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CONGRESSIONAL TESTIMONY

**“U.S.-Pakistan Strategic
Relationship”**

Testimony before

**Committee on Homeland Security and
Governmental Affairs
Subcommittee on Federal Financial
Management, Government Information,
Federal Services, and International Security
United States Senate**

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Mr. Chairman, distinguished members of the Subcommittee, thank you for asking me to testify today on the U.S.-Pakistan strategic relationship. I will focus my remarks mostly on the terrorist challenge in Pakistan and how the U.S. and Pakistan can work together to address this issue that is critical to the future of Pakistan as well as global security. The views expressed in this testimony are my own, and should not be construed as representing any official position of the Heritage Foundation.¹

Despite a successful election four months ago, Pakistan's political and security situation remains highly unstable and demands close attention from U.S. policymakers. A power struggle at the center among the three main political players – Asif Ali Zardari (leader of the ruling Pakistan People's Party and widower of Benazir Bhutto), Nawaz Sharif (party leader of the junior coalition partner, the Pakistan Muslim League/Nawaz), and President Pervez Musharraf—is distracting the new government from coping with grave economic and terrorism challenges facing the country. Inflation has hit double digits and an acute energy crunch has led to daily power outages lasting six – eight hours per day. A revived lawyers' movement to restore judges deposed by President Musharraf last year is adding to the political uncertainty. Perhaps the most worrisome trend in Pakistan, though, is the advance of Taliban militants in the northwest part of the country and the government's lack of a strategic approach to roll back the rising extremist threat.

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U.S. officials' frustration with Pakistan is mounting as the Pakistan Army and new civilian government engage in indirect negotiations with extremists that so far appear unwilling to give up support for international terrorism and the destabilization of Afghanistan. Although the U.S. and Pakistan share the same objective of uprooting terrorism from Pakistan, they have not yet developed and agreed on a comprehensive joint plan to achieve this goal over the long-run. Unless the U.S. and Pakistan work more closely on an operational level to address the terrorist threat emanating from Pakistan's border areas and engage in frank diplomatic discussions that address Pakistani regional security concerns, maintaining friendly U.S.-Pakistan ties will become increasingly difficult.

The U.S. must tread cautiously with Pakistan at this delicate juncture to avoid tipping the balance in favor of anti-U.S. elements who may be seeking to cause a rupture in the relationship. Tuesday night's air strike that killed 11 Pakistani security forces along the Afghan border will further strain U.S.-Pakistan relations and create opposition within the lower ranks of the Army and within the Pashtun paramilitary Frontier Corps to further counterterrorism cooperation with the U.S. According to a statement from the U.S. military at Bagram Air Base, the air strikes were taken in defense of coalition forces that were under fire from anti-Afghan forces in the area. The U.S. military also reported that it had informed the Pakistan Army that coalition troops were engaged in military operations against anti-Afghan forces in the area previous to the incident. The incident points to the challenges of fighting an effective campaign against insurgents that cross freely back and forth along a porous border and the confusion that prevails when coalition forces can operate aggressively on one side of the border but must rely on their Pakistani counterparts to control the other side.

Background

When the U.S. cut off assistance to Pakistan in the early 1990s following the departure of the Soviets from Afghanistan and because of the advancing Pakistani nuclear weapons program, there was debate within the Pakistani security establishment over how to protect Pakistani security interests without backing from the U.S. Subsequently Pakistan began engaging in risky activities such as proliferating nuclear technology and know-how to North Korea in exchange for missiles it deemed necessary to meet the threat from India.² Also during this period, Pakistan supported the rise of the Taliban in Afghanistan and Kashmiri militants fighting in Indian Kashmir as a way to protect what it viewed as its vital national security interests.

Pakistan officially broke its ties to the Taliban shortly following 9/11 and helped to capture several major al-Qaeda leaders. Pakistan also engaged in military operations in the Federally Administered Tribal Areas (FATA) bordering Afghanistan beginning in 2003 to disrupt the activities of Taliban and al-Qaeda militants who fled to the area after the ouster of the Taliban from Afghanistan in December 2001. These military operations damaged traditional tribal institutions, increased radicalism in the region, caused the

² Sharon A. Squassoni, "Weapons of Mass Destruction: Trade between North Korea and Pakistan," Congressional Research Services Report RL31900, March 11, 2004, pp.6-7 and 9-10.

deaths of several hundred Pakistani soldiers, and met with increasing opposition from the broader Pakistani population. Because of the growing problems with the FATA military operations, President Musharraf in September 2006 announced a “peace deal” with tribal leaders of the North Waziristan Agency that included an end to offensive Pakistani military operations in exchange for the tribal rulers’ cooperation in restricting Taliban and al-Qaeda activities.

The 2006 peace deal failed miserably: Within two months, cross-border attacks against coalition forces reportedly increased by 200 percent, and by the summer of 2007 senior U.S. intelligence officials declared that the Pakistani peace deal had allowed the region to develop into an al-Qaeda stronghold. According to a recent RAND study, the deal failed in part because it rested on the false assumption that the tribal leaders had control in the region when, in fact, the extremists enjoyed the upper hand.³ The extremists also took advantage of the decreased military pressure by instituting strict Islamic edicts in the region—the same tactics employed by the Taliban in Afghanistan in the mid-1990s. The extremists closed down girls’ schools, barbershops, and video stores, demonstrating that they could challenge the writ of the government, even in some of the settled areas of the North West Frontier Province (NWFP). By the end of last summer and following the military showdown at the Red Mosque in Islamabad, the North Waziristan peace deal broke down completely and the Pakistan military resumed operations in the region.

New Peace Deals

The Pakistan government (the military with the backing of the new civilian leadership) has once again embarked on a new set of peace deals in the region. There is little reason to believe that these agreements will be any more successful at curbing terrorism in the area than the 2006 deal was. The government hopes that negotiations will separate tribal leaders from the extremists and encourage them to turn against the terrorists. The problem is that the tribal leaders do not have the wherewithal to confront the extremists, and the negotiations so far seem only to have strengthened the radicals in the region. The Pakistani government says that it needs time for the negotiations to bear fruit and is ready to back the negotiations with force if necessary. The danger lies in promoting a negotiating process that legitimizes the extremists and increases their influence.

The Pakistan military claims it is negotiating from a position of strength this time, having conducted a major military operation in South Waziristan in January before offering indirect talks with Tehrik-e-Taliban (TTP) leader Baitullah Mehsud. At least one of the peace deals being pursued in the Tribal Areas involves withdrawing the Army from the region and turning over security to the paramilitary Frontier Corps and releasing captured Taliban leaders. It also states that foreigners must leave the area but that al-Qaeda operatives can stay “as long as they pledge to remain peaceful.” The agreement further stipulates that the Taliban may not establish a parallel government and must halt attacks

³ Seth G. Jones, *Counterinsurgency in Afghanistan*, RAND Counterinsurgency Study, Volume 4 (Santa Monica: RAND Corporation, 2008), p. 58.

on government and security forces personnel.⁴

During a recent trip to Pakistan (May 4 – 8), I was struck by the level of concern people expressed about the situation in NWFP. Pakistanis are beginning to understand that the Taliban-backed elements are competing for political power with the Pakistani state. Some even acknowledge that the battle between Pakistani authorities and the violent extremists in the border areas and parts of the NWFP is pivotal to the future of the province, if not to the future of Pakistan itself. The people of NWFP do not support the agenda of the Taliban militants but were pessimistic that the government was capable of successfully countering their growing influence.

Taliban militants have also made inroads into some settled areas of the NWFP. The Pakistan military deployed 10,000 troops to the Swat Valley in the fall of 2007 to quell a Taliban-backed insurgency before the new provincial government negotiated an agreement with militants there in May of this year. According to Pakistani press, the Swat peace deal calls on the Taliban to accept the writ of the central and provincial governments, halt terrorist attacks, and lift the ban on girls' education, while the government agreed to implement a Shariat court system in Malakand Division, withdraw security forces gradually "in view of the security situation in the area," and open an Islamic university run by a committee made up of both government and Taliban representatives.⁵

Although some Pakistanis downplay the significance of the implementation of Shariah law in Malakand, others notes that it would essentially block the people of this region from appealing the decisions of the Shariat Court to the Peshawar High Court or the Pakistani Supreme Court. In this light, it appears the government may be negotiating away the people's rights despite the fact that religious parties suffered a major electoral defeat in the NWFP. Allowing Taliban-backed militants to demand political changes through force undermines the legitimacy of the elected government and will be viewed by the militants as a victory in their efforts to turn Pakistan into a Taliban-like state.

There is still a great deal of confusion and secrecy surrounding the peace agreements. U.S. officials are increasingly wary of the deals but some parts of the U.S. government appear more willing to exercise patience and let the deals play themselves out for a limited period of time. Senior U.S. military officials, especially those serving in Afghanistan, however, are less patient and are convinced that the number of attacks in Afghanistan has already increased due to the implementation of the peace deals. The Pakistan military may be pursuing the peace deals to re-gain its footing and achieve some

⁴ Anand Gopal, "Secret Accord Sheltered al-Qaeda Linked Militants in Tribal Pakistan," *The Christian Science Monitor*, June 11, 2008, at <http://www.csmonitor.com/2008/0611/p99s01-duts.html>.

⁵ Daud Khattak, "Text of the North West Frontier Province Government's Agreement with the Taliban," *Daily Times*, May 22, 2008, at http://www.dailytimes.com.pk/default.asp?page+2008%5CO5%5C22%5Cstory_22-5-2008.

breathing space following a series of terrorist attacks against the security forces that have weakened Army morale.

Policy Recommendations:

Peace deals with tribal leaders under current circumstances have proven insufficient, and even self-defeating. The results are predictable. They almost certainly will once again lead to an increase in cross-border attacks in Afghanistan and allow the insurgents to use the lull to strengthen their ability to fight coalition forces in Afghanistan. Pakistan should stay on the offensive—and the U.S. should support it.

But military operations alone will not uproot the terrorist safe haven in the Tribal Areas, which could take several years. It will require a strategic and forward-looking approach that also relies heavily on economic development and investment in the region.

In addition to implementing large-scale economic development programs in the FATA, the U.S. should move forward expeditiously on Reconstruction Opportunity Zone (ROZ) legislation that was introduced in the U.S. Senate on March 13, 2008.

The ROZs are meant to encourage investment in and around underdeveloped tribal areas by permitting certain products produced there to enter the U.S. duty-free. Delays in moving ahead with this initiative in the U.S. are creating mistrust in Pakistan about U.S. commitment and undermining the broader U.S. objective of winning hearts and minds through social uplift programs.

The U.S. should also support efforts to bring political reform to the FATA, including incorporation of the region into Pakistan proper in order to increase government writ in the areas. The leadership of the PPP and Awami National Party (ANP), currently ruling the NWFP, supports implementing the Political Parties Act in the FATA, which would extend Pakistani election laws to the region and encourage political activity. Political parties are currently prohibited from operating in the FATA, and a political agent, or federal bureaucrat, runs the affairs of each of the seven FATA agencies. There are 12 seats reserved for FATA members in the National Assembly and eight in the Senate. However, parliament has no authority to legislate on matters concerning FATA, and the FATA legislators wield little authority.

The U.S. should speed up plans to provide counterinsurgency training to Pakistani paramilitary troops stationed in the FATA. The training of Pakistan's Frontier Corps is scheduled to begin this summer, but it should have started long ago. It is uncertain whether Tuesday's incident along the border will affect the training program and whether it will be viewed by the Pakistanis as an incident of "friendly fire." Washington must encourage Pakistani security forces to remain on the offensive in the border areas until the terrorist threat dissipates. The alternative—relying solely on American military action in the FATA—risks destabilizing Pakistani politics in favor of the extremists and could leave the U.S. facing a far larger terrorist threat in Pakistan than it faces today.

Washington should step up efforts to encourage peace building and greater military-to-military cooperation between Afghanistan and Pakistan. The effort to establish joint border coordinating centers along the border that are manned by coalition, Afghan, and Pakistani military officials is a step in the right direction. The U.S. should also encourage the jirga process started last August as well as trade and economic initiatives that give both sides an interest in stabilizing and securing the borders. Pakistani initiatives to bring political reform to the FATA and to incorporate the region into Pakistan proper will strengthen Islamabad's claim to the region and help dispel any controversy between Kabul and Islamabad related to the status of their border.

The U.S. should also take a more pro-active role to encourage peace efforts between Pakistan and its historical foe India. Pakistan's dialogue with India, started in January 2004, is still on track as evidenced by the recent visit of the Indian Foreign Minister to Islamabad. However, substantive movement on the issue of Kashmir is needed to demonstrate that the two countries are truly putting their past animosities behind them and moving toward a new era of peace and cooperation in South Asia. As long as the threat from its larger neighbor looms for Pakistan, there will be pressure within the Pakistani security establishment to maintain the option of engaging in asymmetrical warfare through militancy and resistance to shutting down the militant infrastructure in Pakistan.

Washington should seek out ways to work more closely with European allies who also have an interest in promoting stability and shutting down terrorist networks in Pakistan. Recent terrorist trials in the UK reveal that Pakistan provides a key nodal link for international terrorists seeking to carry out large-scale attacks in Europe. Three of the suicide bombers involved in the July 7, 2005, London public transport attacks attended terrorist training camps or madrassahs (religious schools) located in Pakistan in 2003 - 2004 to prepare for the attacks. The ringleader of the foiled London attacks that were planned for July 21, 2005, also attended al-Qaeda terrorist training camps in Pakistan at the same time as the 7/7 bombers.

In August 2006, British and American intelligence officers thwarted a plan to detonate liquid explosives on at least seven commercial transatlantic flights headed from Britain to the U.S. and Canada. Using explosives and detonators disguised as drinks, cosmetics, and everyday electronic equipment, the explosions would have resulted in a projected death toll of at least 1,500.⁶ The alleged ringleader, Rashid Rauf, was arrested by the Pakistani security services after the airliner plots were foiled but his mysterious disappearance from police custody in December 2007 means that little more is known about his role in the plot.⁷

Finally, the U.S. should fully support the democratically elected coalition government, which is struggling to stay together over the issue of reinstatement of

⁶James Auger, "Eight Britons on Trial over 'Unprecedented' 2006 Terrorist Plot Against Multiple Airliners," *Global Insight*, April 4, 2008.

⁷Sally McNamara, "Why NATO Must Win in Afghanistan: A Central Front in the War on Terror," Heritage Foundation Background (forthcoming).

judges deposed by President Musharraf last year. Washington should avoid being viewed as meddling in Pakistani internal politics, including working toward the preservation of President Musharraf, whose role and influence are declining in Pakistan. A policy of clinging to Musharraf in the face of Pakistani opposition will only increase hostility toward the U.S. from the broader population and contribute to greater instability within the system. Continued cooperation between the strongest political parties – the Pakistan People’s Party and the Pakistan Muslim League/Nawaz -- offers the best hope for stabilizing Pakistan as it copes with economic and terrorism challenges that threaten further political unrest.