

Testimony before of the House Foreign Relations Committee Subcommittee on
Oversight and Investigations

"Reassessing American Grand Strategy in South Asia."

By

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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 public 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 the 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.

**United States House of Representatives
Committee on Foreign Affairs**

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Clause 2(g) of rule XI of the Rules of the House of Representatives and the Rules of the Committee require the disclosure of the following information. A copy of this form should be attached to your written testimony and will be made publicly available in electronic format, per House Rules.

<p>1. Name:</p> <p>Shuja Nawaz</p>	<p>2. Organization or organizations you are representing:</p> <p>Atlantic Council of the United States</p>
<p>3. Date of Committee hearing:</p> <p>July 26, 2011</p>	
<p>4. Have you received any Federal grants or contracts (including any subgrants and subcontracts) since October 1, 2008 related to the subject on which you have been invited to testify?</p> <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	<p>5. Have any of the organizations you are representing received any Federal grants or contracts (including any subgrants and subcontracts) since October 1, 2008 related to the subject on which you have been invited to testify?</p> <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
<p>6. If you answered yes to either item 4 or 5, please list the source and amount of each grant or contract, and indicate whether the recipient of such grant was you or the organization(s) you are representing. You may list additional grants or contracts on additional sheets.</p> <p>South Asia Center: grant of \$150K from DOD: JIEDDO, for a study of COIN in Pakistan</p>	
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