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Cooperation between the United States and Pakistan: What is the Future?

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AsiaPacific

I S S U E S

Analysis from the East-West Center

No. 143

January 2020

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SUMMARY Within the Indo-Pacific region, the United States and Pakistan have sharply divergent strategic objectives. While American objectives have changed over time, focusing in recent years on rivalry with China, Pakistan's strategic objective has remained constant—to maintain a balance of power with India. Yet Pakistan retains close strategic and economic ties with China, and the United States considers India an important strategic partner. Nevertheless, the two countries have worked together for nearly two decades toward two tactical goals—achieving a political settlement in Afghanistan and eliminating terrorism in South Asia. There is potential for them to cooperate more broadly, for example, increasing direct foreign investment to Pakistan and helping Islamabad balance its relations with the United States and China. Washington's willingness to expand such cooperation will depend on Pakistan's cooperation in fighting terrorism in the region.

The United States and Pakistan share two tactical goals: reconciliation efforts in Afghanistan and counter-terrorism cooperation.

Shared Tactical Goals: Afghanistan and Counter-Terrorism

The U.S.-Pakistan relationship is predominantly governed by two shared tactical goals: reconciliation efforts in Afghanistan and counter-terrorism cooperation in both Afghanistan and Pakistan. On August 21, 2017, U.S. President Donald Trump announced a new South Asia Strategy that includes an exit strategy from Afghanistan as well as measures to ensure that Pakistan helps achieve U.S. objectives in the region. In July 2019, the White House welcomed Pakistan's Prime Minister Imran Khan in recognition of Islamabad's help in bringing the Taliban to the negotiating table and assurances that Pakistan will continue to play a role in convincing the Taliban to remain committed to peace talks.

Yet Afghanistan and counter-terrorism have remained areas of discord as well as cooperation. The core friction point is the two countries' slightly different strategic objectives. If Washington's strategic interest is to ensure that Afghanistan does not become a base for terrorist attacks on the United States or its allies, Islamabad is on the same page. Islamabad's alleged support for the Afghan Taliban, however, emanates from its strategic objective to contain New Delhi's influence in Afghanistan. At the same time, Pakistan and the United States have cooperated to eliminate Al Qaeda and its affiliate terrorists in the region. According to a 2008 Congressional Research Service report, U.S.-Pakistan counter-terrorism cooperation had resulted in the capture or killing of almost 700 Al Qaeda terrorists.¹

As the Taliban resurfaced in Afghanistan, they initiated terrorist attacks, including attacks on American troops. Various American officials voiced the claim that Islamabad follows a double standard, receiving large amounts of money from the United States for counter-terrorism activities while assisting the same terrorists who, from Pakistan's perspective, help curb Indian influence in Afghanistan. For their part, Pakistani

officials have advocated including the Taliban in the Afghan political process and have assured the Americans that the Taliban, or any other terrorist group, will not use Afghanistan as a safe haven to carry out terrorist attacks against the United States or its allies. Despite Pakistan's assurances, there is mistrust on this point. As a result, the United States feels compelled to retain some level of troop presence in Afghanistan, which is a bone of contention in the peace talks with the Taliban.

If and when the United States draws down its troops in Afghanistan, there is a risk that it will lose interest in Pakistan. Alternatively, the U.S. relationship with Pakistan could become stronger.² Indeed, without a troop presence, the United States may feel a greater need for Pakistan to help provide stability in the region.³ At some point, the United States will have to choose between these two paths because it is unlikely that American troops will remain in Afghanistan indefinitely.⁴

It is most likely that Pakistan will remain important for U.S. policy in the region, given not only its counter-terrorism capability but also its historical, geographical, cultural, and economic linkages with Afghanistan.⁵ The U.S. State Department expects Pakistan to fulfill its "pledges" on two fronts—helping the United States conduct peace talks with the Taliban, and acting decisively against the militant groups that are allegedly "operating from within its soil."⁶ Indeed, Islamabad is currently taking steps to eliminate militant groups by arresting their leaders and closing down their foundations, but the United States expects to see a consistent, long-term commitment to these goals.

Thus, Pakistan's commitment to the Afghan peace process and to counter-terrorism efforts is a necessary precursor to any expansion in the scope of the U.S.-Pakistan relationship. Ongoing developments in the Afghan peace process suggest that the United States may retain some form of counter-terrorism presence in Afghanistan and that Pakistan's role will

remain important. But are there prospects for a wider U.S.-Pakistan strategy that takes account of Pakistan's own goals and its potential role in a broader Asian perspective? Therein lies the rub. Beyond the U.S. South Asia Strategy—which is focused on Afghanistan and counter-terrorism—lies the U.S. Indo-Pacific Strategy, which focuses strongly on China as America's strategic rival.

U.S. Indo-Pacific Strategy: What Role for Pakistan?

Pakistan was a member of the South-East Asian Treaty Organization (SEATO) in the 1950s when the United States' strategic rival was the Soviet Union, and Islamabad stood by Washington against the expansion of communism.⁷ Today, China is as much an ideological threat as a political, economic, and military rival of the United States. At the same time, Pakistan and China are close strategic and economic partners. By association, the strategic community in the United States tends to view Islamabad as positioned in an adversarial camp.

By contrast, there is a widespread view that New Delhi can help balance the U.S. military, economic, and political relationship with Beijing. Indeed, it is often argued that America is primarily a maritime power⁸ whose priority is to retain alliances across the Atlantic and Pacific. As a regional balancing strategy, the United States is looking for partners to help uphold the principles of freedom and openness in the Indian Ocean Region.⁹ Even if the geographic construct of the Indo-Pacific widens to include Pakistan and other countries in the region, Americans are unlikely to consider Pakistan as playing as important a role as India in the balance of power with China.¹⁰ On the other side, from Pakistan's viewpoint, a close relationship with China is not seen as inconsistent with cooperation with the United States.¹¹

U.S. strategic objectives focus on rivalry with China, while Pakistan seeks to maintain a balance of power with India.

Pakistan's Balancing Act and the U.S. Response

Pakistan wants to maintain its strategic partnership with Beijing and at the same time have a good relationship with the United States.¹² Islamabad and Beijing have had a strategic partnership since the 1960s, even when Pakistan was participating in a strategic alliance with Washington to oppose communism. Most importantly, Pakistan has never used its strong relationship with China to harm U.S. interests, nor has it used its relationship with the United States to harm China. Indeed, on many occasions, Pakistan has served as a bridge between Washington and Beijing. Henry Kissinger, former U.S. Secretary of State, acknowledged the role that Islamabad played in the Sino-U.S. rapprochement in the 1970s.

Similarly, during the nearly 40 years that the United States has not had a diplomatic relationship with Iran, the Pakistani ambassador has represented Iranian interests in Washington.¹³ During Washington's ongoing confrontation with Tehran, President Trump reportedly sought Islamabad's mediation, and Pakistan's Prime Minister met with Iranian and Saudi Arabian leaders. Strategic analysts in Pakistan consider these gestures as a reflection of trust by Washington that Pakistan will serve as an honest broker between the United States and Iran, or between Washington and Beijing for that matter.¹⁴

As for Pakistan's economic relationship with Beijing, most policymakers in Islamabad believe that China made investments in Pakistan at a time when these investments were sorely needed and other countries were reluctant to come forward.¹⁵ In contrast to the popular sentiment in the West that Islamabad has given Beijing exceptional access to land and resources,¹⁶ Pakistani officials believe that ports such as Gwadar, Karachi, and Bin Qasim, roads, and Exclusive Economic Zones will provide significant revenue to Pakistan once they are more widely

Pakistan retains close ties with China, while the United States considers India an important strategic partner.

utilized.¹⁷ Also, China's total investment in Pakistan under the China-Pakistan Economic Corridor (CPEC) is not the \$60 billion reported in many media forums, but is rather about \$18.9 billion. Funded by CPEC investments, Pakistan and China have launched 22 energy and infrastructure projects over the past five years, with 12 completed and 10 still under construction.¹⁸ China's investments through the CPEC have addressed Pakistan's energy crisis and improved transportation between cities and provinces. For this reason, negative comments from American officials or policy analysts are not well received in Pakistan, either by policymakers or at the grassroots level.

From a strictly economic lens, Washington has no problem with China making investments in Pakistan and contributing to the country's economic stability. The United States does not have any reason to oppose CPEC because the goals of CPEC align with Washington's interests in Pakistan. So, for example, building infrastructure, producing electricity, creating prosperity, providing employment, and assuring stability are the very things that the United States wants for Pakistan.¹⁹

The problem lies in the fact that the United States tends to look at everything that China does as a threat. Americans do not view the Sino-Pakistan economic relationship as inherently problematic, but Washington encourages diverse private investment in Pakistan as an alternative or supplement to Chinese investment. One impediment, however, voiced by Washington policymakers and many economists, is the concern about a lack of transparency in the information available to foreign investors.²⁰

Measures to Expand Cooperation within an Indo-Pacific Strategy

If Pakistan wants to expand its relationship with the United States in a wider regional perspec-

tive, the government needs to take some fundamental steps. First and foremost, Islamabad needs to continue to facilitate an Afghan peace process that includes an honorable exit for U.S. troops. Secondly, Islamabad needs to maintain its opposition to the militant groups that allegedly represent a security threat to the South Asian region. Pakistan is noticeably on the right course on both counts, but these actions must be consistent.²¹ As reflected by Prime Minister Khan's invitation to the White House and U.S. Ambassador Alice Wells's recent testimony before the Senate Foreign Relations Committee, the United States appears to be ready to expand economic and defense ties if Pakistan holds up its end of the bargain.

More generally, if Pakistan wishes to play a pivotal role in the broader region, it must navigate between world powers and not become too closely aligned with either the United States or China.²² There may be direct and indirect ways to balance Pakistan's relationship with the two global powers.²³

The direct route is complicated. It involves convincing the United States that Pakistan is not totally in China's camp. For one thing, Pakistan could do more to speak out against Beijing's treatment of the Xinjiang Muslim community in China. It is an issue that Islamabad and Beijing will have to grapple with eventually. Second, Islamabad could improve transparency regarding its debts under the CPEC. The recommendation is that Pakistan should either invite the World Bank or form a national committee of experts to assess the sustainability of Chinese loans and publish a report for foreign investors.

Third, Islamabad might refuse to purchase fifth-generation mobile technology from the Chinese company Huawei. Some have argued that purchasing fifth-generation technology from China will lead Pakistan to adopt an authoritarian digital model of internet governance, suppress online freedom, and increase digital surveillance. This perspective is debatable, however, and requires a more thorough exploration of

the role of 5G technologies in shaping digital governance discourse in democratic countries. At the moment, control of the news media in Pakistan is already tightening, including censorship of some television programs and opinion articles, and detentions of opposition politicians are increasing, although mostly on corruption charges. For some American political analysts, the undermining of democratic culture in Pakistan is partly a corollary of China's increasing influence.

If Islamabad takes a principles-based stance on these issues in relation to China, it may possibly obtain more financial investment and political and diplomatic support from the United States. But the outcome is far from assured.²⁴

Pakistan could also improve the balance in its relationship with the United States and China by more indirect means. Islamabad could expand its narrow foreign-policy focus on Afghanistan and India to a broader policy vision that involves diplomatic, cultural, and economic ties with many countries, such as Association of Southeast Asian Nations (ASEAN) members Indonesia, Malaysia, Singapore, and the Philippines, as well as Japan, South Korea, Australia, New Zealand, European countries such as Britain, France, and Germany, and countries further afield such as Brazil and South Africa.²⁵

As a cautionary note, these countries will only be interested in forging closer ties if Pakistan's foreign policy becomes less narrowly focused on security and if Islamabad does a better job reining in the militant groups that claim responsibility for cross-border terrorism in India.²⁶ Thus, improving the business climate alone will not offset the reservations of foreign investors, especially from those countries that have strong strategic and/or economic ties with New Delhi.²⁷ All told, Pakistan's increasingly constructive engagement with Indo-Pacific and European countries will help improve perceptions in Washington. Plus, it will help the country play a useful role as a pivotal state.

Pakistan should broaden its engagement in multilateral cultural, economic, and strategic diplomacy.

Strategic Objectives and Tactical Goals: a Real Challenge

It is important to remember that the United States and Pakistan have divergent strategic objectives in their bilateral engagement, yet they have survived the inevitable frictions for many years and each country has achieved its tactical objectives with some success. Throughout its bilateral engagement with the United States since the Cold War era, regardless of American strategic objectives, Pakistan has consistently worked to strengthen its defenses and improve its balance of power with India.²⁸ This pattern will continue for the foreseeable future. Although U.S. officials and academics may consider Pakistan's alignment with China as a threat to American interests, in fact Pakistan's sole strategic objective is to counter any threat from India. Truth be told, Pakistan has invited foreign investments from the United States and other Western countries because it has no desire to serve as a pawn in China's global game against the United States.

Washington needs to maintain realistic expectations and recognize both the potential and the limitations of its engagement with Pakistan.²⁹ The United States would be well advised to support Islamabad's ability to navigate between Washington and Beijing and not to increase Pakistan's dependence on China. The cost of not maintaining a good relationship with Islamabad could be considerable.³⁰ First, Washington could lose its current influence within the Pakistani strategic and political community. Second, Washington could lose an important ally in the region, one that supports U.S. strategic and tactical interests in South Asia, the Middle East, and the "Area of Responsibility" under the U.S. Central Command. Third, Washington could force Pakistan to deepen its relations with countries that are not friendly to the United States.

To avoid such strategic setbacks, there may be two ways forward. The United States should offer private investments to Pakistan to complement Beijing's CPEC investments. U.S.

The United States should offer private investments to Pakistan that complement investment from China.

Ambassador Alice Wells recently signaled that the American Commerce Department is working to improve trade relations with Pakistan.³¹ The implementation of the Better Utilization of Investment Leading to Development (BUILD) Act and the recent creation of the U.S. International Development Finance Corporation (DFC) are both aimed at encouraging private-sector investments in low-income countries. Ambassador Wells described Pakistan as a country of great interest for private-sector investment. Pakistan should welcome these investments and create an enabling business environment to make it easier for American companies to do business in the country. Strong bilateral business ties will strengthen the political and strategic relationship between Pakistan and the United States.

Playing partisan politics in a way that discourages private investment will only harm Pakistan's interests. Indeed, American interests will be better served if U.S. investments are not framed as a zero-sum game with China, compelling Islamabad to jettison Chinese investments in favor of investments from the United States. Rather, Chinese and American investments in Pakistan should be complementary.

In addition, the United States should encourage allied countries such as Britain, France, Germany, Japan, and Australia to make investments in Pakistan that supplement or supplant Chinese investments.³² A promising approach would be to invest in areas where China is not active, for example in infrastructure projects in the tribal belt and Baluchistan.³³ Among other advantages, the presence of American and other Western companies on the ground in Pakistan would help counter concerns regarding Chinese strategic ambitions in the country. The goal for the United States would be to contain China's growing power and influence in Pakistan and in the region at large. For

Islamabad, the goal would be to stabilize the economy, achieve economic growth, increase employment for its burgeoning youth population, and protect its society from radicalization.

In general, the strategic and political community in Islamabad would prefer that the United States shift its Pakistan policy from the current focus on Afghanistan to a broader view of Pakistan itself and the potential role that Pakistan could play in the wider Asian region. In this context, the key challenge for any American administration is that India is considered a net security provider in the Indo-Pacific region, a major defense ally, and an important economic partner. Plus India enjoys considerable good will among U.S. policymakers.³⁴ By contrast, one often hears in Washington that "Pakistan is in bed with China." To strengthen Pakistan's role in U.S. foreign policy to a level equivalent to that of India will require a significant paradigm shift in American bureaucratic, policymaking, and academic circles.

Conclusion

Achieving a political settlement in Afghanistan and cooperating in counter-terrorism efforts can provide a basis for expanding the relationship between the United States and Pakistan into other areas of mutual interest. Islamabad's cooperation with the United States in eliminating terrorism from South Asia will determine the extent to which Washington wants to expand cooperation in other areas. Although the strategic objectives of the two countries are divergent, there is a potential for them to cooperate on broader tactical goals such as increasing direct foreign investment in Pakistan for economic stability and prosperity and reinforcing Pakistan's ability to balance its relations with the United States and China. For Washington, the costs of not providing Pakistan with complementary invest-

ment options as an alternative to Beijing's investments are considerable. Strengthening the American relationship with Pakistan will be challenging, however, given the strong tilt toward India in U.S. bureaucratic and policy circles. And Pakistan would be better served if it improves the fundamentals of its relationship with the United States, remains nonaligned in great power politics, broadens its foreign-policy vision, and increases its engagement in multilateral cultural, economic, and strategic diplomacy.

Acknowledgements

I am thankful to the East-West Center in Washington for hosting me as a Visiting Fellow from April to June 2019 and helping me arrange research interviews with Washington-based scholars and government officials. I am especially grateful to Satu Limaye, Vice President and Director of East-West Center in Washington, and Daniel S. Markey, Senior Research Professor at Johns Hopkins' School of Advanced International Studies, for their support and cooperation throughout my fellowship. I also appreciate the very helpful

remarks of the following scholars, diplomats, and government officials: Michael Kugelman, Andrew Small, Marvin G. Weinbaum, Laurel Miller, Ellen Frost, Shamila N. Chaudhary, K. Alan Kronstadt, Yun Sun, Husain Haqqani, Sajit Gandhi, Ashley J. Tellis, Thomas F. Lynch, Joshua T. White, Elizabeth Threlkeld, Robert Hathaway, Susan Kahrs, Jeff Smith, Hannah Haegeland, Shuja Nawaz, Moeed Yusuf, Teresita C. Schaffer, Robin Raphel, Marcus Lumb (Australia Embassy), Ferry A. Pasaribhu (Indonesia Embassy), Keiichi Onozawa (Japan Ministry of Economy, Trade, and Industry), Jalil Abbas Jilani, Riaz M. Khan, Najmuddin Shaikh, and Aizaz Ahmad Chaudhry. I greatly appreciate the support of the East-West Center in Washington staff, especially Program Coordinators Sarah Wang and Peter Valente, for providing administrative support. I also want to thank the anonymous reviewers for their erudite and constructive remarks that helped me revise and improve this paper. And lastly, I wish to thank Sidney B. Westley at the East-West Center in Honolulu for the excellent editing of this paper.

Notes

¹ K. Alan Kronstadt and Kenneth Katzman (2008), *Islamist militancy in the Pakistan-Afghanistan border region and U.S. policy*, Washington, DC: Congressional Research Service.

² Author's conversation with Moeed Yusuf, June 2019.

³ Author's conversation with Laurel Miller, June 2019.

⁴ Author's conversation with Michael Kugelman, May 2019.

⁵ Congressional Research Service (2019), *Afghanistan: Background and U.S. policy in brief*, Washington, DC.

⁶ Alice G. Wells (2019), *U.S. interests in South Asia and the FY 2020 budget*, statement before the House Committee on Foreign Affairs, Washington, DC.

⁷ Since SEATO served Pakistan's own strategic objective of defense and balance of power vis-à-vis India.

⁸ Author's conversation with Satu Limaye, June 2019; see also Henry Kissinger (2011), *On China*, New York: Penguin Press, p. 514.

⁹ Ibid.

¹⁰ Author's conversation with Thomas Lynch, May 2019

¹¹ Ibid; also author's conversation with Jeff Smith, June 2019.

¹² Author's conversation with Moeed Yusuf, June 2019.

¹³ Author's conversation with Jalil Abbas Jilani, June 2019.

¹⁴ Ibid.

¹⁵ Khurram Dastagir Khan, in response to author's question, at the Jinnah Institute's Ideas Conclave 2019, Serena Hotel, Islamabad, August 2019.

¹⁶ Author's conversation with a White House official, May 2019.

¹⁷ Vestal McIntyre (2019), *Top Pakistan finance officials and HKS faculty assess future after debt crisis*, Cambridge, MA: Harvard Kennedy School, <https://www.hks.harvard.edu/faculty-research/policy-topics/development-economic-growth/top-pakistan-finance-officials-and-hks>.

¹⁸ Information available on <https://cpecinfo.com>.

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²¹ Wells (2019).

²² Christophe Jaffrelot (2016), U.S.-Pakistan relations under Obama: Resilience of clientelism?, in Christophe Jaffrelot, ed., *Pakistan at the crossroads: Domestic dynamics and external pressures*, Gurgaon: Random House, pp. 220–66.

²³ The author borrowed these phrases from Daniel S. Markey's talk as a discussant at author's seminar at East-West Center in Washington D.C., June 30, 2019, <https://vimeo.com/345019972#t=900s>.

²⁴ The author found these critical points of widespread concern within the academic/think-tank community in Washington.

²⁵ Author's conversation with Daniel Markey, June 2019.

²⁶ Center for International Security and Cooperation, Stanford University (2019), *Jaish-e-Mohammed (JeM)*, <https://cisac.fsi.stanford.edu/mappingmilitants/profiles/jaish-e-mohammed>; BBC News, *Pulwama attack: What is militant group Jaish-e-Mohammad?*, February 15, 2019, <https://www.bbc.com/news/world-asia-47249982>.

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²⁸ Howard B. Shaffer and Teresita C. Schaffer (2011), *How Pakistan negotiates with the United States: Riding the roller coaster*, Washington DC: United States Institute of Peace, pp. 178–82.

²⁹ Ibid.

³⁰ The author is thankful to Laurel Miller for this key point.

³¹ "A conversation with Ambassador Alice Wells on the China-Pakistan Economic Corridor," Wilson Center, November 21, 2019, <https://www.state.gov/a-conversation-with-ambassador-alice-wells-on-the-china-pakistan-economic-corridor/>.

³² Author's conversation with Ellen Frost, April 2019.

³³ Author's conversation with Shuja Nawaz, June 2019.

³⁴ Daniel S. Markey (2013), *No exit from Pakistan: America's tortured relationship with Islamabad*. New York: Cambridge University Press, pp. 180–81.

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EastWestCenter.org/AsiaPacificIssues
ISSN: 1522-0966

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