Pakistani society for the army itself.

**Resist calls to cut military aid. Instead, use it to encourage the creation of a pro-democracy culture in the Pakistani army.* The army has ruled Pakistan directly for 34 of its 64 years of independence, and indirectly for much of the rest. Though it employs barely 600,000 of Pakistan's 170 million citizens, it uses exaggerated fears about India to consume around one-fourth of the national budget each year—more than twice as much as education and health care combined.

The Pakistani army's refusal to turn against its clients in the Afghan Taliban or Lashkar-e-Taiba directly undermines US goals in the region, which include stabilizing Afghanistan and encouraging democratic India to play a greater role in Asia as an alternative to authoritarian China. But though the prospect of cutting off aid to Pakistan's army may be emotionally satisfying, it is also short-sighted. In other parts of Asia—including Muslim-majority Indonesia and Bangladesh—democratic reforms have been pushed by both civilian politicians and reformers within the military. The US ought to encourage a similar process in Pakistan, and use assistance and training programs to further this goal. In short, Pakistan's army needs fewer fighter jets and more classroom time learning about democracy and development.

These efforts should acknowledge that Pakistan has legitimate security concerns and a right to self-defense. But they should also point out that Pakistan's overly militarized state has led to the country falling behind India economically, and has crippled the development of democracy in the country. Indeed, even Bangladesh—long dismissed as a basket case—has managed to build a world class textile industry and a functional democracy, and overtake Pakistan in terms of key development indicators such as women's literacy.

The Pakistani military enjoys subsidized health care, generous land grants and some of the best working conditions in the country. This gives it a powerful incentive to retain its pre-eminent place in Pakistan. Sensitizing the officer corps—presumably patriotic Pakistanis with their own country's best interests at heart—improves the odds of the army agreeing to accept the principle of civilian supremacy as have most other armies around the world.

**Encourage freedom of the press and freedom of expression in Pakistan to counter disinformation and intimidation by the army and its spy agency, the ISI.*

Over the past decade, the two most visible changes in Pakistan have been the rise of an independent judiciary and a vibrant free press. To be sure, many Pakistani journalists, particularly in the Urdu press, peddle conspiracy theories and wild anti-American rumors. But Pakistan's television stations and newspapers also include scores of upstanding journalists who are brave enough to question the direction in which their country is headed. Indeed, it would be fair to say that Pakistanis fighting for pluralism, democracy and women's rights are among the bravest people in South Asia.

While it's important not to exaggerate the influence of Pakistan's liberal voices on its society—the English speaking classes are under siege and wield far less influence than they did at the country's founding—it's also important not to allow their voices to be extinguished. Recent reports of possible ISI complicity in the murder of journalist Saleem Shahzad, a reporter who wrote about radical Islamist infiltration of the Pakistani military, raises fears that the army will snuff out the small but bright flame of press freedom in the country. The US should oppose this in every way it can, including by publicly naming Pakistani officials who intimidate or threaten journalists, by encouraging a more generous visa regime in neighboring India for Pakistani liberals threatened by violence by either Islamist fundamentalists or the army, and by stepped up radio and TV broadcasts to Pakistan that ensure that debate in Pakistan remains open.

Mr. ROHRABACHER. Thank you very much. Exactly 5 minutes. Very impressive.

Mr. Nawaz.

STATEMENT OF MR. SHUJA NAWAZ, DIRECTOR OF THE SOUTH ASIA CENTER, THE ATLANTIC COUNCIL OF THE UNITED STATES

Mr. NAWAZ. Mr. Chairman, Ranking Member Carnahan, members of the committee, I'm honored to be invited to speak to you today. With due respect, Mr. Chairman, I cannot see any signs of a "grand strategy" of the United States in South Asia. In my view, we've been improvising all along and now as we approach the end of military operations in Afghanistan, we seem to be trying to do too much in too short a time.

I'm reminded of Lewis Carroll's sentence in Alice's Adventures in Wonderland: "When you don't know where you are going, any road will take you there." It is sad and regrettable that today after expending billions of dollars in the region and losing thousands of American lives and many multiples in Afghan and Pakistani lives in the ensuing conflicts we are still grasping for a "grand strategy." Our local alliances have been marked by expediency. It is time to change that situation.

In my detailed testimony I've examined the genesis of the U.S.-Pakistan relationship in the past decade or so and identified the causes of our current problems in the region. In the interest of time, let me identify now some practicable suggestions as we move ahead.

First, the United States must stop seeing everything through the military lens alone and stop aligning with corrupt leaders who will use aid to line their own pockets at the expense of their citizens and who dissemble with us and lie to their own people even after agreeing to certain courses of action with the United States.

The United States must put its interactions with civilian leaders and civil society on a much higher plane than it has to date. And it must increase its effort to help Pakistan rebuild its civil society and institutions so they can reclaim the space that's been taken away by long military rule.

Despite the occasional contretemps, the Pakistan military still values its ties to the United States. But this relationship must be based on respect and a very frank assessment of needs on both sides. Stopping the Coalition Support Funds will be a good start. Replacing it with an agreed military aid program with clearly identified and defined objectives and expectations will change this from a transactional relationship to a consistent and a sustainable one.

The military IMET program, the International Military Education and Training Program, must be deepened to extend to attachments with U.S. forces of the "lost generation" of junior Pakistani officers who were cut off from the world at the time that Pakistan was under sanctions.

The United States' private negotiations with Pakistani interlocutors have to be frank and tough but rest on honesty and mutual respect. Influencing local leaders via leaks and public statements via the news media produces an unintended consequence: Support for an ever present and widening net of conspiracy theories.

The Kerry-Lugar-Berman bill is a strong signal of a change in the U.S. view of this relationship. But it needs to be refocused on economic development and longer-term sustainable signature projects along the lines of development financing from the United Kingdom. We must build civil institutions through a civilian equivalent of The IMET program.

Economics lies at the heart of potential interdependence within the region, as one of my colleagues here has said. The United States can and should encourage opening of borders to trade people. The trade dividends for India and Pakistan alone could rise from a current level of $2 billion a year to $100 billion a year: Much more than any potential U.S. aid to the region.

Seven out of ten persons polled in India and Pakistan want to have better relations with the other country. The United States can and must leverage this latent goodwill as suggested recently by Secretary Clinton in her speech at Chennai. Once the people can move across borders freely, the ability of interested parties to foment conflict will be reduced considerably.

As we prepare to exit Afghanistan, both India and Pakistan could be persuaded to work together to ensure that Afghan territory will not become a battleground for their narrow interests. A radical Taliban regime in Kabul would allow the Pakistani Taliban to use sanctuaries to attack the Pakistani state from across the Afghan border. Let us try and build on that common understanding of The Taliban threat.

Finally, we should also consider widening the aperture to see how we can engage China and even Iran to use their respective influence and economic ties with Afghanistan and Pakistan to create stability. China has a huge economic stake in the stability of the region and also fears radical extremists contaminating its own border region.

Mr. Chairman, I'm grateful that this committee is focusing on this issue and thank you for allowing me to share some of my views with you.

The prepared statement of Mr. Nawaz follows:]

Testimony before of the House Foreign Relations Committee Subcommittee on

Oversight and Investigations

"Reassessing American Grand Strategy in South Asia."

By

Shuja Nawaz

Director, South Asia Center, The Atlantic Council of the United States

2:30 PM, Tuesday, July26, 2011

Mr. Chairman, Ranking Member Carnahan, Members of the Committee, I am honored to be invited to speak before you today.

At the South Asia Center of the Atlantic Council, we are committed to "waging peace" in the region and to finding practicable solutions to the security, economic, political, and social challenges facing greater South and Central Asia. And we are looking for ways in which the wider neighborhood can play a positive role in stabilizing the countries facing internal conflict, while operating in a collaborative global framework. Our definition of South Asia encompasses, geographic South Asia, the Gulf States, Iran, Afghanistan, and Central Asia. As we well know, The Hindu Kush is a permeable barrier. Indeed, history, culture, economics, and politics tie the countries of this greater South Asia together. If we restrict our vision to the subcontinent alone, we may miss many of the challenges and potential solutions to the multilayered problems this region and the United States faces in the region.

With due respect, Mr. Chairman, I disagree with the assumption behind the title of today's hearing. Frankly, I cannot see any signs of a "Grand Strategy" of the United States in South Asia. There are numerous strategies floating around Washington DC, termed "grand" or not, depending on whom one speaks with. But there is no center of gravity for a clear vision that encompasses this vast and very important region with close to 2 billion population. We have been improvising all along. Now, as we approach the end of military operations in Afghanistan, we seem to be trying to do too much in too short a time. I am reminded of Lewis Carroll's sentence in *Alice's Adventures in Wonderland*: "When you don't know where you are going, any road will take you there." Sometimes I wonder if DC is that wonderland when it comes to crafting a cohesive and clear vision of our foreign policy challenges for South Asia.

Our on-again-off-again interventions in the region have confused people in the region and apparently ourselves. It is sad and regrettable that today, after expending billions of dollars in the region and losing thousands of American lives and many multiples of Afghan and Pakistani lives in the ensuing conflicts, we are still grasping for a Grand Strategy, unsure of what our military

presence will yield, and have no clue as to the political systems that will emerge in both Afghanistan and Pakistan after we exit yet again. Our local alliances have been marked by expediency and a short-sightedness that has undermined our ability to connect with the ordinary people of the region, people who share many of the same values and aspirations that the American Heartland espouses: an ability to live freely, pursue their economic interests, and improve the chances of successor generations.

I ask myself: who has ownership for the region? The answer I get is: everyone and no one. It is time to change that situation.

Geographic South Asia alone has more than 1.5 billion inhabitants and a middle class of over 350 million, a potential market for the United States and the world, and a supplier of enormous brainpower to the United States in particular. In the longer run South Asia will be a source of stability for the region and the world. The first and tentative steps at India-Pakistan talks have begun. If these take root and produce results, we may have the chance to see an economically integrated South Asia in decades to come, and a potential partner and market for the United States and the Atlantic Community, among others.

How can the United States produce a better vision for South Asia and align itself with the aspirations of ordinary folk in the region so that they see the United States as partner not a threat or a disruptive force in their lives?

Let us first examine the genesis of the US-Pakistan relationship in the past decade or so:

After 9/11, we rushed into an arrangement with the military ruler of Pakistan, without putting in writing the objective and the agreements that underlay the path that the United States and Pakistan would adopt toward that common goal. As a result, our aims diverged and so did the actions of our "partner". The US is aggrieved since Pakistan follows its own interests in the region and especially in Afghanistan. Pakistan feels aggrieved since it did not receive the wherewithal to fight the insurgency that resulted from its commitment of forces into the border area known as FATA. On aid, the two views are quite different.

The United States offered to reimburse Pakistan for the cost of shifting forces into the border region in support of Coalition kinetic operations in Afghanistan. I believe this arrangement via the Coalition Support Funds was a serious mistake that continues to be made even today. No details were set down at the outset on what the US expected of Pakistan and no commitments were made on the equipment and training that that would be related to this assistance. In effect, the Pakistani army was treated as a contractor. Initially, few questions were asked about the billing arrangements. Once Congress began asking questions, large proportions of the annual bills were turned down, leading to acrimony on both sides. Not an ideal situation for allies. The US saw the $8.8 billion over 10 years that it has provided Pakistan under the CSF heading as a substantial amount of "aid", although this was reimbursement for costs reportedly incurred by the Pakistan army. While the amount seems large in absolute terms, it is not, relative to the cost

of the Afghan war where we are spending upwards of $100 billion a year. And the US failed to provide the key weapon systems, especially helicopters, that Pakistan needed in the numbers that would have allowed it to operate effectively in the rough mountains of the border region. Other necessary equipment took a long time to trickle in. Pakistan meanwhile followed a policy that did not concentrate on the Afghan Taliban whom the US forces were fighting across the border. We ended up with an incomplete, ineffective, and flawed partnership, leading to regrets on both sides.

Pakistan helped the United States hunt down Al Qaeda operatives inside the country. It has lost more than 3000 officers and soldiers in the fighting against insurgency. And its total casualty count, including large numbers of civilians lost to terrorist acts in the past decade has topped 30,000. Pakistanis feel that the United States does not put a value on these losses and seems focused solely on what more Pakistan can do for the US in the region. Pakistan has calculated the total losses incurred by its economy following the invasion of Afghanistan to be above $40 billion in this period.

It took the United States years before it began to press Pakistan to act against the Afghan Taliban. By that time the US military ally in Pakistan General Pervez Musharraf had exited the scene, forced out by public unrest. The new civilian government continued Musharraf's policy of pretending to a US ally while fuelling anti-US sentiment, especially by publicly decrying drone attacks while supporting them behind the scenes. Pakistani leaders withheld the truth from their own population. The ham-handed approach to foreign policy of the civilian leadership in Pakistan, with ill-thought out statements about closer ties to China as a substitute for US ties and frequent visits by President Asif Ali Zardari to Tehran and Saudi Arabia, for the same purpose, added to the confusion about its intent. Most of Chinese investment has been in projects and manufacturing facilities or high visibility infrastructure projects inside Pakistan. It has provided very little grant assistance.

While the US paid lip service to supporting the rise of civilian power in Pakistan, it continued to see US-Pakistan relations largely through the prism of the security sector and its prime interlocutor and partner appeared to be the Pakistan military. In effect, the United States added to the woes of the dysfunctional system of government in Pakistan, divided between a weak coalition government with little popular support and a powerful military that continued to enjoy wide approval from the people of Pakistan. The US relationship with the people of Pakistan was thus marred. No wonder nearly 6 out of 10 see the US (represented largely by the government not the American people) as an adversary, even more so than traditional rival India. Yet, as the latest Pew Poll indicates, 6 out of 10 Pakistanis polled also want improved relations with the United States. What a paradox! Yet one that offers us a chance of build a new relationship.

Now, I offer, in brief, some practicable suggestions:

- The United States must stop seeing everything through the military lens alone and stop aligning with corrupt leaders who will use civil and military aid to line their own pockets at the expense of their citizens. While there may be a place for Strategic Patience, when there is no clear strategy it makes no sense to continue with relationships that produce perverse results. It is difficult to rely on rulers who dissemble with us and lie to their own people, even after agreeing to certain courses of actions with the United States. Wikileaks has produced much evidence of this behavior.
- The United States must put its interactions with civilian leaders and civil society on a much higher plane than it has to date. And it must increase its effort to help Pakistan rebuild institutions in civil society that have been damaged by years of autocratic rule. A better civil service and community-based police at the federal and provincial level are critical for security and development. Support mechanisms and systems for parliament and the Pakistan Senate, for provincial administrations, and key institutions such as the Election Commission and the Defence Committee of the Cabinet are needed to allow the civilians to provide the leadership that Pakistan deserves. In effect we need a civilian counterpart of the IMET (International Military Education and Training) program run by the Department of State, with dedicated resources to allow the US to be seen as a partner of democracy in Pakistan.
- Despite the occasional contretemps, the Pakistan military values its ties to the United States. It benefits from training in the United States. It appreciates and needs the better weapons systems that the US provides. But this relationship must be based on respect and a frank assessment of needs on both sides. Stopping CSF will be a good start; replacing it with an agreed military aid program with clearly defined objectives and expectations will change this from a transactional relationship to a consistent, sustainable one. We should end the cash in return for military action plan.
- The military IMET program must be deepened to extend to attachments with US forces of junior Pakistani officers and thus build better understanding with a "lost" generation that missed out on exposure to the world during the dark period of estrangement with the United States.
- The United States' private negotiations with Pakistani interlocutors have to be frank and tough, resting on honesty and mutual respect. Influencing local leaders via leaks and pubic statements via the news media produces an unintended consequence: support for an ever present and widening net of conspiracy theories, often with official provenance, of a grand US Conspiracy for the region and sometimes the Islamic world. Honesty and respect in dealing with local interlocutors could engender reciprocity that would serve both sides.
- The Kerry-Lugar-Berman bill is a strong signal of a change in the US view of this relationship. But it needs to be refocused on economic development and longer-term and sustainable results of aid efforts, along he lines of the DFID financing from the United Kingdom. Mixing aid with political objectives makes aid transactional and defeats its

purpose. Signature projects that will help Pakistan become viable and that will benefit its ordinary people are more likely to be appreciated over time. We cannot expect instant gratification in terms of public appreciation. It is a good thing that the United States is now willing to put its stamp on its aid projects. Let the people of Pakistan know who is assisting them.

- Economics lies at the heart of potential interdependence within the region. Traditionally, the major countries of our current interest: India, Pakistan Afghanistan, Iran, and the Central Asian states have been linked by trade routes and commerce. Movement of populations has been common across what are today's borders. As a result, there are cultural and linguistic ties, even among people of different religions. The United States can and should encourage opening of borders to trade and people. A reopening of the old Grand Trunk road corridor and extending it into the New Silk Road would connect India, via Pakistan and Afghanistan to Central Asia. The trade dividends for India and Pakistan alone could rise from a current level of $2 billion a year to $100 billion a year: much more than any potential US aid.
- The US can become a catalyst for improved ties between countries of the region while having its separate Strategic Relationships with all. Seven out of ten persons polled in India and Pakistan want to have better relations with the other country. The United States can and must leverage this latent goodwill. Transit trade would benefit Afghanistan enormously and also allow it to reap advantages of potential electricity lines from Tajikistan to India, getting both cheap electricity and transit fees. The same applies to Pakistan. When their economies are intertwined, and their people can move across borders freely, the ability of interested parties to foment conflict will be reduced considerably.
- As we prepare to exit Afghanistan, both India and Pakistan could be persuaded to work together to ensure that Afghan territory will not become a battleground for their narrow interests. Rather the United States must support a war-free Afghanistan. It is not in either India or Pakistan's interest to have a radical Taliban regime in Kabul again. The Contagion Effect on the region will be devastating, especially for immediate neighbor Pakistan. The Pakistan Taliban would then be able to expand sanctuaries to attack the Pakistani state from across the Afghan border. Let us try to build on that common understanding of the Taliban threat.
- We should also consider widening the aperture to see how we can engage China and even Iran to use their respective influence and economic ties with Afghanistan and Pakistan to create stability. China does not see itself as a surrogate for the United States. Nor can it supplant the United States as a provider of grant assistance at the level that Pakistan gets from the United States and the United Kingdom.

Mr. Chairman, I am grateful that this committee is focusing on this issue and thank you for allowing me to share some of my ideas. I shall be glad to provide more details in my replies to queries.

Mr. ROHRABACHER. Thank you very much to our witnesses, and what we will do is I'll start off with a few questions. We'll go to our other members of the committee and then the ranking member will be rushing back from his hearing right across the hall and we appreciate his diligence in doing just that.

Now I'm trying to—Did you say that China and Pakistan have always been—Or was that you? Okay. So you believe that China and Pakistan have always been best friends.

Mr. TKACIK. Well, I think since the 1962 Indo-Pakistani, I mean, Sino-Indian War.

Mr. ROHRABACHER. Okay. Sixty-six.

Mr. TKACIK. 1962.

Mr. ROHRABACHER. 62, okay.

Mr. TKACIK. China has viewed India as an enemy as an adversary.

Mr. ROHRABACHER. Right.

Mr. TKACIK. In the 1950s, India and China were sort of on the same ideological sheet of music. They were both supported by the Soviet Union. They both considered themselves socialistic states. But in 1957 when China began to build roads through The Aksai Chin Territory of Kashmir, which is I'm not even sure if the Chinese even knew they were in Kashmir at that time, India began to get a little bit upset. And by 1962 when the Sino-Soviet ideological split burst open, India decided to side with the Soviet Union. And that was sort of when the——

Mr. ROHRABACHER. Right. So you're suggesting that the Chinese-Pakistani relationship is longstanding and not something new.

Mr. TKACIK. Yes. At least a half century.

Mr. ROHRABACHER. I guess what Americans don't understand is that we've had military bases in Pakistan. Did we not have an Air Force base up there? And we have been—And I think you also testified that or one of you testified that the Indian Army or, excuse me, the Pakistani Army had been equipped by China with all their tanks and such, but we were providing Pakistan with arms at that same time.

Mr. TKACIK. I believe.

Mr. ROHRABACHER. Now if my memory serves me correctly, Nixon didn't turn around our relationship with China until the early 70s. So there was a time period in the past when China was America's worst nightmare and Pakistan was China's best friend?

Mr. TKACIK. Yes.

Mr. ROHRABACHER. And we were friends of Pakistan?

Mr. TKACIK. Well, you recall that Francis Gary Powers I believe took off in his U–2 from an airbase near Peshawar to go over the Soviet Union. And at that time, yes, we had a very close strategic relationship with Pakistan. However, in the 1960s, our relationship with Pakistan was a bit strained because the two—primarily because of the first Indo-Pakistani War in 1965.

And by 1969 when Henry Kissinger first and President Nixon first looked at the possibility of a Soviet nuclear strike on China the United States then and only then began to look at India as a Soviet ally and Pakistan as a conduit to China. And you'll recall that Henry Kissinger who made his famous secret trip to China in 1971——

Mr. ROHRABACHER. I see.

Mr. TKACIK [continuing]. Exactly 40 years ago went through Pakistan.

Mr. ROHRABACHER. So the actual change in relationship with China which is something I—this is a new revelation to me and I'm glad that we have these hearings for that purpose. So you're suggesting that it was our relationship with Pakistan that helped open the door to a more positive relationship with China, and now that China is becoming more adversarial and appears to be less friendly to the United States and our interests, what does that mean about the Pakistani relationship?

Mr. TKACIK. Well, I would simply reiterate that Pakistan and China are very close, natural allies. I do not think that it's going to be possible to have a strategic cooperative relationship with Pakistan unless we basically decide that we are going to have an equally strong and cooperative relationship with China.

When you look at the South Asian subcontinent in order to have a strong, cooperative relationship with China and Pakistan you basically have to sacrifice India. Now it's up to you all to decide.

Mr. ROHRABACHER. Yes. Well, let me just note that I as the chair—the chair believes that we face the two major enemies that are faced with the United States. The two major threats are radical Islam which we know which is murdering our citizens, murdering other people as well, and China which is emerging as not a friendly power but instead actually a hostile power to the United States, and if that is the case, does that not mean that if Pakistan has this being tied at the hip to China should we not then suggest that it's time to become more acquainted with India than with Pakistan? Yes, sir.

Mr. NAWAZ. Mr. Chairman, I think it's a little more complex than that. It's not a linear equation. The United States and China certainly have a lot of co-dependence particularly on the economic side. And we must not ignore that in the relationship.

Secondly, China, as I mentioned in my remarks, is equally scared of Islamic extremism in the region, in the neighborhood, as well as in its western territories in Xinjiang. And the last thing that the Chinese would be interested in is having a strong basis of Islamic extremism anywhere close to their borders.

Mr. ROHRABACHER. But Pakistan—But is that not what Pakistan is all about now? I mean this is—Let's be fair about it. The ISI and the military we thought were forces in Pakistan that were moderate forces actually have been allied with radical Islam all along, and it has actually been the more moderate forces in Pakistan represented by The Bhuttos and others that were not oriented toward radical Islam. But they were enemies of the military.

Mr. NAWAZ. Mr. Chairman, the Chinese have a strong interest in a stable, moderate Pakistan on their borders precisely for that reason that it would eliminate the possibility of radical extremist taking over that state.

Mr. ROHRABACHER. I'm sure they're willing to pay for it because I think we're done, willing to pay for it ourselves.

Yes, madam. You have one.

Mr. PANDE. I would like to say that Pakistan has more of a mythical notion of the Chinese-Pakistani relationship than China

does. That's the point I want to make that Pakistan seeks a lot more in China. China has never been as "good" an ally or as faithful an ally as the Pakistani narrative makes it out to be.

China has provided economic aid, some military and nuclear aid. But from the 1990s China has also started stepping back a bit. China and India ties, especially the economic ties with India, have improved. And China has been reluctant to walk into any India-Pakistan disputes purely on the Pakistani side. So China has nuanced its relationship in the last two decades.

Mr. ROHRABACHER. Can I ask you a question before Mr. Rivera? But we'll go back and forth in this. But does China give a significant amount of nonmilitary aid to Pakistan and, if so, what is it?

Mr. PANDE. Very limited. It is infrastructure development like highways and ports, The Gwadar Port, Karakoram Highway. About $300 million for grant and loan assistance between 2004 and 2009 but not much more. So it's very, very limited nonmilitary. It's mainly infrastructure and trade.

Mr. ROHRABACHER. But a limited amount.

Mr. PANDE. Very limited.

Mr. ROHRABACHER. That's compared to the United States.

Mr. PANDE. Minuscule compared to the United States.

Mr. ROHRABACHER. Oh my. Okay.

Mr. DHUME. I'd just like to respectfully disagree with Mr. Nawaz on China and how much it's willing to live with radical Islam. Whereas I agree that it's not in Chinese interest to have its western regions such as in Xinjiang destabilized, China has been quite happy to live with Pakistan whose government has in fact aided and abetted Islamist groups for decades. And this has not been something that the Chinese have not used their influence to end this. And in fact at the United Nations they have been more than happy to use their influence in the other direction to protect some of these groups that the United States and India would like to see proscribed.

So I think the Chinese at a conceptual level, yes, they don't want to have radical Islam in their territory. But they're willing to play a sophisticated game that tolerates these elements of Pakistan.

Mr. ROHRABACHER. They're willing to give a nuclear weapons capability to someone who is a radical nutcase.

Mr. Rivera.

Mr. RIVERA. Thank you, Mr. Chairman. I have just a few questions. I know how important this issue is given recent events in the world and given the state of relations between Pakistan and India in particular.

If we were to say that Pakistan's relationship with China on a scale of one to ten was a ten—whatever that means ten—how would you rate on a scale of one to ten the importance of Pakistan's relationship with the United States from Pakistan's perspective? I'll start over here on a scale of one to ten.

Mr. PANDE. I'd like to differentiate a bit between the civilian elements and the military within Pakistan.

Mr. RIVERA. From the government's perspective, if you were sitting here as the prime minister, what would be—Your relationship with China is a ten. You're now Pakistan. How important is your relationship with the United States on a scale on one to ten?

Mr. PANDE. Between a five and seven.

Mr. RIVERA. A five and seven.

Mr. Tkacik.

Mr. TKACIK. I would say about a five.

Mr. RIVERA. About a five.

Mr. Dhume.

Mr. DHUME. I would say about an eight. They're both very important.

Mr. RIVERA. About an eight.

Mr. Nawaz.

Mr. NAWAZ. I would say about eight and heading toward five.

Mr. RIVERA. Okay. So between five and eight. So then my question is if obviously the relationship with China could be as much as twice as important to them as the relationship with us what then given that fact that their relationship is twice as important with China than it is with us what then are the pressure points that we have at our disposal if our relationship is about half as important to them as China. Where are our pressure points? Is it foreign aid? Is it trade? Is it perhaps U.S. aid to India, however that might manifest itself? Is it military aid? Where are our pressure points given that reality vis-à-vis China?

Mr. Nawaz.

Mr. NAWAZ. I think it's not just a question of pressure points. It's also a question of leverage.

Mr. RIVERA. Where is our leverage?

Mr. NAWAZ. The leverage is economic to a very large extent and——

Mr. RIVERA. Trade?

Mr. NAWAZ [continuing]. Increasing military to a large extent.

Mr. RIVERA. When you say economic, you mean our trade relations with Pakistan?

Mr. NAWAZ. If the U.S. opens up trade access for Pakistani goods, it means we have to give them much less aid. And they can make the money on their own and profit from it. That's number one.

Number two, on the economic side, it's not just the U.S. assistance. The U.S. has tremendous leverage through the international financial institutions, so the IMF, the World Bank, the Asian Development Bank. It works both ways. We can shut off that spigot or we can——

Mr. RIVERA. So financial institutions and trade.

Mr. NAWAZ. Yes.

Mr. RIVERA. Mr. Dhume.

Mr. DHUME. I'd say the U.S. has tremendous leverage and in essence if the U.S. were to turn its back on Pakistan I think not only would Pakistan's economy which is already hurting, not only Pakistan's economy——

Mr. RIVERA. Turn its back how? Withdrawal of what?

Mr. DHUME. If it were to decide that it—with a cutoff date. If it were to cut off support for Pakistan in the international financial institutions such as the IMF and the World Bank. It were to publicly call Pakistan out on past actions of both nuclear and nonproliferation and support for terrorism.

I think the U.S. has a tremendous ability to threaten Pakistan's economic well-being and also its legitimacy.

Mr. RIVERA. So cut off aid and international financial institutions.

Mr. DHUME. And legitimacy in the international system.

Mr. RIVERA. I don't know how concerned they are about that. But certainly money I'm sure they're concerned about.

Mr. Tkacik.

Mr. TKACIK. Well, I think we're in a bit of a difficult situation because frankly we're extremely exposed in Afghanistan and my understanding is about 80–90 percent of our logistics supporting our troops in Afghanistan go through Pakistan. So if you were to put pressure on Pakistan, I can imagine what kind of pressure Pakistan could put on us.

So if you want to avoid or if you want to have leverage on Pakistan you've got to remove the Pakistani leverage on us. And I worry then how we're going to do that. This is a very complex, strategic game that we have before us and you have to——

Mr. RIVERA. So as long as the troops are there, we have no leverage.

Ms. Pande.

Mr. PANDE. It's economic, both nonmilitary aid. That means what U.S. provides and international institutions like IMF. It's military aid. It's also trade and it's leverage with the India-Pakistan relationship in Afghanistan.

Mr. RIVERA. Okay. My next question, what is the state of bilateral relations between Pakistan and Iran and its southern quadrant?

Mr. Nawaz.

Mr. NAWAZ. This has always been a very interesting and problematic relationship.

Mr. RIVERA. What is the state today?

Mr. NAWAZ. It is problematic and still very interesting because of conflicting interests in the border region between Iran and Pakistan. There is an insurgency asking for an independent Greater Balochistan and it has found support inside Pakistan allowing a group called Jundallah from operating from Pakistani bases.

Mr. RIVERA. So it's not a close relationship.

Mr. NAWAZ. It's close in some areas but not close on others.

Mr. RIVERA. Okay. So problematic he said, would that be accurate? Would everyone agree with a problematic relationship between Iran and Pakistan?

Mr. Dhume.

Mr. DHUME. I'd say that traditionally it has not been. I mean it's been warm. But I'd say that one of the big problems has been that since the Iranian revolution you've seen the rise of an extreme kind of Sunni fundamentalism in Pakistan which specifically targets Pakistan's Shia minority and that has created sort of a bit of tensions between them.

Mr. RIVERA. Tensions. My light is on. Sorry, Mr. Chairman. Thank you so much for your indulgence.

Mr. ROHRABACHER. And Judge Poe.

Mr. POE. Thank you, Mr. Chairman. Thank you for being here.

To me, Pakistan has proven itself, has proven itself, to be an untrustworthy ally of the United States. After $20 billion of aid over the last 10 years, I'm not sure we have a whole lot to show for it. Pakistan has still not gone after key targets like Al Qaeda. Pakistan was either unwilling or unable to hand over Osama bin Laden. That was in plain sight to everybody in that area.

If Pakistan was truly on our side in the fight against terrorists, that it should have commended our work and taken out the Number One Terrorist in the world. Instead the Pakistanis arrested CIA informants that helped us get him. Some kind of friends they are.

In June, Pakistan tipped off terrorists making IEDs not once but twice after we gave them information and told them where the terrorists were so they could go capture them. And all of a sudden the terrorists disappeared.

The latest Pakistani show of friendship came over the weekend at the World Without Terrorism conference hosted by the world's leading terrorist state, Iran. And the Pakistanis told the Iranians that they wanted to be an ally and pledged their work toward working and expanding relations with Iran.

It's time for us to take a look at the money we're giving away to Pakistan. Over the last 10 years, Pakistan has not helped us get any closer today in eliminating terrorists. It's possible that our aid to Pakistan is actually hurting more than it is doing good.

And not all the problems can be solved by throwing money at people especially Pakistan. The billions of dollars that we give them, what do we have to show for it? I believe it's time we reevaluate all aid, military and foreign aid, to Pakistan. Pakistan has become the Benedict Arnold nation in its relationship with the United States.

I have a couple of questions and if I mispronounce your name I apologize. My name is Ted Poe. I've been called Tadpole and the whole thing, a lot of things worst than that.

But, Mr. Tkacik, I have a couple of questions about China, Pakistan, North Korea on the development of nuclear weapons. Do you see that train or line going to North Korean nuclear development coming from Pakistan? There have been accusations for years that that's where they got their start or help.

Mr. TKACIK. Well, I think that relationship has been very, very clearly documented not just in the intelligence that the United States has collected but also in basically the public record.

There is no question in my mind that China has been the facilitator of the exchange of nuclear weapons technology from Pakistan to North Korea in exchange for North Korean ballistic missile technology to Pakistan. I can say that people that have had direct knowledge of the intelligence have confirmed that to me.

It's been in the newspapers. And again as I mentioned and I've documented in my presentation here when Mrs. Bhutto, when former Prime Minister Benazir Bhutto, made her comments to a journalist friend of hers she couched it in terms of—and I should find it here—she said, "I have done more for my country than all of the members of the Pakistani Armed Forces. I was the one that went to North Korea and exchanged nuclear weapons technology for the ballistic missiles."

And then she——

Mr. POE. I'm sorry to cut you off. I only have a few minutes. But I just wanted to hear that from you once again to clarify the information.

Military aid, foreign aid, two separate types of aid we give to the Pakistanis. There have been reports that some of the military aid we give to the Pakistanis to help fight the bad guys actually turns out to go into the hands of the military for other purposes, maybe even to reinforce the military along the border with India.

Any one of you want to weigh in on that accusation against the Pakistani military? Mr. Tkacik.

Mr. TKACIK. I mean I look back at right after 9/11. The biggest, most prominent terrorist attack was by Pakistanis against the Indian Parliament in New Delhi in December 2001. This could have started a nuclear war between these two countries.

Now China was involved in this and China had made an arrangement with Pakistan to get Pakistani nuclear weapons. In the overall strategic context of this, why would China want Pakistan to have nuclear weapons in this kind of a situation?

Well, we were the ones. The United States were the ones that immediately after 9/11 had to broker the peace between Pakistan and India after the New Delhi attacks. This was the Pakistani military I believe that was behind this. And one has to ask oneself what is the strategic game going on here.

Mr. POE. Thank you, Mr. Chairman.

Mr. ROHRABACHER. If you have any other questions, you're welcome to go right ahead. The chairman took a few extra minutes.

Mr. POE. That's it for now.

Mr. ROHRABACHER. All right. Got it. Let me ask some things here. Are there any documented cases where India attacked Pakistan in these last five decades? I mean we know about Mumbai and we know that the terrorists actually had a connection with the military in Pakistan, and we know that in Kashmir there have been weapons and such shipped into Kashmir. Now, by the way, I personally believe that the Kashmirian people deserve to have a referendum and to determine their own destiny, and I think that we could deflate that situation if India would permit that.

So I'm not siding. I'm not just forgetting anything wrong, but by and large I can't remember any time when the Indians were attacking the Pakistanis. Can you enlighten me to that?

Mr. NAWAZ. Mr. Chairman, strictly speaking and technically speaking, in 1971 the Indian army invaded what was then Pakistan and what was then East Pakistan in support of the independence movement of the Bangladeshis.

Mr. ROHRABACHER. Okay. But we know now that that wasn't an invasion because government is what the people of the country want.

Mr. NAWAZ. Right.

Mr. ROHRABACHER. And obviously the people there did not want to be under Pakistan.

Mr. NAWAZ. That's quite correct. But technically since it was still the state of Pakistan.

Mr. ROHRABACHER. Were there any other examples?

Mr. NAWAZ. Apart from that, there are no known examples.

Mr. ROHRABACHER. Okay. So this is pretty clear cut, who's committing violence against whom in that part of the world. I don't know why it's taken the United States—Well, I was in my Cold War mentality all that time. So it seems to me that it's very clear now that the Government of Pakistan and its intense belligerence toward India is willing to commit acts of violence and be part of—actually support acts of violence against India.

What would we expect of any other country except to defend itself? Is there anything that India can do that would bring down this level of intense belligerence on the part of Pakistan?

I don't find that same intensity of belligerence by Indians against Pakistan, but they are justifiably outraged when their people are killed.

Mr. DHUME. Mr. Chairman, India is a status quo power in the region. India still has many problems. It's still a poor country. But it has a rapidly growing economy and it's a fairly stable democratic policy. And India does not seek an inch of Pakistani territory.

I think India's view on this is essentially defensive. And if you go back and look at some of the most startling terrorist attacks over the past decade, including the one on Parliament and including The Mumbai attacks, India has shown restraint in this regard.

I think what India could do and which Mr. Nawaz also alluded to to lower the temperature in the region is frankly use economic, people-to-people and using their soft power in India leads in publishing movies, music and so on which are vastly popular in Pakistan. And many Pakistani writers, musicians, actors and so on are vastly popular in India. So there is a positive side to their relationship between the two countries. And I think that India has had a fairly good record on this and could be encouraged to continue in that regard.

Mr. ROHRABACHER. Ms. Pande, you wanted to add.

Mr. PANDE. I want to add onto to what Mr. Dhume said that we need better economic ties and more trade. If Pakistan and India open or give each other Most Favored Nation status, especially from the Pakistani side, that would build a constituency in Pakistan which would no longer see India as an enemy but would see India as being trustworthy. This would build more trust between the two countries. And that would hopefully spread from the middle class to other sections of society especially the establishment and the government.

Mr. ROHRABACHER. Well—Yes, go right ahead.

Mr. NAWAZ. Mr. Chairman. If I could add, Mr. Chairman. I think the United States has a very key potential role to create an enabling environment for the current dialogue between India and Pakistan and also to reprise a role that it played when it created an institution that nobody talks about but which has been one of the abiding treaties between India and Pakistan, the Indus Water Treaty, that the U.S. helped underwrite and that the World Bank underwrote in the end. And that still exists to this day under; which they stopped fighting over the rivers that came through Indian territory into Pakistan. And that conversation continues. The trade talks are continuing. Talks in counterterrorism have begun. The foreign secretaries are meeting today and tomorrow the foreign ministers will meet.

The U.S. can play a huge role in helping underwrite this level of confidence among each other. And echoing what Mr. Dhume said, India being the superior power, the economic and military power, in the region can show what my friend, Peter Jones from the University of Ottawa, calls "strategic altruism." I think that would be one way of undercutting the extremism point of view inside Pakistan of India as an enemy.

Mr. ROHRABACHER. I hope that's more than what I would call unrealistic idealism. Benevolence I don't know where benevolence has really worked to change belligerence in the past. I know that when you help friends you do cement that friendship and that bond.

But I don't know about—I don't know examples in history where acts of a benevolence to one's adversary and one who hates that person has actually been able to calm that hatred. And in retrospect I think we need to take a look again at what's been going on and some mistaken impressions that we have in the United States. The first mistaken impression was that the Pakistani army and the Pakistan Government were a bulwark against radical Islam.

Is there any one of you that believes that now? I mean I can't see how anybody in their right mind could now accept that. And we've been fed that for two decades and we've accepted it. And obviously the Pakistani military has been part of the radical Islamic movement and a facilitator of violence by the radical Islamic movement. And we need to make sure that that is part of our decision making process and how we deal with that.

I also would suggest that if we—during this time period would none of us here—you're the experts—have been able to come up with an example where India was engaged in a military action that it was initiating an act of aggression of Pakistan as compared to the multiple instances that you can see where the Paks have gone out and let their people go into Mumbai and slaughter people, et cetera.

And, by the way, it wouldn't surprise me if we know now that The ISI was harboring Osama bin Laden all of these years. Would it surprise anybody to think that maybe The ISI knew that he was planning to attack the United States and slaughter thousands of our people? I don't think it would surprise anybody.

Well, we have been acting like fools then, haven't we? We've been acting like fools. A fool is someone who does something to aid someone who is trying to do something that will harm you and harm that person. If they had been guilty of all of these acts of military aggression or terrorist aggression during that same time period the United States has been providing them military support, billions of dollars of military support.

Now that's got to be stupid in anybody's book. And I would hope that it's about time, number one, to end that altogether and perhaps to start easing toward a relationship with India which seems to be more of a benevolent soul in all of this rather than a belligerent force.

And I think it behooves the United States to be more inside with people like that rather than thinking we're going to buy them off and make them nicer by giving money to a bunch of gangsters.

Mr. Carnahan, go right ahead.

Mr. CARNAHAN. Thank you, Mr Chairman. And again my apologies for having to go back and forth between hearings. But I wanted to start with Mr. Nawaz and again thank you for being here.

You wrote last month about Pakistani-U.S. relations and the need for the Pakistani Parliament and the military to work together, not separately and the need for the government to own the plans so that it can be shared with the people of Pakistan. Your statement really underscores the complexity of the internal challenges in Pakistan.

I wanted to ask. What are the prospects for achieving security and diplomatic progress in Pakistan given these many challenges?

Mr. NAWAZ. Congressman, it's not going to be a one-shot deal. There's no silver bullet answer. This really demands a very consistent, longer-term approach which I believe has already been begun with the U.S. through the Kerry-Lugar-Berman initiative.

I think a longer term consistent relationship is the way to influence and change particularly if we're going to stop looking at Pakistan through the security lens. And if we want to strengthen the civilian side so that all the things that the United States sees as positive in the relationship with India we can then see as positive in the relationship with Pakistan. I think that's really going to be key.

The counterfactual as my colleagues on the panel have also alluded is really not very acceptable because you cannot contain such a vast population and particularly a country that has nuclear weapons and particularly a country that is home to many homegrown insurgencies and radical elements that are fighting each other as well as the state. So you cannot expect to innoculate the rest of the world from that if we were to cut ties and say, "We are done. Thank you very much."

Mr. CARNAHAN. Which really gets to my next question. I'll start with you, Mr. Nawaz, but I want to ask the rest of the panelists. Because some have advocated increasing our disengagement with Pakistan, I wanted to ask your opinion about that, the effects that would have in Afghanistan.

Let's start with you, Mr. Nawaz.

Mr. NAWAZ. Congressman, Mr. Tkacik had already alluded to that. There is not just for dependence for the next few years while we are engaged in kinetic operations in Afghanistan for both the air line of communication and the ground line of communication but in the longer run, too, for stability in the region.

I think it's very critical that we not end this relationship abruptly which would also further strengthen the hands of those in Pakistan who believe that this is what the U.S. does all the time. And that's rhetoric that has been used against this relationship within the country. And it would give them strength.

Mr. CARNAHAN. Mr. Dhume.

Mr. DHUME. Thanks. I think that the single most important thing in Afghanistan, the stabilization of Afghanistan, is for Pakistani strategic elites to recognize that they cannot think of Afghanistan as a colony, that Afghanistan is an independent country and that though Pakistan would have legitimate interest and would have a stake in having a peaceful and friendly neighboring country, it cannot go back to post Pakistani policy in the mid 90s until 9/11

which was backing this brutal Islamist regime, The Taliban, in order to subjugate Afghanistan and turn it into a client state.

My worry is that unless the U.S. is able to show, resolve and show, that it's in Afghanistan for the long haul the natural temptation in Pakistan would be to feel that history can be rolled back and Afghanistan can once again be turned into a kind of puppet like it was in the past.

Mr. CARNAHAN. Mr. Tkacik.

Mr. TKACIK. Well, I mean, as I said earlier, this is a very complicated situation and as long as we are exposed in the massive way that we are in Afghanistan we are vulnerable in our relationship with Pakistan. I have my own ideas in how to get out of it. But I'm afraid it's too complex to go through in just a 5-minute sound byte.

Mr. CARNAHAN. Dr. Pande.

Mr. PANDE. A couple of points. One, the logistic relationship: U.S. is still dependent about 35 percent on Pakistan. Safe havens: A number of the terrorists have safe havens in the Pakistani northwest tribal area and disengagement or walking away would cause problems for American operations and American troops both in Afghanistan and outside. A destabilization of Afghanistan actually would also cause a destabilization in Pakistan and the broader regions who are strategically important to us.

And then economic reasons which would destabilize Pakistan. Any reduction in the nonmilitary aid or trade with Pakistan would cause instibility.

Mr. CARNAHAN. One additional question.

Mr. ROHRABACHER. Feel free to ask as many as you'd like.

Mr. CARNAHAN. Thank you, Mr. Chairman.

Leon Panetta told members of the Senate Armed Services Committee during his confirmation hearing last month, "This is a difficult challenge. The relationship with Pakistan is at the same time one of the most critical and yet one of the most complicated and frustrating relationships that we have."

What do you feel needs to be the primary areas we need to focus on between these two countries to mend some of this anger and distrustfulness between them? Dr. Pande.

Mr. PANDE. The nonmilitary aid which the United States provides actually helps to build a modern middle class, a more civilian liberal elements. And those elements actually are in favor of the U.S.-Pakistan relationship as well as in favor of better ties with India and do not view the U.S.-India relationship as being antithetical to Pakistan. So I believe that nonmilitary aid which is targeted, which is visible, which helps build this middle class and civil society will actually benefit United States and benefit the region and build a different Pakistan as compared to today.

Mr. CARNAHAN. And one of the other concerns that I think a lot of folks have heard here and in Washington is that where Pakistan is among the largest recipients of aid from the U.S., yet the view toward the—the positive view of the U.S. is among the lowest of any country that we're dealing with. Again as to that complicated nature of how we break through to the public. Could you comment on that?

Mr. PANDE. Actually building the middle class that I talk about or the civil society, those sections actually have a positive view of the United States. And it's that section which I believe the non-military aid if it's focused and targeted would help change that perspective. But it's a long-term process.

Mr. DHUME. I would say that we should not be terribly unrealistic about changing Pakistani mass public opinion in favor of the U.S. If you look back on the figures it was about—the U.S. had a favorability rating of about between 10 and 12 percent in 2002 and even now it's between 10 and 12 percent which is among the lowest in the world. So that's $20 billion later The favorability rating is the same.

So I think that if we sort of look at it in terms of getting the average man on the street to stop thinking in terms of the U.S. being this scary, crusading power out to grab Pakistan's nuclear weapons and the conspiracy theories that Mr. Nawaz alluded I think that may be based on the evidence we have so far. Pretty unrealistic.

But what we can do and what we ought to do is try and strengthen the hands of Pakistan's democrats so that this military—I mean even if they hate the U.S. or even if they hate India why had it become a problem? It becomes a problem because then they train and equip and send people across to blow up cities and slaughter civilians.

The problem is that we have to remove that capacity. It will only happen over time if democrats are allowed to run the country. And the army has its normal role which is a role of defending its borders and ceases to be a destabilizing force in the region.

Mr. CARNAHAN. Any others want to comment on that?

Mr. NAWAZ. If I may.

Mr. CARNAHAN. We'll go to Mr. Tkacik and we'll close with you.

Mr. NAWAZ. If I may, I want to refer to the Pew Global Attitude polls on Pakistan. There is consistently in all the polls a paradox, one, something like 59 or 60 percent Pakistanis that consider the U.S. an adversary. But there is also a much under reported section of the same poll that identifies six out of ten Pakistanis that want improved relations with the United States. And that's the group that Mr. Dhume is referring to. There's a 35-million middle class in Pakistan which is a potential ally because they want the same things that we want, a better life, improved prospects for themselves and their kids.

The India-Pakistan polls have almost the same kind of range. Seventy percent of Pakistanis polled by a joint poll conducted by Indian and Pakistani newspapers said they want improved relations with India. Seventy percent of Indian—72 percent of Pakistanis. Seventy percent of Indians said they want improved relations with Pakistan.

So there is a reservoir that can be tapped, but it's not going to be done overnight. And I don't think it's a function of money alone. It's a function of consistency, honesty, respect.

Over the last 10 years, the Government of Pakistan has been feeding its own people an anti-American point of view on the Drones, complaining about the Drones while they privately approve the U.S. Drone attacks. That needs to come up into the open. If the U.S. goes open with the Drone weapon system and acknowledges

it and shares information about it, then that will not happen in Pakistan. The people will know why the Drones are operating and against whom.

So that's just one illustration of how you build respect and honesty. Ten years the government has been feeding something to the people in Pakistan that has fed their anger against the U.S. Now we have to maybe take not 10 years but 5 years at least to try and change that direction.

Mr. CARNAHAN. Thank you.

And Mr. Tkacik.

Mr. TKACIK. I think I agree with my fellow panelists. I would just point out that my impression was that there was a rather strong blip in support of the United States during the floods when the United States aid to Pakistan was more than everybody else combined. It was surprising to me.

I recall that China's aid was less than 10 percent of what the United States gave. But it's interesting to me that China focused its aid and its benevolence not on the people of Pakistan but on the military and on parts of the government.

And over the last 50 years when you have a situation where the military and The ISI have some place else to turn to from the United States which is to say China you have very little leverage over them and how they behave. And I have to think that in considering any kind of grant strategy for Eurasia much less a strategy for South Asia you have to deal with the pernicious impact of China's involvement.

Let me just add one thing that I meant to add earlier on. I take some exception to Mr. Nawaz's statement that the Chinese are very worried about Islamic fundamentalism in their far western territories. I would have to say that the Chinese have figured this out already. The Chinese have bought off the Pakistanis. They've bought off the Afghans. They have bought off the Iranians.

This is not news, but it's something that's been going on for the last 20 years. The Chinese are not stupid in this regard.

Virtually all the unrest that you see in Chinese Muslim areas, primarily in Xinjiang, are ad hoc demonstrations by locals. You never see an instance in China where Muslim separatists, Muslim activists, have been armed by the Iranians or armed by The Hezbollah or armed by Pakistani ISI. You never see it.

You do see cases where American troops have been killed by weapons that are supplied by the Chinese. But you never see a situation in China where Chinese Muslim separatists are armed by what you would think would be the logical choice, Pakistan, Iran and fundamentalist Islam around the world.

What I mean to say is that in Pakistan if you cannot offer the military an attractive alternative to Chinese support you're not going to have much leverage with them. And in this case I'm afraid that the military has their interests. They will pursue those interests without hesitation. And if they can't get support from the Americans on that they will get it from some place else, which is to say—where they've always gotten it from—the Chinese.

Mr. CARNAHAN. Thank you all very much. You've given really broad perspectives to this conversation, this debate, that's obvi-

ously going to continue. But we really appreciate you being here and lending your time and your expertise today. Thank you.

I yield back, Mr. Chairman.

Mr. ROHRABACHER. Thank you very much. I'll just have a few more questions and a few more pieces of information that we'll share with each other. I do appreciate all of you and I'm going to give each one of you 1 minute to summarize what you think is an important point for us to leave this hearing with, so you might be thinking about that as I go on with whatever I'm going to say here.

Let me just note that I have learned. Thank you for coming today. I have learned from each of you information that has broadened my understanding of South Asia.

The idea of the depth of China's involvement with Pakistan even before, meaning even back as early as the 60s, was something I was not fully aware of, and I would just have to say that what's fascinating, however, if we have a bad image in Pakistan and the Chinese don't, yet they give a minuscule amount of support compared to what we're providing in the tens of billions of dollars, maybe that might suggest that the strategy of winning over someone with—winning over a belligerent government by being benevolent to their people is not necessarily a strategy that works.

I know that there's a lot of people who felt that's what we should do with China and that all we have to do is make China prosperous, and China will then become part of the family of nations and a nonthreatening part of the family. And, in fact, people have always heard me earlier say that that it was the theory of hug a Nazi and you'll make a liberal.

Well, that didn't work with China, and clearly China has become ever more belligerent as it becomes ever more powerful, and it is using its influence again interestingly enough. China is not only Pakistan's ally. But am I inaccurate when I say they are Iran's ally?

So what does that mean? The Chinese have allied themselves with the most virile and anti-Western elements in Islam, and maybe they see it as being their way of flanking us and destabilizing the United States' position in the world.

The one thing for sure is that we cannot afford to be a dominant force in the world in the far-off reaches if what it means is that we must have our military in action in those parts of the world. Our own bank is going bankrupt.

One thing that I've learned here is that if there is a change in Pakistan it means that we must have a change in Afghanistan as well. Having spent considerable time in Afghanistan and knowing the Afghan people the way I do, I would suggest that if we're waiting to change them or if we're waiting to change Pakistan, that's a strategy that won't work.

What we've got to do is realize we've got to change our policy, not change their way of governing and their way of life, and in Pakistan or in Afghanistan at least we have attempted to force a tribal society and a village society to accept central power over their lives—the same thing the Russian were trying to do, only we have replaced the Russians now.

We will not succeed as they will not succeed, and maybe it is time for us to pull out of Afghanistan immediately so that our peo-

ple will quit losing their lives and losing their limbs, and that we will quit spending billions of dollars for a strategy that cannot work.

Maybe that's the same way we should think about Pakistan. We've tried our best, and maybe it's time to play Alexander the Great here with the Gordian knot that he was supposed to untie. And how did he untie it? All the other leaders around the world had come there and been unable to untie the knot because they tried to work out the intricacies as you say how complicated it really is, and Alexander the Great took his sword and cut the knot in two and it fell apart. Maybe we have to be as decisive as that or we will be relegated to history.

Our policy toward Asia is going to determine the position of the United States, and it seems to me from what I've learned today and what we've been talking about in terms of the anti-Western reality in Pakistan's Government, military, and actions, is that it is time perhaps for us to have a policy that is based on embracing a democratic party, meaning India, rather than a belligerent, hostile, anti-democratic force which is what we see working in Pakistan today, meaning radical Islam.

So that's just a thought. I wonder if there's anything more. I came out with a lot of knowledge. Thank you for testifying, and what we'll do is we'll—did we start with you at the beginning? We'll end up with you at the end. So why don't we start over here. Each will have a 1-minute summary of what you would like to leave, the most important idea you'd like to leave today.

Mr. NAWAZ. Thank you, Mr. Chairman, and again thank you for inviting me here today.

I would only go back to reiterate that I share your concerns and can understand the anger not just in this House but in the American people at a time when we are facing serious economic difficulties at home, when assistance is not used the way it ought to be.

But I should warn also that the solution is really not to withdraw from the scene. The U.S. has an international role. The role has to be one of creating an environment and a relationship with people, not with a group or an individual or single institution in a country that we need to be allied with for whatever reason.

And our mistake in the region was that when we wanted an ally that could deliver what we needed over the short run which was invariably a military or an autocratic ruler in Pakistan. And I think that shouldn't color our relationship with the people of Pakistan or the people of the region.

As I indicated in my comments to you, the people of the region whether they are in Afghanistan, Pakistan, or India want a better life. They want the same thing that I find when I travel in the heartland of the U.S. And we should try and look to see how we can serve their aspirations so that they can become partners, our partners, in the global stage rather than cutting them loose. Thank you.

Mr. ROHRABACHER. Thank you very much.

Mr. DHUME. Thank you, Mr. Chairman, for this opportunity.

To sum up I'd like to say that I think it's crystal clear that the policies of the past 10 years have been disappointing and the re-

sults have not been what we should have expected. In short, $20 billion has not got us what it should have.

That said I'd say that what we face in Pakistan is really a case of two bad choices, one worst than the other. And at this stage I would say that simply walking away is a worse option. Instead what I would encourage is more targeted engagement and engagement that all takes place under the overarching goal of changing the nature of the Pakistani state which means getting rid of the influence or diminishing the influence of the army and The ISI on national life, focusing on that, and being willing to use military force such as Drone strikes to go off to targets in Pakistan where the Pakistani military appears unwilling to do so itself. Thank you.

Mr. ROHRABACHER. Thank you.

Mr. TKACIK. I mean I would add a point that maybe nobody has mentioned before which is the key point of leverage in both Pakistan and I think China in a global strategy is attaching the legitimacy of the people who have power in those countries.

The military in Pakistan uses nationalism rooted in the ancient, well, ancient, 60-year-old dispute over Kashmir to legitimate its authority in Pakistan. It does not use the consent of the governed as a root of its legitimacy.

Likewise in China, decision makes root their legitimacy in nationalism. The Chinese Communist Party's legitimacy is rooted in making China a global super power again. Insofar as they can do that, they say we have the right to rule China. There's no question of the consent of the governed.

I think in any broad national strategy that the United States is going to come up and here I agree with Mr. Nawaz who says, "If you don't know what you want then it doesn't matter what strategy because whatever if you don't know where you're going any road will get you there."

But if you have a broad national strategy of saying, "We want this kind of regime, Pakistan, China, to be weakened and to more responsive or indeed completely responsive to the needs of the people you have to attack their legitimacy." And this is not a matter of weapons. It's not a matter of aid. It's a matter of propaganda and I think it's something that we can use.

Mr. ROHRABACHER. All right.

Mr. PANDE. Thank you, Mr. Chairman. I'd like to state two points: One that the U.S.-India relationship will be the defining partnership of the 21st century and you mentioned that; and second that the U.S.-Pakistan is a complicated relationship. But moving forward maybe one needs to look at—take a more realistic aspect of the relationship and try and see where there are some strategic or shared interests and work on those and also help build as I stated earlier the secular liberal middle class which actually is in favor of the U.S.-Pakistan relationship. Thank you.

Mr. ROHRABACHER. I want to thank all the witnesses. Thank you, Mr. Carnahan. This hearing was meant to expand our knowledge base and our understanding and open up a dialogue that hopefully will filter out into the decision making offices throughout this city and maybe throughout the world. I think we've come up with some ideas that will benefit people.

So, with that said, I thank you all. This hearing is adjourned. Off the record.

[Whereupon, at 4 o'clock p.m., the subcommittee was adjourned.]

APPENDIX

Material Submitted for the Hearing Record

SUBCOMMITTEE HEARING NOTICE
COMMITTEE ON FOREIGN AFAIRS
U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, D.C.

Subcommittee on Oversight and Investigations
Dana Rohrabacher (R-CA), Chairman

July 25, 2011

You are respectfully requested to attend an OPEN hearing of the Subcommittee on Oversight and Investigations, to be held in **Room 2200 of the Rayburn House Office Building (and available live, via the WEBCAST link on the Committee website at http://www.hcfa.house.gov):**

DATE: Tuesday, July 26, 2011

TIME: 2:30 p.m.

SUBJECT: Reassessing American Grand Strategy in South Asia

WITNESSES:

Aparna Pande, Ph.D.
Resident Fellow
Hudson Institute

Mr. John Tkacik, Jr.
President
China Business Intelligence
(Former Chief of China Analysis in the Bureau of Intelligence and Research, U.S. Department of State)

Mr. Sadanand Dhume
Research Fellow
American Enterprise Institute

Mr. Shuja Nawaz
Director of the South Asia Center
The Atlantic Council of the United States

By Direction of the Chairman

The Committee on Foreign Affairs seeks to make its facilities accessible to persons with disabilities. If you are in need of special accommodations, please call 202/225-5021 at least four business days in advance of the event, whenever practicable. Questions with regard to special accommodations in general (including availability of Committee materials in alternative formats and assistive listening devices) may be directed to the Committee.

COMMITTEE ON FOREIGN AFFAIRS

MINUTES OF SUBCOMMITTEE ON *Oversight and Investigations* HEARING

Day *Tuesday* Date *7/26/2011* Room *2200 Rayburn*

Starting Time *2:36 pm* Ending Time *4:15 PM*

Recesses (to) (to) (to) (to) (to) (to)

Presiding Member(s)

Chairman Dana Rohrabacher

Check all of the following that apply:

Open Session ☑
Executive (closed) Session ☐
Televised ☑

Electronically Recorded (taped) ☑
Stenographic Record ☑

TITLE OF HEARING:

Reassessing American Grand Strategy in South Asia

SUBCOMMITTEE MEMBERS PRESENT:

Chairman Dana Rohrabacher, Ranking Member Russ Carnahan, Rep. Ted Poe, and Rep. David Rivera.

NON-SUBCOMMITTEE MEMBERS PRESENT: *(Mark with an * if they are not members of full committee.)*

none.

HEARING WITNESSES: Same as meeting notice attached? Yes ☑ No ☐
(If "no", please list below and include title, agency, department, or organization.)

STATEMENTS FOR THE RECORD: *(List any statements submitted for the record.)*

Prepared Statement of Mr. Shuja Nawaz
Prepared Statement of Mr. Sadanand Dhume
Prepared Statement of Dr. Aparna Pande
Prepared Statement of of Mr. John Tkacik

TIME SCHEDULED TO RECONVENE
or
TIME ADJOURNED *4:15 pm*

Subcommittee Staff Director