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“U.S. POLICY TOWARD PAKISTAN”

Mr. Chairman, Members of the Subcommittee, thank you for inviting me to appear before you today.¹ It is an honor to testify before this Subcommittee on one of the most critical foreign policy challenges facing our country today: ensuring Pakistan sets itself on a course of stability and prosperity that emphasizes development and freedom for its own people and peace with its neighbors. Achieving this goal will not only benefit the 1.5 billion people in the South Asia region, but it will also help ensure America's own safety by uprooting terrorist ideology and lessening the chances of future terrorist attacks against the West.

The Battle Against Extremism and Terrorism

The recent release of the confessions of the September 11 mastermind Khalid Sheikh Mohammed remind us of the crucial role Pakistan is playing in fighting the war against terrorism. On March 3, 2003, Pakistani security forces arrested Khalid Sheikh Mohammed and two accomplices in an early morning raid on a house in Rawalpindi, Pakistan. We will never know how many more lives might have been lost without the Pakistani security forces' help in tracking and successfully capturing this brutal terrorist four years ago. Americans are safer today because of Pakistani assistance in this operation as well as others that have netted key al-Qaeda operatives like Ramzi Bin al-Shib, Abu Zubaida, and Abu Faraj al-Libby, to name a few.

Numerous press accounts indicate that Pakistan security agencies arrested Taliban leader Mullah Obaidullah Akhund at the end of last month. If true, Akhund would be the most senior Taliban leader ever arrested by the Pakistanis and would mark a watershed in Islamabad's efforts in the overall war on terrorism. Arresting such a key leader of the Taliban movement would send a strong signal that the Taliban is no longer safe in Pakistan and would help to improve Pakistan-Afghanistan ties, which have deteriorated significantly over the last year due to the upsurge in violence in Afghanistan. Lastly, such an arrest would help dispel doubts in the U.S. about Pakistan's commitment to denying sanctuary to Taliban fighters.

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One of the primary areas on which the U.S. will need to focus its counterterrorism efforts over the next several years will be Pakistan's Federally Administered Tribal Areas (FATA), which consist of seven semi-autonomous tribal agencies along the border with Afghanistan. These tribal borderlands constitute one of the most dangerous terrorist safe havens in the world today. Taliban members, many of whom fled to the tribal agencies following the U.S. invasion of Afghanistan in October 2001, now launch attacks from the area against coalition forces in Afghanistan. Compounding the problem is the emergence in the region of Pashtun extremists (sometimes referred to as the "new" or "Pakistani" Taliban), who seek to implement Taliban-style rule in parts of Pakistan. The Pashtun-dominated, and largely ungoverned, border areas also provide a hospitable environment for al-Qaeda elements, and there are growing indications that al-Qaeda has re-grouped and re-trenched in this region.²

Pakistani President Pervez Musharraf and his military commanders have taken effective steps against terrorists in the border areas and have suffered severe losses: Over 500 of their soldiers have fallen to the enemy since 2004. Terrorists targeted a Pakistan Army base in the Northwest Frontier Province just last November, killing over 40 Pakistani soldiers. The bombing appears to have been in retaliation for a missile attack against a terrorist hideout along the Pakistan-Afghanistan border several days prior. A recent spate of attacks, including a suicide bombing in Peshawar that killed a dozen police officers on January 27, a suicide attack at the Marriott Hotel in Islamabad on January 26, and a bomb attack on a Pakistani military convoy on January 22 demonstrate that Pakistan itself is a victim of terrorism.

Even so, there remain legitimate questions about the willingness and/or ability of the Pakistan government to control the myriad extremist groups that exist on its soil. There appear to be continuing links among lower-level Pakistani military and intelligence officials with Taliban and Kashmiri militant leaders, who in turn have links to al-Qaeda. Pakistan supported the Taliban throughout the 1990s with the strategic aim of denying India, as well as Iran and the Central Asian countries, a strong foothold in Afghanistan and ensuring a friendly regime in Kabul that would refrain from making territorial claims on Pakistan's Pashtun areas along the Pakistan-Afghanistan border.³ The Pakistan government has cut official ties to the Taliban and reined in infiltration of militants crossing the Line of Control from Pakistan into Indian-held Kashmir. However, Pakistan has refused to shut down training camps or to detain key terrorist leaders for longer than a few weeks at a time.

To understand the complex links among the various terrorist groups in Pakistan, consider the kidnapping and slaying of *Wall Street Journal* reporter Daniel Pearl in January 2002. Khalid Sheikh Mohammed has confessed to murdering Daniel Pearl but members of the Jaish-e-Mohammed (JEM), a Pakistan-based terrorist group that focuses on fighting in Kashmir, kidnapped Pearl initially. Pakistan officially banned the JEM in 2002, but never formally

² J. Michael McConnell, Director of National Intelligence, "Annual Threat Assessment of the Director of National Intelligence," testimony before the Senate Armed Services Committee, February 27, 2007.

³ Ahmed Rashid, *Taliban*, (New Haven and London: Yale University Press, 2000), pp. 185 – 189.

charged its leader, Masood Azhar, with a crime.⁴ Indian security forces had captured Azhar in Kashmir in the early 1990s but were forced to release him in 1999 during a hostage swap to free 155 passengers on a hijacked Indian plane that flew to Kandahar, Afghanistan, where the Taliban facilitated the hostage takers. In January 2000, Azhar surfaced in Karachi, Pakistan, where he was met with a hero's welcome by thousands of supporters.⁵ The JEM has roots in the Afghan war against the Soviets, and its cadres trained at Taliban camps in the late 1990s. The JEM (then called the Harakat-ul-Mujahideen) reportedly suffered several casualties during U.S. strikes on terrorist training camps in Afghanistan in 1998 in retaliation for al-Qaeda bombings of two U.S. embassies in Africa.

The links among these various terrorist groups and the Pakistan security agencies' ambivalent attitude toward them has emboldened these groups in their attacks against both Western and South Asian targets and allowed them to enmesh themselves deeper into Pakistani society.

Islamabad needs to adopt an uncompromising policy toward all terrorist and militant groups operating on its territory. Otherwise, the country risks facing a permanent state of instability on both its western and eastern borders and increasing international isolation for what could be perceived as official tacit support for terrorist attacks against the West. Reports of links between those involved in the foiled London airliner bomb plot in mid-August and Pakistani terrorist groups that traditionally operate in Jammu and Kashmir further demonstrate the dangers of not cracking down forcefully on all terrorist and militant groups in Pakistan. It is only through a comprehensive, integrated policy that seeks to fully root out anti-West terrorist ideology that Pakistan will achieve the objectives President Musharraf laid out so eloquently in a June 1, 2004 *Washington Post* op-ed. In that article, President Musharraf called on the Muslim world to reject militancy and extremism and to adopt a path of socioeconomic uplift.

Developments in Pakistan's FATA over the last five years provide a stark example of the challenges of combating extremism and terrorism in Pakistan. The Pakistani military conducted operations in the tribal zones from early 2004 through the fall of 2006 that helped keep Taliban and al-Qaeda leaders in disarray and on the run. At the same time the Pakistani military operations helped to counter the enemy, however, they also resulted in the loss of hundreds of Pakistani soldiers; a disruption of the traditional tribal form of governance in the semi-autonomous areas; alienation of the local population; and flagging support among the broader Pakistani population who viewed them as increasingly detrimental to Pakistan's own security interests.

⁴ Paul Watson and Mubashir Zaidi, "British Case Renews Focus on Pakistan," *Los Angeles Times*, August 13, 2006, p. A9, and "Profile: Maulana Masood Azhar," BBC News, December 16, 2002, at http://news.bbc.co.uk/1/hi/world/south_asia/578369.stm (October 11, 2006).

⁵ Zahid Hussain, *Frontline Pakistan: The Struggle with Militant Islam* (New York: Columbia University Press, 2007), p. 63.

For these reasons, President Musharraf last September announced a “peace deal” with tribal leaders in North Waziristan that called for an end to offensive Pakistani military operations in exchange for the tribal rulers’ cooperation in restricting Taliban and al-Qaeda activities. Many observers, including myself, were skeptical that the peace agreement would achieve the desired result of decreasing cross-border attacks into Afghanistan. Last October, I wrote that “the next several months will be crucial in determining whether Musharraf’s Waziristan deal would advance U.S. interests by denying safe haven to terrorists or enhance Taliban and al-Qaeda influence in the region, making it easier for terrorists to plot, organize, and train.” Six months later, the verdict is in and U.S. officials now admit openly that the agreement has failed to stem the problem and has, in fact, strengthened al-Qaeda and Taliban in the region.

An earlier peace agreement in the Shakhai Valley of South Waziristan made between the Pakistan military and Pakistani Pashtun militant leader Nek Mohammed in April 2004 also failed to accomplish Pakistan government objectives. In that agreement, Nek Mohammed had apparently agreed to lay down his arms and register foreign militants in the area. The deal, however, broke down almost immediately, with Mohammed denying he had agreed to hand over al-Qaeda and Taliban militants and killing tribal elders who had helped to broker the deal. A missile strike killed Mohammed and several of his supporters in June 2004.^{6 7}

There is an urgent need for close cooperation between the U.S. and Pakistan to carry out targeted intelligence and military operations in these areas to keep terrorist plotters on the run and without the space, resources, and communications ability to conduct further attacks against coalition forces in Afghanistan, within Pakistan itself, and against Western targets.

The Pakistani leadership argues that military operations alone will not help tame the Tribal Areas. The Musharraf government realizes the peace deal has not been fully effective, but also is not ready to resume military operations. Instead the Pakistan government supports a combination of initiatives involving extending the government writ in the semi-autonomous areas, infusing economic and development assistance in the region, scrutinizing the borders more closely, and repatriating the two million Afghan refugees that now reside in Pakistani camps. Pakistani officials note that the unfavorable situation in the tribal belt has developed over a span of 25 years, and therefore is not easily reversible.

Economic assistance is an important part of stabilizing these areas over the medium- to long-term. The Bush Administration also understands this and has recently pledged to spend \$750 million over five years on economic development, education, and health projects in the region. Another \$75 million will go toward helping to modernize Pakistan's frontier corps. This new assistance supplements the \$3.2 billion five-year military and economic assistance package

⁶ “Nek Mohammed,” Frontline, at www.pbs.org/wgbh/pages/frontline/taliban/militants/mohammed.html (March 19, 2007).

⁷ Rahimullah Yusufzai, “Profile: Nek Mohammed,” *BBC News*, June 18, 2004, at http://news.bbc.co.uk/2/hi/south_asia (March 19, 2007).

already extended by the United States. Congress should approve this new aid program and carefully monitor its implementation to ensure it is accomplishing the desired objectives. Given the security situation in these areas, this will be no easy task.

However, economic development alone will not be enough to thwart the aims of the terrorists whose training and planning are underway now to undermine Afghan stability and to continue murdering innocents throughout the world. There is a nexus of extremists in the Tribal Areas who share similar pan-Islamic, anti-West goals and who will remain a threat to the civilized world no matter how much aid we provide to the region. The U.S. will need to maintain diplomatic pressure on the Pakistan government to deal effectively with these terrorists, since continuing sympathy for the Taliban among some parts of the Pakistan security establishment will pose obstacles for President Musharraf.

Pakistan's Uncertain Political Future

Pakistan's political future has become increasingly uncertain in the last week with the decision by the Musharraf government to dismiss Supreme Court Justice Iftikhar Chaudhry. Lawyers across the country and the general population have protested the government action and accused the Musharraf government of stifling media coverage of their public demonstrations. President Musharraf publicly apologized to the major Pakistani television outlets for raids on their offices that he claims he did not order. The confrontation between the Musharraf government and the lawyers represents the growing divide between the military and civilian leaders. Pakistani lawyers and the political opposition insist the government's move is an attempt to get rid of a judge who is known for his independence and willingness to challenge the government in several high-profile cases.

Washington's reaction to the recent political developments in Pakistan has been relatively muted, with calls for restraint by all sides, reflecting its desire to maintain stability in the country.

Although President Musharraf has been a stalwart ally in the war on terrorism, there are some costs for the U.S. in focusing its policy solely on supporting Musharraf, especially if he chooses to alienate the secular, moderate political forces in Pakistan in order to tighten his own grip on power. There is a need for the U.S. to extend contacts and visibility with a variety of civilian leaders in Pakistan.

Promoting a more open and transparent political process in Pakistan will help to curb the influence of extremist groups over the longer term. Before the 2002 elections, religious parties that backed the Taliban traditionally received less than 8 percent of the popular vote and had been marginalized in the 1988, 1990, 1993, and 1997 national elections.⁸ In the 2002 elections,

⁸ Aitzaz Ahsan and Meghnad Desai, *Divided by Democracy* (New Delhi: Lotus Collection Roli Books, 2005), p. 134.

however, the religious parties performed well in the areas bordering Afghanistan and increased their total vote share to about 11 percent, partly because of changes in election rules that favored them over the secular parties and partly because of anti-American sentiment in the Afghanistan–Pakistan border provinces.⁹ The secular Pakistan People’s Party (PPP), which is led in exile by former Prime Minister Benazir Bhutto, grabbed about 25 percent of the popular vote in the 2002 elections.

The full participation of the main secular democratic parties, including the PPP and the Pakistan Muslim League (Nawaz), in the upcoming elections would provide more political choices to Pakistani voters and instill greater confidence in Pakistan’s democratic process. Charges of corruption leveled against Benazir Bhutto and her husband have tainted her personal reputation, but the PPP as a party continues to attract individuals who support secular-based policies. The PPP recently led efforts in the Pakistani parliament to repeal the controversial Hudood ordinances that discriminate against women. The Musharraf government supported this legislation and facilitated the parliament’s passage of the Women’s Protection Bill in November 2006. The action demonstrates the possibilities for bringing progressive change to Pakistani society when the Musharraf government works in concert with the mainstream secular parties.

The Pakistan military’s pervasive involvement in civilian affairs has stifled the development of civil society and the establishment of democratic institutions. Pakistan has been ruled by the military for over half of its existence. Even during periods of civilian rule, the military has wielded tremendous power over decision-making. Although the military is unlikely to submit fully to a civilian government in the near term, Washington should set benchmarks that begin to restrict the military’s role in Pakistani politics. U.S. officials should also convey a consistent public message that calls for free, fair, and transparent elections in 2007 and 2008 and emphasizes the importance of democracy as a way to lessen the influence of extremist forces. The U.S. should also discourage further changes in the election rules or other government manipulations of the electoral process.

Improving U.S. Image Through Assistance Programs

Carefully targeted U.S. aid programs can help to counter anti-American sentiment in Pakistan and limit the influence of radicals who use hatred of the U.S. to mobilize political support. A visible U.S. aid presence in the country will reassure the Pakistani population that Washington is committed to average Pakistanis, not just to the military leadership. U.S. assistance programs that focus on building institutions and promoting human rights and democracy and that target the health and education sectors would show that the U.S. is committed to Pakistan’s success as a stable and prosperous country and deflate extremists’ arguments that Washington is interested only in exploiting Pakistan for its own purposes. Washington must

⁹ Stephen Philip Cohen, *The Idea of Pakistan* (Washington, D.C.: The Brookings Institution, 2004), p. 187.

work to overcome the suspicions of Pakistanis who remember when the U.S. abruptly cut off its large-scale aid program because of Pakistan's nuclear program in the early 1990s.

For this reason I have argued against conditioning aid to Pakistan through U.S. legislation. Most U.S. policymakers acknowledge that cutting our assistance to Pakistan in the early 1990s was a mistake because it cost the U.S. valuable leverage and stoked strong anti-U.S. sentiment that still exists in the country. Public debate on limiting U.S. assistance to Pakistan could actually weaken Musharraf's hand in convincing his military commanders that the U.S. is a reliable partner. Pressuring the Pakistan government is best done out of the public eye. President Musharraf already contends with public opposition to his support for U.S. counterterrorism goals in the region and conditioning aid through legislation would awaken memories of 1990 and weaken Pakistani public support for pursuing relations with the U.S.

Regrettably, security concerns have forced the U.S. to limit the size and scope of its assistance projects in the country. Less than 10 percent of U.S. total assistance to Pakistan since 9/11 has gone toward development and humanitarian aid.¹⁰ Most U.S. economic assistance to Pakistan over the past five years has been in the form of budgetary support and debt relief, which has helped Pakistan's macroeconomic indicators but has limited the direct impact of U.S. aid on the broader Pakistani population's attitudes toward America.¹¹

U.S. assistance to Afghanistan also impacts our relations with Pakistan. The U.S. must demonstrate to the Pakistan security establishment that it will stay committed to Afghanistan until the Taliban is fully defeated and the country stabilized. The Bush Administration has requested \$11.8 billion for 2007 – 2008, representing a significant increase in our assistance to Afghanistan. The U.S. also will reportedly increase troop levels, perhaps by 7,000. These are welcome steps that will hearten the Afghans and help dry up local support for the Taliban in Afghanistan as well as reinforce to Pakistan that we are committed to stabilizing and securing their Western neighbor.

Pakistan's Relations with India

Given that Pakistani security policy revolves around its historical animosity with India, especially over Kashmir, it is important for the U.S. to continue to encourage the positive movement in the Indo-Pakistani dialogue process. President Musharraf has taken bold steps to encourage the peace initiative, most recently in December when he proposed a four-point plan

¹⁰ Craig Cohen and Derek Chollet, "When \$10 Billion Is Not Enough: Rethinking U.S. Strategy toward Pakistan," *The Washington Quarterly*, Vol. 30, No. 2 (Spring 2007), page 12.

¹¹ U.S. Agency for International Development, "Pakistan," in *Congressional Budget Justification, Fiscal Year 2007*, at www.usaid.gov/policy/budget/cbj2007/ane/pk.html (October 18, 2006).

for the resolution of Kashmir. President Musharraf declared in an Indian television interview that Pakistan would give up its claim to Kashmir if India agreed to a four-part solution that involves keeping the current boundaries intact and making the Line of Control (LOC) that divides Kashmir irrelevant, demilitarizing both sides of the LOC, developing a plan for self-governance of Kashmir, and instituting a mechanism for India and Pakistan to jointly supervise the region. Musharraf's plan closely mirrored statements by Indian Prime Minister Manmohan Singh calling for making the LOC "irrelevant" and for a "joint mechanism" between the two parts of Kashmir, indicating that the gap in rhetoric between the two sides is narrowing.

The peace process is still highly vulnerable to further terrorist attacks. The Mumbai bombings on July 11, 2006, which killed nearly 200 people, led India to cancel foreign secretary-level talks with Pakistan that had been scheduled for later that month. In a remarkable demonstration of Indian commitment to the peace process, however, Indian Prime Minister Singh agreed to meet with Pakistani President Musharraf two months later and to implement a "joint mechanism on terrorism," despite ongoing Indian investigations into the possible involvement of a Pakistan-based terrorist group in the bombings.

Demilitarization of Kashmir will be difficult to implement until Islamabad makes a firm commitment to end support for all militant violence in Jammu and Kashmir. Indian officials acknowledge that infiltration of militants across the LOC has declined considerably over the past couple of years, but they also note that the infrastructure supporting terrorism still exists in Pakistan. A cease-fire between the Indian and Pakistani militaries along the LOC since 2003 has facilitated the development of confidence-building measures like the Muzaffarabad-Srinagar bus service. However, continuing militant violence on the Indian side of the LOC makes it unrealistic for India to consider a large-scale troop pullout from the Kashmir Valley.

Conclusion

In order to ensure that Pakistan sets itself on a path of moderation and stability, the U.S. needs to find ways to use its diplomatic leverage with Pakistan more effectively. Though Pakistan has arrested and handed over al-Qaeda suspects to the U.S., it has not made a clean break with Taliban and other extremists that it believes may one day again serve its national security interests.

The U.S. should nudge Pakistan toward a paradigm shift in its approach to its own security by encouraging Pakistan to prioritize economic and democratic development and the pursuit of better relations with neighboring countries, namely Afghanistan and India. Washington should clearly convey U.S. expectations that Islamabad develop an equally uncompromising policy toward all groups involved in terrorism in the region and beyond. This means that Pakistan must shut down training facilities associated with international terrorist incidents, including institutions run by the Lashkar-e-Tayyiba in Muridke and the Jaish-e-Mohammed in Bahawalpur. While encouraging such a crackdown, Washington also should acknowledge Pakistan's interest in seeing substantive movement on India-Pakistan talks on

Kashmir. In this context, Washington should encourage New Delhi to take additional confidence-building measures on Kashmir and to involve the Kashmiris in a peace process that addresses human rights concerns and political grievances.

The U.S. should also encourage economic integration among Pakistan, Afghanistan, and India so that each has a vested interest in overall stability in the region. Washington should vigorously pursue trade, development, and investment initiatives that mutually benefit all three countries. Congress can play an important role in this effort when it examines legislation the Bush Administration plans to present later this year to implement Reconstruction Opportunity Zones along the Afghanistan–Pakistan border. The U.S. should also actively encourage trade between Pakistan and India and consider initiatives that would bring Indians and Pakistanis together in cooperative efforts to reconstruct and rehabilitate Afghanistan. Greater economic interdependence and integration among the three countries will contribute to stability in the region as each country begins to view good relations with its neighbors as benefiting its own economy. Implementing the South Asia Free Trade Area would further this process.

Finally, Washington should demonstrate its interest in a strong and stable Pakistan and its commitment to maintaining a long-lasting and broad-based relationship with Islamabad. This should include upgrading dialogue on a variety of issues that go beyond countering terrorism, maintaining robust economic and military assistance programs, as well as keeping the U.S. promise of providing Pakistan with F-16 fighter jets.